



DEPARTMENT OF FAMILY CARE

Milwaukee County

MARIA LEDGER, Director
Maria.Ledger@milwaukeecounty.com

Phone: (414) 287-7600
FAX: (414) 287-7704
TTY: (414) 287-7601
Toll Free: (877) 489-3814

**Milwaukee County
Family Care
Governing Board**

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Mary McClintock
Supervisor Peggy A. Romo West
Mary Sawicki

July 2nd, 2014

Rebecca L. Easland
Director – Bureau of Financial Analysis and Examinations
State of Wisconsin
Office of the Commissioner of Insurance
125 S. Webster Street
PO Box 7873
Madison WI 53707-7873

Dear Ms. Easland:

The Milwaukee County Department of Family Care Managed Care Organization (MCDFC MCO) has received and reviewed the proposed report of examination of MCDFC for the calendar year 2012.

As noted previously, our organization has no objections to the report as written. MCDFC concurs with the recommendations contained in the report of examination as follows:

Recommendation 1:

Management and Control – It is recommended that MCDFC comply with the Milwaukee County Code of General Ordinances, Chapter 16, Care Management Organization Governing Board.

Response 1:

We agree with the recommendations of the field examiners and have already taken steps to comply with the recommendation. The MCDFC MCO acknowledges its past challenges in maintaining the full 16 members as required by Milwaukee County Code of General Ordinances, Chapter 16, Care Management Organization Governing Board. To address this issue, MCDFC took a multi-faceted approach. MCDFC requested that the Milwaukee County Board of Supervisors amend the ordinance to decrease the size of the Board and also allow representation from a small number of members who reside beyond the geographic boundaries of Milwaukee County.

This amendment was approved by the Milwaukee County Board of Supervisors Health and Human Needs Committee on April 16, 2014 and passed by the full Board on April 24, 2014.

With the most recent appointment of Jeanne Fehr, the MCO Governing Board now has 12 members and is in full compliance with Milwaukee County Code of General Ordinances, Chapter 16, as amended.

Recommendation 2:

Conflict of Interest – It is recommended that MCDFC develop and implement a policy for identifying potential conflicts with members of the Governing Board and executive and senior-level staff within MCDFC at least annually.

Response 2:

We agree with the recommendations of the field examiners and the following action has been taken to comply with the recommendation. The Milwaukee County Corporation Counsel is reviewing a draft conflict of interest policy to be used by all members of the Governing Board as well as senior-level staff not already covered by Milwaukee County's Statement of Economic Interest Form. Once approved by Corporation Counsel, the policy will be submitted for review and approval to the MCDFC's Governing Board Ethics and Compliance Committee.

Recommendation 3:

Provider Contract Files - It is recommended that MCDFC review its contracting practices and documentation standards to ensure that proper documentation is retained in the provider contract file (hard copy or electronic) including amendments and relevant correspondence. It is further recommended that MCDFC implement the improved documentation standards identified during the review.

Response 3:

We agree with the auditors' comments, and have begun to take the following action to comply with the recommendation. Each of MCDFC's 812 master contract files has been reviewed in the past 6 months. In addition, we have developed a standard checklist that is included in the front of every file to ensure the master file retains all the required documentation and is in a uniform sequence to ensure easy identification. Subsequent reviews will be done annually by our compliance area, however any updates, replacements, changes, etc. will be filed/tracked and noted on this checklist as well.

Recommendation 4:

Disaster Recovery/Business Continuity – It is recommended that MCDFC develop disaster recovery and business continuity plans. It is further recommended that MCDFC review, test and update their disaster recovery and business continuity plans at least annually.

Response 4:

We agree with the auditors' comments, and the following action has been taken to comply with the recommendation. The Milwaukee County Department of Family is working with other Departments in county government to complete a Continuity of Operations Plan (COOP). The estimated completion time for this plan is the end of third quarter 2014. The plan includes a schedule for annual review, testing and updating. The COOP will encompass operations and IT functions to insure swift and efficient disaster recovery and business continuity.

The Milwaukee County Department of Family Care appreciates the feedback provided by the Office of the Commissioner of Insurance and looks forward to our continued collaboration.

Should you have any questions or concerns regarding our response, please do not hesitate to contact me.

Sincerely,

Maria Ledger
Director
Milwaukee County Department of Family Care

Cc: Amy Malm, CFE, Examiner in Charge, OCI
Chris Abele, County Executive
Raisa Koltun, Chief of Staff, County Executive's Office
Marina Dimitrijevic, Chairwoman, Milwaukee County Board of Supervisors
Kelly Bablitch, Chief of Staff, Milwaukee County Board of Supervisors
Milwaukee County Board of Supervisors
Jerry Heer, Director, Audits, Office of the Comptroller