

COUNTY OF MILWAUKEE
Inter-Office Communication

Date: June 15, 2020

To: Chairwoman Marcelia Nicholson
Sequanna Taylor, Chair, Audit Committee
Jason Haas, Chair, Finance Committee

From: Jennifer L. Folliard, Director of Audits

Subject: Proposed Walworth County Autopsy Contract (File No. 20-445)

Background

Our office was asked to review File No. 20-445, from the Medical Examiner requesting passive review of an autopsy support contract with Walworth County against the audit we released in March 2019 on the Medical Examiner's Autopsy Workload. Our office submitted a status report tracking the Medical Examiner's efforts to implement our recommendations in April 2020 (File No. 20-329), whereby we reported that of the seven original recommendations, three remain open at this time.

The proposed contract with Walworth County directly relates to the findings and recommendations we discussed in Section 2 of our original audit report (pages 41-51) regarding contracts and autopsy fees. A link to our original report can be found below.

<https://county.milwaukee.gov/files/county/comptroller/Audit/Audit-Reports1/2019/UpdatedMedicalExaminerReport01-16-20201.pdf>

Discussion

Lack of Contracts

One of the major findings of our audit was that during 2013 to 2018 Milwaukee County's Medical Examiner performed referral autopsies for 17 counties, but only had properly executed contracts for autopsy services in place with two counties (Racine and Kenosha). This resulted in a total of 941 autopsies performed for referral counties without a contract during our review period.

While the lack of a contract will not prevent a department from accepting and depositing revenue, contract guidance issued by the Office of the Comptroller indicates that County contract requirements apply not only to expenditure contracts, but also to revenue contracts. Referral autopsy work where Milwaukee County performs work for another entity for a fee is a revenue agreement.

In practice, many of the referral autopsies performed were initiated through informal requests such as a phone call or an email. As we noted in the report, since there is no contract in place for most referral counties, obligations of both parties have not been clearly established. Given the County guidelines requiring contracts when providing a service to an outside entity and the noted risks involved with operating without contracts, our report contained the following recommendation.

Recommendation #4:

Immediately execute contracts or other formal agreements such as letters of engagement with any outside entity for which they are performing autopsy services, brain or other extractions or other professional services.

In our April 2020 status report we noted that this recommendation remains open since we were not provided with evidence that any additional contracts were fully executed at the time we submitted our report. The proposed contractual agreement with Walworth County is in line with efforts to fulfill this recommendation.

Fees

Our audit also discussed fees charged for these services. State Statute 979.22 states, "A medical examiner may perform autopsies and toxicological services not required under this chapter and may charge a fee established by the county board for such autopsies and services. The fee may not exceed an amount reasonably related to the actual and necessary cost of providing the service." We found the fees charged to be reasonably related if not too low. While a flat rate per autopsy was charged during our review, the rate varied by county. Our review of 2018 rates charged showed a range of rates from \$1,250-\$1,600, with the majority of counties paying \$1,500. We also evaluated fees charged by other Wisconsin counties for autopsy services. This information was not readily available and not directly comparable to Milwaukee County since Milwaukee County has an in-house toxicology lab. Those costs ranged from approximately \$1,100-\$1,847.

We concluded that additional analysis needed to be done, and included the following recommendation.

Recommendation #5

Conduct an analysis to determine the appropriate cost to conduct an autopsy and establish fees at that amount and seek County Board approval of the fee schedule once complete.

The Medical Examiner reported that as of April 2020 they continue to work on this with the Office of Performance, Strategy and Budget.

The Comptroller's Office did review the fee established in this particular contract and reported to us that they found the fees charged in this contract to be appropriate based on their estimates.

The final section of our report discussed efforts to relocate the Medical Examiner's office. As we stated in the "Audit Comment" included in the April 2020 status report, we believe that any fee analysis should be reevaluated and updated if the Medical Examiner relocates to a new facility.

Conclusion

We appreciate the opportunity to review this agreement against the findings of our recent audit.

As we stated in the audit comment contained in our status report grid for recommendation 4, "The execution of contracts or letters of engagement are viewed as essential by the Audit Service Division and required per the Contract memo issued by the Office of the Comptroller..." We support the Medical Examiner's efforts to enter into a formal agreements with referral counties.

Policymakers may wish to ask the Medical Examiner's office how the fee was determined and whether there are any plans to evaluate future fee changes should any office relocation occur.


Jennifer L. Folliard

JLF/cah

cc: Scott B. Manske, CPA, Comptroller
Kelly Bablitch, Chief of Staff, County Board Staff