

# MUNICIPAL AUDITING REPORT CITY OF ROANOKE



## RCPS Student Health Services Follow-Up November 18, 2016

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## AUDIT OBJECTIVES & SCOPE

### Audit Objectives:

1. To determine if each school location has sufficient staff properly trained in medication administration in order to decrease the risk of medication administration errors.

**Yes** – Each school location has trained and authorized at least four (4) employees to administer medication for the 2015-2016 and 2016-2017 school years.

2. To determine if the parent/guardian and the student's physician was notified of all medication incidents occurring during the 2015-2016 school year.

**Yes** – Proper notifications were made for both medication incidents occurring during the 2015-2016 school year.

3. To determine if SNAP user access is properly authorized.

**Yes** – Only current employees are authorized SNAP users and terminated user access is revoked in a timely manner.

4. To determine if employee and student health records have been identified and quantified according to Library of Virginia guidelines.

**Yes** – Employee and student health records have been identified and quantified on the Records Locator Inventory Form [RM-20] in accordance with Library of Virginia guidelines.

5. To determine if RCPS paid in accordance with the Student and Occupational Health Services Agreement for FY 2016-2017 and that both parties agreed to the pricing.

**Yes** – The 2016-2017 Pricing Addendum for the Student and Occupational Health Services Agreement was reviewed and signed prior to the opening of the purchase order.

6. To determine if RCPS paid for summer school nursing services for the 2016-2017 school year.

**Yes** – The 2016-2017 Pricing Addendum for Student and Occupational Health Services includes a cost for Summer School Nurse Services.

7. To determine if RCPS pays in accordance with the Student and Occupational Health Services Agreement.

**Yes** – Mid-year and year-end reconciliations of the annual amount and actual cost of service performed by Carilion and reviewed by the RCPS Occupational and Student Health Services Coordinator confirm that RCPS has paid in accordance with the agreement for the 2015-2016 school year.

8. To determine if direct and indirect costs are clearly reflected in the 2016-2017 Pricing Addendum for Student and Occupational Health Services.

**Yes** – The 2016-2017 Pricing Addendum for Student and Occupational Health Services identifies costs for providing student health, occupational health, and summer school nurse services, as well as a regional special education nurse. The 2016-2017 contract proposal also identifies and clarifies the nature of direct and indirect costs.

9. To determine if non-nursing SNAP users have only the access necessary to perform their job.

**Yes** – Non-nursing SNAP users do not have access to medically sensitive data.

Audit Scope:

We reviewed records from the 2015-2016 and 2016-2017 school years to validate effective implementation of management's action plans. We also reviewed SNAP user access as of September 23, 2016, and the newly created Records Locator Inventory Forms [RM-20] for student and employee health records created or maintained by the Occupational and Student Health Services Department.

**End of Audit Objectives and Scope**

## BACKGROUND

The Occupational and Student Health Services Coordinator oversees and coordinates health and wellbeing activities for the district. The goal of the Occupational and Student Health Services department is to contribute to student success by helping to maintain the overall health of students and school employees.

Roanoke City Public Schools has contracted with Carilion Medical Center since July 2011 to provide nursing services. The goal of this arrangement was to provide expanded student health coverage and comparable occupational health coverage at a reduced cost. Carilion is an acknowledged leader in health services in the region, and Roanoke City Public Schools hoped to benefit from the depth of expertise and resources of Carilion.

The Occupational and Student Health Services Coordinator position was established in 2011 when health services were outsourced to Carilion. The current coordinator has been in place since October 6, 2014.

Occupational and Student Health Services provides an array of services, managing various employee and student health responsibilities. Student health responsibilities consist of:

- Providing appropriate school nurse coverage on a daily basis
- Assessing/treating student injuries and illness
- Fielding parent calls/concerns
- Monitoring student immunizations to ensure compliance with Code of Virginia requirements and filing associated annual reports with the Virginia Department of Health
- Filing required annual reports of student immunization exemptions with the Virginia Department of Education
- Performing required health screenings and filing associated annual reports with the Virginia Department of Education
- Managing chronic disease cases and filing associated annual reports with the Virginia Department of Education
- Addressing infectious disease control and filing associated reports with the Superintendent

- Documenting clinic visits
- Providing assessment and management of acute and chronic student health needs
- Developing, implementing, and evaluating student Individual Health Plans
- Providing instruction to school faculty and staff of specific health needs
- Attending to school bus incidents
- Reporting student incidents / injuries to the Superintendent as appropriate
- Administering medications to students
- Interacting with school principals and other school staff in the provision of student health services
- Providing training to employees related to medication administration, blood borne pathogens, and other OSHA required topics

There are a multitude of laws and regulations governing the Occupational and Student Health Services Department:

- Health Insurance Portability and Accountability Act of 1996 [HIPPA]
- Family Educational Rights and Privacy Act [FERPA]
- Nurse Practice Act
- Virginia Code
- Roanoke City Code
- Library of Virginia Record Retention Guidelines

School Nurses and the Occupational Health Nurse must remain cognizant of these laws and regulations as they perform their day-to-day responsibilities, to ensure compliance at all times.

In the original audit of Student Health Services, we reviewed processes for the 2014-2015 school year and addressed the following objectives:

1. To determine if student medication is properly secured in accordance with Roanoke City Public Schools Medication Administration Policy and Procedures.

**Conclusion:** Student medication is properly secured in accordance with Roanoke City Public Schools Medication Administration Policy and Procedures.

2. To determine if student medication is properly administered [including while on field trips] in accordance with Roanoke City Public Schools Medication Administration Policy and Procedures.

**Conclusion:** Student medication is properly administered [including while on field trips] in accordance with Roanoke City Public Schools Medication Administration Policy and Procedures.

3. To determine if medical records and accident/incident reports maintained by Roanoke City Public Schools are properly secured against unauthorized access.

**Conclusion:** Medical records and accident/incident reports maintained by Roanoke City Public Schools are properly secured against unauthorized access. Archived medical records are retained longer than the scheduled retention period established by the Library of Virginia. A formal process is not in place for timely deletion of system access when nurses leave the division.

4. To determine if payments are made to Carilion in accordance with the Student and Occupational Health Services Agreement effective July 2011.

**Conclusion:** Annual reconciliations necessary to determine that RCPS pays for services in accordance with the agreement were not consistently completed and validated.

**End of Background**

## **Objective 1: Medication Administration Training**

### **Management Response / Management Response / Action Plan:**

A verbal poll of the RCPS School Nurses by the Occupational and Student Health Services Coordinator was conducted following the audit. Every nurse reported that each school was compliant with the RCPS policy that each school have four (4) Principal Designees in the areas of Medication Administration, Anaphylaxis, Insulin and Glucagon Administration, as well as CPR and First Aid. This indicates that the current practice of utilizing the current spreadsheets for this information is flawed. A report process has been developed by the RCPS PD360 site manager that provides actual employee course completion in each of the health related courses as well as the mandatory annual OSHA training, allowing for more accurate information. This report, reviewed 10/7/15, indicated 100% compliance regarding trained staff in each school.

Administrative reminders will be made prior to each school year and training sessions will be offered at least annually in the health related topics. The Occupational and Student Health Services Coordinator will, in the event of non-compliance in a specific school, collaborate with the Building Administrator to ensure compliance with the RCPS Board Policy.

### **Follow Up (November 2016) – Issue resolved**

We confirmed with the Occupational and Student Health Services Coordinator that all schools had at least four [4] employees trained and authorized to administer medication for the 2015-2016 school year. While the Principal's Designees spreadsheet did not evidence this training, the Occupational and Student Health Services Coordinator confirmed 100% compliance by reviewing the PD360 system report created by the RCPS PD360 site manager.

We reviewed the PD360 Course Summary Report for the 2016-2017 school year and verified that all schools have at least four [4] employees trained and authorized to administer medication for the current school year.

**End of Objective 1**

**Objective 2: Medication Incidents****Management Response / Action Plan:**

The RCPS Medication Administration protocol requires that the parent / guardian be notified (*when a medication is incorrectly administered*), as well as the student's physician. The protocol will be revised to allow for the professional nurse's judgment regarding notifications. The revised protocol will require documentation by the nurse stating the reason(s) why notification of parent and/or physician did not occur. The Medication error protocol was reviewed with all RCPS school nurses prior to the beginning of the 2015-16 school year. Specifically, parent / guardian / physician notification and documentation of notification exceptions were discussed. The Occupational and Student Health Services Coordinator will review all reports of medication errors and follow-up as appropriate with any documentation discrepancies.

**Follow Up (November 2016) – Issue resolved**

We reviewed Medication Incident Report Forms documenting the two (2) medication incidents occurring during the 2015-2016 school year. In both incidents, the parent/guardian was notified. Due to the insignificance of the medication incidents (one medication was given on a field trip by a staff member who had not completed the medication administration training, and one medication was given an hour late), physician notification was not warranted.

**End of Objective 2**

**Objective 3: SNAP User Access****Management Response / Action Plan:**

The Carilion School Nurse Manager will notify the Occupational and Student Health Services Coordinator of any separation of personnel. The Occupational and Student Health Services Coordinator will remove SNAP User access upon employee separation. The Occupational and Student Health Services Coordinator will notify the building Administrator of the Carilion employee's expected date of departure and then contact the administrator to ensure receipt of building and clinic keys, and the security ID badge from the Carilion employee.

**Follow Up (November 2016) – Issue resolved**

We reviewed access to SNAP as of September 23, 2016 and noted that all users are current employees. We also sampled terminated SNAP users and confirmed access to the system was revoked in a timely manner.

**End of Objective 3**

#### **Objective 4: Record Retention**

##### **Management Response / Action Plan:**

The Records Locator Inventory Form RM-20 is now in use to identify and quantify retained employee and student health records. The RCPS Designated Records Officer will be consulted and actively involved in any record review for destruction or storage. The Library of Virginia Archives, Records and Collections Services, Records Retention and Disposition Schedule, General Schedule No. GS-21, County and Municipal Governments; Public School will be utilized to ensure compliance.

##### **Follow Up (November 2016) – Issue resolved**

The Records Locator Inventory Form [RM-20] has been completed, cataloguing student and employee health records maintained by the Occupational and Student Health Services Department.

**End of Objective 4**

**Objective 5: Fiscal Year 2012-2013 Pricing Addendum****Management Response / Action Plan:**

The Occupational and Student Health Services Coordinator will request from Darren Eversole, Carilion Pediatric Fiscal Service, a contract pricing addendum following review of, and agreement to, a total annual cost for Student and Occupational Health Services based on the projected annual staffing plan presented on or before May 31 of each contract year. The pricing addendum will be reviewed and signed by both Carilion and RCPS representatives prior to the opening of the purchase order in Aptafund. A complete new Carilion/RCPS contract document will be developed prior to the May 31, 2016 agreement date and will include all contract changes that have been agreed upon since the original contract in 2011, projected staffing plan and fiscal information.

**Follow Up (November 2016) – Issue resolved**

We reviewed the 2016-2017 Pricing Addendum for Student and Occupational Health Services and the corresponding purchase order issued for those services in AptaFund. The Pricing Addendum was reviewed and signed prior to the opening of the purchase order in AptaFund.

**End of Objective 5**

**Objective 6: Fiscal Year 2014-2015 Summer School****Management Response / Action Plan:**

It is School Board and City of Roanoke policy that the School Board must approve a categorical budget no later than March 14 of the preceding fiscal year, and forward that budget to the city by March 15. The 2014-15 budget, therefore, was approved by the School Board at the March 11, 2014 meeting, and the Line Item Budget was endorsed at the May 13, 2014 School Board meeting. The contract addendum which includes the 2014-15 rates for Carilion's services is dated June 16, 2014. It is noted in budget work papers that then Executive Director for Fiscal Services, Margaret Lindsey, budgeted using the preceding year actual experience (up to that point) plus a 2% increase based on Carilion's expected salary increase for their employees. This is the best information that was available at the time the 2014-15 budget was being completed.

It does not appear that RCPS has ever paid separately for Summer School nursing services, yet in September of 2014 RCPS received a refund from Carilion of \$25,009 as a result of their 2013-14 year-end reconciliation. This would indicate that our budgeting and payments in the prior year (2013-14) were more than sufficient to cover the Annual Costs plus the additional costs of summer school services.

It is the opinion of Management that the monthly payment amounts paid during 2014-15, based on the "Annual Cost" as stated in section D.2(d) as amended, are in keeping with the terms of the contract.

Section D.1 states that "By no later than the 15th day of each month, commencing in July of each Fiscal Year, RCPS shall pay Carilion one-twelfth (1/12) of the Annual Amount." Section D.2(d) as amended defines that "Annual Amount", stating that "For the Fiscal Year commencing July 1, 2014 and ending June 30, 2015, the Annual Cost shall be \$1,861,737.00 for Student Health Services, including Regional Special Education Nurse (which makes up \$64,391.00 of the Annual Cost) and Occupational Health Services (which makes up \$59,026.00 of the Annual Cost)."

Section D.2(e) specifies a separate amount for Summer School nursing services, but because this section states that "this cost is not part of the Annual Cost for the Fiscal Year commencing July 1, 2014 and ending June 30, 2015," Management interpreted this to mean that Carilion would be billing RCPS separately for those services, and that amount should not be included in the amount paid in 12 installments as defined in Section D.1.

On September 16, 2015, RCPS received a check for \$49,859 from Carilion Clinic, as a refund for overpayment of 2014-15 nursing services. A reconciliation supporting that amount has been provided by Carilion Clinic, and we have confirmed that Carilion Clinic has included the full 12 months of services provided, including Summer School services, in their calculation of total actual costs.

Management agrees that budgeting for all expected costs, to the extent possible based on projections available at the time budgeting must be completed, is the appropriate course of action. However, Management also feels that more information than the projections of Carilion Clinic should be considered, including past variances. It is very much in the School Division's favor that in 2014-15 we overpaid Carilion by \$49,859 instead of by \$141,191 as would have been the case had we paid an additional \$91,332 for projected Summer School service costs. For 2015-16, RCPS had Carilion Clinic's projections in time to include those figures in the Line Item Budget. Carilion Clinic included Summer School costs in their Annual Cost projection, yet the total (excluding Occupational Health Services) is only \$12,479 higher than 2014-15's projection, which did not include Summer School. This suggests that Carilion Clinic continues to adjust their projections based on prior year experience, to hopefully help them, and RCPS, more accurately budget for actual experience.

**Follow Up (November 2016) – Issue resolved**

We reviewed the 2016-2017 Pricing Addendum for Student and Occupational Health Services and noted that it includes a cost of \$76,879.72 for Summer School Nurse Services.

**End of Objective 6**

**Objective 7: Carilion Reconciliation****Management Response / Action Plan:**

Management acknowledges that during 2014-15, the new leadership in the areas of Student Health Services and Fiscal Services were unaware that reconciliation was due in February 2015, and therefore did not seek, nor receive, such reconciliation from Carilion Clinic. A refund in the amount of \$49,859 was received from Carilion Clinic on September 16, 2015. The supporting reconciliation documenting how Carilion arrived at this figure was received on September 21, 2015 and has been reviewed by both the Occupational and Student Health Services Coordinator and the Chief Financial Officer.

Going Forward, RCPS's Occupational and Student Health Services Coordinator will schedule with the appropriate contacts at Carilion Clinic to receive mid-year and year-end reconciliation reports as required by contract. The Occupational and Student Health Services Coordinator will review the reconciliation and ensure that the level of service being reported and charged for the time period in review aligns with her knowledge and records of services rendered, and with the terms of the contract. Once she is satisfied with the reconciliation, she will share a copy with the RCPS Chief Financial Officer to ensure the Fiscal Services Department is informed of additional expenditures that are expected, or overpayment refunds that will be forthcoming.

**Follow Up (November 2016) – Issue resolved**

We reviewed the mid-year and year-end reconciliations of the annual amount and actual cost of service provided by Carilion. Our review noted that both reconciliations were provided by Carilion, and reviewed by the RCPS Occupational and Student Health Coordinator. Additionally, the reconciliations were shared with the RCPS Chief Financial Officer to ensure that the Fiscal Services Department was informed of additional expenditures expected or overpayment refunds due.

**End of Objective 7**

**Objective 8: Clarity of Total Costs Included in Carilion Contract****Management Response / Action Plan:**

In the most recent reconciliation received from Carilion Clinic, Carilion clarified those expenses that had formerly been identified as management and revenue fees. They define direct costs as management fees, specifically costs associated with “Operating the practice or program. This would be the supervision, scheduling, immediate oversight, and HR.” Indirect Costs included are defined as including “TSG, Finance, Accounting, Legal, In-services, Malpractice/Risk, CMO oversight, Kronos, Lawson, etc.” In consultation with Municipal Audit, we feel these costs are adequately covered by the terms of the contract, and no addendum is needed for the current year. However, we will work with Carilion Clinic going forward to implement Municipal Audit’s recommendation that these direct and indirect costs be clearly reflected in the annual pricing addendum that is agreed to preceding each year of the contract. This will begin with the pricing agreement for 2016-17. We will further ensure that the 2016-17 annual pricing addendum, and all future pricing addenda, continue to delineate the annual costs for each service covered, such as Student Health Services, Occupational Health Services, Regional Special Education Nurse, and Summer School Nurse Services.

**Follow Up (November 2016) – Issue resolved**

The 2016-2017 Pricing Addendum for Student and Occupational Health Services identifies the annual costs for providing student health services. The addendum also specifies the amounts for:

- Occupational Health Services
- Regional Special Education Nurse
- Summer School Nurse Services

All of these services are included in the total cost.

The 2016-2017 contract proposal identifies and clarifies the nature of direct and indirect costs. The proposal is consistent with the treatment of costs in the August 2015 and February 2016 reconciliations prepared by Carilion and approved by the RCPS Occupational and Student Health Services Coordinator.

**End of Objective 8**

**Objective 9: IT Access to SNAP****Management Response / Action Plan:**

The Occupational and Student Health Services Coordinator has communicated with RCPS IT personnel to determine the RCPS IT staff requiring SNAP access and their level of function within the program. All non-nursing SNAP users have now been adjusted to a level 5 access. Initial action is complete. Any change in RCPS IT SNAP access will be performed exclusively by the two (2) program administrators and only if SNAP system access is essential. In that instance, the IT access will be returned to level 5 following system upgrade or troubleshooting, etc.

**Follow Up (November 2016) – Issue resolved**

We reviewed access to SNAP as of September 23, 2016 for all non-nursing users, and noted that all but two [2] IT profiles have been assigned a security level 5 or lower in the system. The two [2] IT profiles with security level 7 access have been customized to allow only the access necessary to complete the current project of transferring employee health records to the SNAP system. The access will be returned to a security level 5 by the beginning of calendar year 2017.

**ACKNOWLEDGEMENTS**

We would like to thank Karen Switzer, Occupational and Student Health Services Coordinator, for her cooperation and assistance throughout the audit.



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