

Audit of Human Resources and Risk Management Programs

Division of Inspector General

Gary J. Cooney, Clerk of the Circuit Court & Comptroller
Audit Report

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Inspector General

Audit Conducted by:
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Report No. BCC-179
April 8, 2020



Division of Inspector General

Office of Gary J. Cooney

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April 8, 2020

Board of County Commissioners

The review of the Workers' Compensation, Property and Liability, and Self-insured Health Plan programs of the Office of Human Resources and Risk Management is complete, as scheduled in the Audit Plan.

Overall, the controls in place are well-designed and functioning as intended. Opportunities for improvement are identified in this report.

We appreciate the cooperation and assistance provided by the Office of Human Resources and Risk Management during the course of the audit.

Respectfully submitted,

Terri W. Freeman
Inspector General

cc: Gary J. Cooney, Clerk of the Circuit Court & Comptroller
Denise Bell, Chief Deputy Clerk
Jeff Cole, County Manager
Jim Kovacs, Director, Office of Human Resources and Risk Management

Know of Fraud, Waste, or Abuse?

Contact our hotline at (352) 742-4429 or
email fwa@lakecountyclerk.org

Scope and Methodology

An audit was conducted of the Workers' Compensation, Property and Liability, and Self-insured Health Plan programs of the Board of County Commissioners' (BCC) Office of Human Resources and Risk Management. The audit objectives were to assess the design and execution of controls that ensure: 1) compliance with laws and regulations, 2) complete, accurate, and timely handling of related funds, and 3) complete, accurate, secure, and timely processing of transactions and data and delivery of services, both internally and by service providers.

Tests conducted to achieve the audit objective included inquiry with management and staff, observations of functions, verification of randomly selected records, and the review of vendor contracts and reports.

During the audit, Florida Blue representatives presented the results of their most recent System and Organization Controls (SOC) 2 Type II report, which covered security controls that protect against unauthorized access, use or modification of sensitive data. Florida Blue also provided their SOC 1 Type II report, which covered controls that ensure their system is available for operation and use as committed in their contract. These reports validate that Florida Blue has implemented appropriate controls to mitigate the risks posed to the Lake County Board of County Commissioners. Controls related to BenefitFocus, a cloud-based benefit management software that is used by the BCC, will be covered during the Benefits Program Audit, which is identified on the 2020 Audit Plan.

Controls that the County has implemented to protect sensitive health data were also reviewed in the 2019 BCC HIPAA Risk Analysis.

Overall Conclusion

Overall, the controls are well-designed and functioning as intended. Opportunities for Improvement are included in this report.

Background

The Workers' Compensation, Property and Liability, and Self-insured Health Plan programs are managed by the Office of Human Resources and Risk Management. The Workers' Compensation program applies to employees who have experienced an on-the-job injury or illness. The Property and Liability program applies to county property damage, county vehicle damage, and injury and/or property damage to a citizen. The Self-insured Health Plan provides health insurance coverage for the Board of County Commissioners' employees and the employees of some Constitutional Officers.

Opportunities for Improvement

Workers' Compensation Program

1. Injury Forms Submission

Completed injury forms are not submitted in a secure manner to the Office of Human Resources and Risk Management (HR). The forms are usually sent in a general interoffice envelope. Without a secure process for submitting completed injury forms to HR (e.g., sealed envelope that is marked confidential, encrypted email, or secure portal), unauthorized use of sensitive data could occur.

Agreed Upon Action: Directors and supervisors will be instructed to send inter-office communications in a sealed envelope and marked confidential. This instruction will be delivered via an email to Directors, in-person at a County Manager Agenda Review meeting on 3/11/2020 and in an HR presentation at the next Leadership meeting on April 29, 2020.

Target Completion Date: Email (within 30 days), in-person to Directors (3/11/2020) and Leadership Presentation (4/29/2020).

2. System Access Beyond Business Need

Access to sensitive data is not sufficiently restricted. HR employees who do not have responsibilities related to Workers' Compensation have access to protected health information (PHI) in OnBase, the County's document management repository. Access to PHI in OnBase should be limited to only those with a business reason to access it. Otherwise, this could result in the unauthorized use of sensitive data.

Agreed Upon Action: Access to the Workers' Compensation information has already been restricted to the following employees/positions:

Employees with Access:

- Jim Kovacs, Director, Office of Human Resources and Risk Management
- Jeannine Nelson, HR Manager
- Karen Carter, Benefits Coordinator
- Tonya Leavins, Risk Coordinator
- Kevin McHugh, Risk Specialist
- Claudia Guzman, HR Specialist

Employees Excluded:

- Jenny Reynard, HR Specialist
- Marcia Bush, HR Specialist

- Marisol Saldana, Office Associate 3
- Laura Layfield, Office Associate 3

Target Completion Date: This was completed on February 28, 2020.

Property & Liability Program

1. Safety Action Team Composition

All areas that identified safety as a high risk during the 2019-2020 Inspector General risk assessment survey are not represented on the Safety Action Team. Areas that identified safety risk as a “High but Manageable” or “High and Difficult to Manage” in the survey but are not on the team are the:

- Office of Emergency Medical Services
- Office of Public Safety Support
- Office of County Probation

Areas with a high safety risk should be represented on the Safety Action Team, otherwise risks may not be adequately addressed.

Agreed Upon Action: Each of the identified areas was contacted via email (below) on 2/25/2020. The email invited each area to begin sending a representative to the Safety Action Meetings. The Office of EMS responded and has added Chris Smith to the Safety Team beginning March 25, 2020. The Office of County Probation responded and will add Kirsten Mabry to the team effective March 25, 2020. The Office of Public Safety Support has not yet responded. The Risk Office will follow up with Greg Holcomb, Director about a participant from his area.

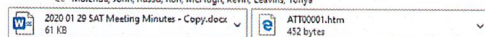
Fwd: Safety Meeting Reminder -January minutes



Kovacs, Jim

To: Smith, Jerry; Simpson, John C.; Holcomb, Gregory; Deaton, Teny
Cc: Molenda, John; Russo, Ron; McHugh, Kevin; Leavins, Tenya

Reply Reply All Forward ...
Tue 2/25/2020 10:19 AM



Good Morning:

I am forwarding to you information about the County's Safety Action Team. I am inviting you or a member of your team to be a regular participant in our safety team process.

This invitation comes as a result of a sprint audit conducted by the County's Inspector General (IG). The findings of the audit determined that the Office of Emergency Medical Services, the Office of Public Safety Support and the Office of County Probation should have a presence in the County's safety program. In a previous survey conducted by the IG's Office, someone from your area of responsibility identified safety as high priority. Therefore, it was concluded that someone from each area should serve as a representative on the Safety Action Team.

We just met with the IG's Office on Monday afternoon to learn of these recommendations. If this email does not provide you with enough notice to attend the Wednesday, February 26th meeting, please consider sending a representative to the March Safety Meeting.

In any event, please contact Kevin McHugh, Risk Specialist, with the name of your anticipated representative and the date that he/she may plan to begin attending the Safety Action Team meetings.

Thanks!

Jim

Target Completion Date: Item complete pending notification of a participant from the Office of Public Safety Support.

Self-Insured Health Plan

1. Service Level Agreement

The contract with Florida Blue does not include Recovery Time Objectives, which define the duration of time and service level within which a business process must be restored after a service disruption to avoid unacceptable consequences. A Service Level Agreement (SLA) should be included in contracts or agreements identifying the length of time that systems must be working or operations resumed after a service disruption due to cyberattacks, natural disasters, or other similar events. Penalties should be identified in the contract and enforced if there is noncompliance with the SLA. Otherwise, resumption of service could be prolonged after a service disruption to the point where it causes significant hardships for staff.

Agreed Upon Action: The County will attempt to negotiate this item into the agreement with Florida Blue. The current contract expires 9/30/21.

Target Completion Date: The County will attempt to negotiate this item prior to that time if possible.

2. Insurance Access During Disaster

During a disaster, such as a hurricane, employees may not be able to obtain assistance with their Florida Blue insurance card numbers from HR due to inaccessibility. The Florida Blue mobile application assists members with viewing and getting ID cards, searching for in-network doctors and hospitals, and contacting Florida Blue. Ensuring employees are aware of options to retrieve insurance information during a disaster would reduce potential hardship on staff.

Agreed Upon Action: The County will promote the use of the Florida Blue mobile application.

Target Completion Date: The County will promote this option during the County's annual open enrollment process and during the employee health fair in the month of June 2020.