

PERFORMANCE AUDIT REPORT

Health Care Data Base

**A Report to the Legislative Post Audit Committee
By the Legislative Division of Post Audit
State of Kansas
December 1998**

Legislative Post Audit Committee

Legislative Division of Post Audit

THE LEGISLATIVE POST Audit Committee and its audit agency, the Legislative Division of Post Audit, are the audit arm of Kansas government. The programs and activities of State government now cost about \$8 billion a year. As legislators and administrators try increasingly to allocate tax dollars effectively and make government work more efficiently, they need information to evaluate the work of governmental agencies. The audit work performed by Legislative Post Audit helps provide that information.

We conduct our audit work in accordance with applicable government auditing standards set forth by the U.S. General Accounting Office. These standards pertain to the auditor's professional qualifications, the quality of the audit work, and the characteristics of professional and meaningful reports. The standards also have been endorsed by the American Institute of Certified Public Accountants and adopted by the Legislative Post Audit Committee.

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committees should make their requests for performance audits through the Chairman or any other member of the Committee. Copies of all completed performance audits are available from the Division's office.

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Senator Anthony Hensley
Senator Pat Ranson
Senator Chris Steineger
Senator Ben Vidricksen

Representative Eugene Shore, Vice-Chair
Representative Richard Alldritt
Representative Doug Mays
Representative Ed McKechnie
Representative Dennis Wilson

LEGISLATIVE DIVISION OF POST AUDIT

800 SW Jackson
Suite 1200
Topeka, Kansas 66612-2212
Telephone (785) 296-3792
FAX (785) 296-4482
E-mail: LPA@mail.ksleg.state.ks.us

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LEGISLATURE OF KANSAS
LEGISLATIVE DIVISION OF POST AUDIT

MERCANTILE BANK TOWER
800 SOUTHWEST JACKSON STREET, SUITE 1200
TOPEKA, KANSAS 66612-2212
TELEPHONE (785) 296-3792
FAX (785) 296-4482
E-MAIL: LPA@postaudit.ksleg.state.ks.us

December 11, 1998

To: Members, Legislative Post Audit Committee

Senator Lana Oleen, Chair
Senator Anthony Hensley
Senator Pat Ranson
Senator Chris Steineger
Senator Ben Vidricksen

Representative Eugene Shore, Vice-Chair
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This report contains the findings, conclusions, and recommendations from the completed performance audit, *Kansas Health Care Data Base*. This audit was conducted by the firm of Wendling Noe Nelson & Johnson under contract with Legislative Post Audit.

This report includes a recommendation for the Department of Health and Environment to commit sufficient resources to maintain a current inventory of health care resources. We would be happy to discuss this recommendation or any other items in the report with any legislative committees, individual legislators, or other State officials.

Barbara J. Hinton
Legislative Post Auditor

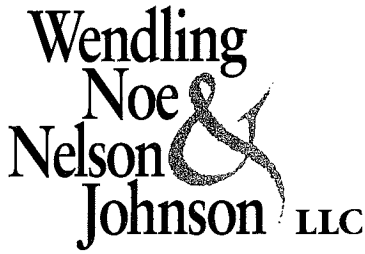


KANSAS HEALTH CARE DATA BASE

BACKGROUND

In 1993, the legislature realized the need for information to make sound health policy decisions and requested that a health care data base be developed for the State. The Secretary of Health and Environment was designated as the administrator of the data base. Subsequently, the Health Care Data Governing Board was established to assist the Secretary in creating policies and procedures for the data base. The Board is comprised of voting members from the health care provider, insurer, consumer and research communities and nonvoting members from state government. The Governing Board's mission is to assist in making health information accessible to policy makers, program managers, researchers and consumers for informed health care decision-making.





Certified Public Accountants
and Management Consultants

Don R. Paxson, CPA
Jere Noe, CPA
John E. Wendling, CPA
Roger L. Johnson, CPA
John R. Helms, CPA
Darrell D. Loyd, CPA
John R. Luttjohann, CPA

Donald L. Nelson, CPA
Michael J. Munz, CPA
Eric L. Otting, CPA

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Legislative Division of Post Audit
Topeka, Kansas

We have performed the procedures enumerated in the following sections of this report, which were agreed to by the Legislative Division of Post Audit, solely to assist you in evaluating the performance of the Kansas Health Care Data Base. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants, and the U.S. General Accounting Office's "Government Auditing Standards." The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described in the following sections of this report either for the purpose for which this report has been requested or for any other purpose.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on the accompanying performance items. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of the Legislative Division of Post Audit and Committees of the Kansas Legislature and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purpose.

Wendling Noe Nelson & Johnson LLC

Topeka, Kansas
November 17, 1998

KANSAS HEALTH CARE DATA BASE

PROCEDURES PERFORMED

June 30, 1998

Costs to the State of Kansas

We have accumulated the following costs from agency records through June 30, 1998. We have not verified the costs accumulated other than comparing them to agency records. The following costs do not include the costs associated with maintaining other state data bases such as the vital statistics data base.

<u>Fiscal year ending June 30.</u>	<u>Establish data base</u>	<u>Maintain data base</u>	<u>Total</u>
1995	\$54,298	\$ 93,883	\$148,181
1996		129,950	129,950
1997		127,567	127,567
1998		135,494	135,494

Costs of Providers of Data to the State

There are twenty-seven major providers of data to the Health Care Data Base. We sent letters to all twenty-seven providers asking them to provide us with their direct costs associated with providing data to the data base for the last twelve months. We did not audit or otherwise verify the costs provided by the respondents.

The results of our inquiry are as follows:

<u>Number of respondents</u>	<u>Direct costs</u>
8	No additional costs
1	\$ 2
1	50
2	125
1	200 - 400
1	300
<u>1</u>	3,375
Total <u>15</u>	

Benefits to the State

Through interview and discussion with major users of the data and other sources, we have compiled a list of perceived benefits to the State.

Provide policy makers the information to achieve the following objectives: (1)

- a. Improve quality of health care and provider performance.

(1) Information at Your Fingertips, Barbara S. Kurtzig, State Government News, September 1998.

KANSAS HEALTH CARE DATA BASE
PROCEDURES PERFORMED - CONTINUED

June 30, 1998

Benefits to the State - Continued

- b. Promote informed decision-making by state officials.
- c. Encourage people to make prudent health care related purchases.
- d. Constrain rising costs of health care.
- e. Health data can be used as a tool to improve access to services.

With data obtained from the health care data base, the Health Care Governing Board has been able to compile the following reports:

- a. Most frequent inpatient conditions treated in community hospitals, (1993 - 1994)
- b. Health System Inventory for -

- Professionals - 1996
- Emergency Medical Service Professionals - 1996
- Licensed Physicians - 1995 Renewals
- Licensed Chiropractors
- Licensed Podiatrists
- Licensed Physician Assistants
- Licensed Occupational Therapy Assistants
- Licensed Physical Therapists
- Licensed Physical Therapy Assistants
- Licensed Respiratory Therapists
- Nursing Professional Data - 1995 Renewals
- Optometry Professional Data - 1994 Renewals

- c. Listing of Health Related Data Resources for:

- Licensing and Credentialing Agencies
- Health Care Facilities
- Public Health Programs
- Health Care Utilization
- Quality Review/Improvement

Benefits to the Users of Data

There were approximately 105 different organizations that have requested data from the Health Care Data Base. We selected a sample of sixty-four users and sent them a letter asking them to respond as to the benefits to them of having the health care data base available to them. We have not attempted to verify the reported benefits.

KANSAS HEALTH CARE DATA BASE
PROCEDURES PERFORMED - CONTINUED

June 30, 1998

Benefits to the Users of Data - Continued

Twenty-two entities responded with the following perceived benefits:

Availability of the inventory of health care providers and facilities.

Used data for various health related projects in Kansas.

Used data to determine medically unserved children in connection with the Kansas Children's Medical Insurance Program.

Data useful to set health care standards.

Used data to maintain a global data base which is used in their consulting practice.

Used to contact individuals in health care to attend continuing education programs.

Used to contact health care providers.

Provided listing of practitioners licensed to dispense prescription medications to pharmaceutical manufacturers.

Used data to complete a community health assessment of the greater Kansas City area.

Data was used to recruit health care professionals.

Provided data to the legislature concerning the number of licensed and practicing physical therapists in Kansas in order to justify funding for a physical therapy program.

Used data to prepare a legislatively mandated Kansas Medically Underserved Areas Report.

Conducted student tracking to evaluate the portion of active physicians in various areas of Kansas that graduated from the University of Kansas Medical Center.

Used data to fill an employment vacancy.

Obtained listing of nursing home residents receiving Medicare benefits to follow up on Flu Immunization Campaign.

Used data to update membership data base.

Used data to prepare national data reports.

KANSAS HEALTH CARE DATA BASE
PROCEDURES PERFORMED - CONTINUED

June 30, 1998

Benefits to the Users of Data - Continued

Data used to compute statistics for birth data by county, city, race, etc.

Used information to verify licensure and location of ionizing radiation producing devices in Kansas.

General Information

The enabling legislation (K.S.A. 65-6801) provides that the Health Care Data Base gather information regarding the cost of health care services in the state. At the present time, the Health Care Data Base is in the early stages of attempting to gather this cost information.

KANSAS HEALTH CARE DATA BASE
FINDINGS AND RECOMMENDATIONS

June 30, 1998

Health Care Resource Inventory

Condition

The Health Care Data Base Governing Board has invested significant time and resources in compiling and publishing an inventory of health care providers and facilities over the last several years. Due to the level of staffing and funding for the Health Care Data Base, they are unable to keep the various inventories current.

Result

Health data should be valid, reliable, comprehensive, comparable and timely. The usefulness of this data may be compromised due to incomplete and untimely information.

Recommendation

If there is a need and intent to maintain a current inventory of health care resources in the State, then sufficient resources need to be committed to this program.



KANSAS

DEPARTMENT OF HEALTH & ENVIRONMENT

BILL GRAVES, GOVERNOR

Gary R. Mitchell, Secretary

December 4, 1998

Mr. Darrell D. Loyd
Wendling, Noe, Nelson, and Johnson, LLC
Certified Public Accountants and Management Consultants
NationsBank Tower
534 S. Kansas Ave., Suite 1500
Topeka, Kansas 66603-3491

Dear Mr. Loyd:

Thank you for the opportunity to respond to the draft audit report for the Health Care Database and for the constructive and positive comments. We appreciate your taking the time to contact those agencies, organizations and individuals that staff from the Office of Health Care Information have worked with in building the Health Care Database and in disseminating of this important health care distribution and access information.

Over the last few years, our office has had the opportunity to work with many representatives of the health care community and the public in gathering and preparing information for distribution. We appreciate your enumeration of our work and would like to take this opportunity to provide you with a full list of reports that are completed and available in both paper and electronic form. These may be found at the Health Care Data Governing Board Website/home page. Standard reports for 33 health care database occupations are contained in the Preface of the Health System Inventory. For many of these health care occupations, critically needed practice information not previously available has been developed for use. Reports have been completed for the 22 health care occupations listed below:

Kansas State Board of Healing Arts - 1995 Renewals

- Medical Doctors
- Osteopaths
- Chiropractors
- Podiatrists
- Physician Assistants
- Occupational Therapists

Occupational Therapy Assistants
Physical Therapists
Physical Therapy Assistants
Respiratory Therapists

Kansas State Board of Nursing - 1995 Renewals
Advanced Registered Nurse Practitioners
Registered Nurses
Licensed Practical Nurses
Mental Health Technicians

Kansas Optometry Board - 1994 Renewals
Optometrists

Kansas Emergency Medical Services Board - 1995 Renewals
Basic Emergency Medical Technicians
Mobile Intensive Care Technicians
Intermediate Emergency Medical Technicians
Basic Emergency Medical Technicians with Defibrillator Training
First Responders
Intermediate Emergency Medical Technicians with Defibrillator Training

The above listed reports are available in paper form as well as on Internet along with 1994, 1995, 1996 and 1997 Annual reports. The annual reports outline accomplishments under the auspices of the Health Care Data Governing Board on a year by year basis. The Internet Website also contains a state/county map with linked tables for health provider distribution information.

Other reports:

Most frequent inpatient conditions treated in community hospitals (1993-1994).

Listing of Health Related Data Resources for:
Licensing and Credentialing Agencies
Health Care Facilities
Public Health Programs
Health Care Utilization
Quality Review/Improvement

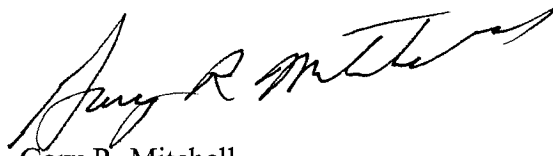
Mr. Darrell D. Loyd
Wendling, Noe, Nelson, and Johnson, LLC
Page 3

We feel that one of the most important strides made in conjunction with the development of the Health Care Database has been for the Health Care Data Governing Board to serve as a forum for discussion among consumers, health care providers, and the public. This board, through the work process, has made it possible for representatives with diverse interests to become acquainted and discover common ground for developing goals, the achievement of which can benefit all Kansans. The exchange of information that has occurred through this work process has been both stimulating and productive.

Our office certainly concurs with your finding that additional staffing is needed to carry out the initiatives assigned by the Health Care Data Governing Board. Additional staffing would certainly facilitate our efforts in terms of maintaining and updating health care information for dissemination to legislators, policy makers, program manager, and the public.

If we can provide your office with further information, please do not hesitate to call on us at your earliest convenience (785) 296-8629. It has been a pleasure working with you.

Sincerely,



Gary R. Mitchell
Secretary

