

## EXECUTIVE DIGEST

# MACOMB COUNTY COMMUNITY MENTAL HEALTH SERVICES BOARD

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### INTRODUCTION

This report, issued in January 2001, contains the results of our performance audit\* of the Macomb County Community Mental Health Services Board (MCCMHSB), an agency under contract with the Department of Community Health.

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### AUDIT PURPOSE

This performance audit was conducted as part of the constitutional responsibility of the Office of the Auditor General. Performance audits are conducted on a priority basis related to the potential for improving effectiveness\* and efficiency\*.

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### BACKGROUND

MCCMHSB was established in 1965 and operates under the provisions of the Mental Health Code, being Sections 330.1001 - 330.2106 of the *Michigan Compiled Laws*.

MCCMHSB's mission\*, which is guided by the values, strengths, and informed choices of the people it serves, is to provide an array of quality services that promote community participation, self-sufficiency, and independence.

MCCMHSB operates and/or contracts for mental health services, including inpatient, outpatient, day program, residential, case management, crisis, and prevention services for mentally ill\* and developmentally disabled\* individuals. MCCMHSB's Access Center serves as the single entry point for Macomb County residents seeking mental health services.

MCCMHSB oversees the Macomb County Office of Substance Abuse, which acts as the area's coordinating agency for substance abuse treatment and prevention.

MCCMHSB's operations are generally funded by State, federal, and local funds. Total expenditures for the fiscal year ended September 30, 1999 were approximately \$100 million. As of September 30, 1999, MCCMHSB had 324 full-time equated employees and was providing mental health and substance abuse services to 6,614 and 3,551 consumers\*, respectively.

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AUDIT OBJECTIVES,  
CONCLUSIONS, AND  
NOTEWORTHY  
ACCOMPLISHMENTS

**Audit Objective:** To assess MCCMHSB's effectiveness in monitoring and administering contracts with mental health and substance abuse services providers.

**Conclusion:** **MCCMHSB was generally effective in monitoring and administering contracts with mental health and substance abuse services providers.** However, we noted reportable conditions\* related to contract monitoring and program assessment, contract administration, and objective measures of abstinence from drug and alcohol use. (Findings 1 through 3).

**Audit Objective:** To assess MCCMHSB's effectiveness and efficiency related to the delivery of mental health and substance abuse services.

**Conclusion: MCCMHSB was generally effective and efficient in its delivery of mental health and substance abuse services.** However, we noted reportable conditions related to preemployment background checks, the outcome\* evaluation system for substance abuse services, and membership applications for the MCCMHSB Board of Directors (Findings 4 through 6).

**Noteworthy Accomplishments:** MCCMHSB has been accredited by the Rehabilitation Accreditation Commission\* since 1996. The Commission recently extended MCCMHSB's accreditation through June 2002.

MCCMHSB established an Access Center to serve as a single point of entry for persons seeking services from MCCMHSB. The Access Center completes an initial assessment over the telephone and directs eligible persons to the MCCMHSB service site that best suits their needs.

**Audit Objective:** To assess the effectiveness and efficiency of MCCMHSB's management system for processing Medicaid capitated payments\* and charges against those payments.

**Conclusion: MCCMHSB's management system for processing Medicaid capitated payments and charges was generally effective and efficient.** However, we noted a reportable condition related to retroactive Medicaid eligible consumers (Finding 7).

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AUDIT SCOPE AND  
METHODOLOGY

Our audit scope was to examine the program and other records of the Macomb County Community Mental Health Services Board. Our audit was conducted in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States and, accordingly, included such tests of the records and such other auditing procedures as we considered necessary in the circumstances.

To accomplish our objectives, we examined MCCMHSB's records and activities for the period October 1, 1997 through April 28, 2000. We analyzed selected contracts with mental health and substance abuse service providers and tested compliance with the contracts. We interviewed selected MCCMHSB and contractual services provider staff and conducted site visits of contract providers. We evaluated the adequacy of MCCMHSB's contractor selection process and assessed MCCMHSB's contract monitoring efforts.

We reviewed applicable statutes, administrative rules, and policies and procedures; assessed the effectiveness of applicable internal control<sup>\*</sup>; and analyzed applicable program, financial, and clinical records. We assessed the adequacy of MCCMHSB's quality assessment and improvement efforts. We conducted criminal history background checks of selected MCCMHSB and contract agency staff. We surveyed consumers and referral sources (survey summaries are presented as supplemental information).

We reviewed the accuracy and completeness of selected charges against MCCMHSB's Medicaid capitated funding

and funding from the State General Fund. We also reviewed the year-end cost settlement process.

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**AGENCY RESPONSES**

Our audit report contains 7 findings and 8 corresponding recommendations. MCCMHSB's preliminary response indicated that it agrees with all of our findings.