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Audit of the Non-Insured Health Benefits - Medical Transportation
Management Response and Action Plan
October 2010

Overall Management Response:

The First Nations and Inuit Health Branch (FNIHB) and the Regions and Programs Branch (RAPB) agree with the recommendations made by the Audit and Accountability Bureau (AAB) auditors. Both branches are committed to:

- increasing the efficiency and accuracy of data collection;
- updating assessment processes and FNIHB and RAPB implementing suitable system controls; and
- increasing oversight of contribution agreements.

Lessons learned and recommendations from this audit have been shared with all regions and will be used to strengthen management practices.

Recommendations	Management Response	Planned Actions	Deliverables	Expected Completion Date	Accountability
<p>Recommendation No. 1 It is recommended that the Assistant Deputy Minister, First Nations and Inuit Health Branch, in collaboration with the Assistant Deputy Minister, Regions and Programs Branch, ensure that the risk identification and assessment for the Non-Insured Health Benefits (NIHB) Program is updated, and develop and implement mitigation strategies to respond to the risks identified.</p>	<p>Agree - The NIHB Program risk profile will be updated to clearly identify Medical Transportation Benefit risks and related mitigations strategies.</p> <p>The Program will continue to make use of the range of risk management tools in place as outlined in the audit report aligning with the risk profile. (e.g., <i>Medical Transportation Audit Framework, NIHB Medical Transportation CA manual</i>, the NIHB Management Forum and the NIHB Risk Management</p>	<p>A.1 The NIHB Program will update its Risk-Based Audit Framework (RBAF) as part of the ongoing NIHB Program Authorities Renewal for the 2011/2012 fiscal year and every three years thereafter. It will take into account the most recent Office of the Comptroller General's <i>Core Management Controls</i>, Government of Canada policies (e.g. <i>Transfer Payment Policy</i>) and other relevant significant risks that may affect the delivery of the Program.</p>	<p>Update NIHB RBAF</p>	<p>March 2011 for the 2011/2012 fiscal year</p>	<p>FNIHB, NIHB Directorate Director, Program Policy and Planning Division</p>

Audit of the Non-Insured Health Benefits - Medical Transportation
Management Response and Action Plan
October 2010

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	Committee).				
<p>Recommendation No. 2 It is recommended that the Assistant Deputy Minister, First Nations and Inuit Health Branch ensure that information systems supporting the delivery of medical transportation benefits allow for the collection of complete, reliable and timely information for decision-making, and that the Assistant Deputy Minister, Regions and Programs Branch ensure quality and timely collection on data for contribution agreements and operationally managed benefits.</p>	<p>Agree – The NIHB Program recognizes that quality information assists in making effective policy decisions and assessing cost effectiveness of the various Medical Transportation options. Significant progress has been achieved in integrating operational information coming from departmental systems and work will continue to improve MT data capture and analysis.</p> <p>The operational systems managing MT in the regions are designed to capture and track a common set of indicators and load these into a national database. Some data integrity issues remain to be resolved but work is underway with each region to address outstanding issues. The long term plan is to integrate all MT Systems.</p>	<p>A1. Assess progress achieved in the collection of Medical Transportation for Operationally Managed MT Benefits and Benefits delivered under contribution agreements against the multi-year strategy targets and identify key quality and integrity issues.</p> <p>A2. Update the MT multi-year data collection targets by region and implement measures to increase data collection coverage while improving quality and integrity.</p> <p>A3. RAPB regions to implement changes to operational data collection and quality control over MT CA data consistent with the multi-year targets, with progress to be measured on an annual basis.</p>	<p>Report</p> <p>MT Multi-Year Data Collection Plan</p> <p>Annual Assessment</p>	<p>March 2011</p> <p>April 2011</p> <p>April 2011</p>	<p>FNIHB NIHB Directorate</p> <p>FNIHB NIHB Directorate</p> <p>RAPB Assistant Deputy Minister (ADM)</p>

Audit of the Non-Insured Health Benefits - Medical Transportation
 Management Response and Action Plan
 October 2010

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	<p>In addition to system limitations issues identified above, the collection and integration of Medical Transportation information, when the service is delivered under a contribution agreement, is faced with capacities issues in terms of human resources and connectivity in First Nation communities. Despite standardized templates, a user guide and training provided to recipients, compliance and quality assurance issues remain.</p> <p>Through the development of standardized templates, a user guide and training provided to recipients, FNIHB and RAPB have already started to work collaboratively with communities to improve the quality of the information being reported by recipients managing MT under Contribution Agreements.</p>				

Audit of the Non-Insured Health Benefits - Medical Transportation
Management Response and Action Plan
October 2010

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<p>Recommendation No. 3 It is recommended that the Assistant Deputy Minister, First Nations and Inuit Health Branch and the Assistant Deputy Minister, Regions and Programs Branch consider strengthening controls pertaining to access logs in the Medical Transportation Reporting System and batch files in the Ontario Medical Transportation System.</p>	<p>Agree - The Assistant Deputy Ministers of the First Nations and Inuit Health Branch and the Regions and Programs Branch will ensure that weaknesses identified by this audit are reviewed and that control measures are assessed.</p> <p>The results of this audit have been shared with all regional NIHB Managers to ensure that lessons learned and best practices are considered and applied.</p> <p>A number of measures, such as the enhancement of controls over change management and access to data, have already been implemented in order to address financial and system control issues identified in the Ontario Region. Additional system changes may be implemented following an assessment of the feasibility and the cost effectiveness of the proposed measures against</p>	<p>Medical Transportation Reporting System (MTRS) Actions:</p> <p>A1. Assess the effectiveness of the current controls, remaining risks and needed enhancements regarding MTRS User Access Controls.</p> <p>If a decision is made to pursue such changes, a proposal will be included in the departmental system development prioritization process for 2011-2012.</p> <p>Ontario Medical Transportation System (OMTS) Actions:</p> <p>A2. The enhancement of change management controls by incorporating an interim software solution in OMTS.</p> <ul style="list-style-type: none"> • <i>Microsoft Visual SourceSafe (VSS)</i> software is being used to track all source code (SC) changes. • <i>Change Request (CR) Tracker</i> is being used to track all changes made to OMTS. 	<p>Risk and Feasibility Analysis</p> <p>Project Concept Document</p> <p>System Changes</p>	<p>December 2010</p> <p>February 2011</p> <p>Complete</p>	<p>FNIHB NIHB Directorate</p> <p>RAPB Ontario Region, Regional Director General (RDG)</p>

Audit of the Non-Insured Health Benefits - Medical Transportation
Management Response and Action Plan
October 2010

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	<p>other priorities.</p> <p>In addition, both branches are committed to following enhanced system change management protocols as promoted by the Corporate Services Branch. Such measures have already been incorporated into the Medical Transportation Reporting System (MTRS).</p> <p>Regarding privacy protection, it is important to note that the NIHB Program has a privacy code and provides mandatory privacy training to staff before they are granted access to NIHB MT systems.</p>	<p>A3. The following changes have been made with respect to controls in OMTS:</p> <p>A3.1. OMTS security is managed centrally from regional Headquarters (RHQ) for all three zones.</p> <p>A3.2. Access and updates made to OMTS security are now captured.</p> <p>A3.3. Develop a process for monitoring user access logs.</p> <p>A4. The File Transfer Protocol (FTP) of payment files to SAP has been automated.</p> <p>A5. The batch payment file issues raised by the Audit and Accountability Bureau have been addressed and relevant processes have been updated and are now in line with the Accounts Verification/Section 34 policies.</p>	<p>Improved control and monitoring access to data.</p> <p>System Changes</p> <p>System Change</p> <p>System Change</p> <p>Process and system changes</p>	<p>Complete</p> <p>Complete</p> <p>November 2010</p> <p>Complete</p> <p>Process changes, November 2010 System Complete</p>	<p>RAPB Ontario Region, Regional Director, FNIH</p> <p>RAPB Ontario Region, Regional Director, FNIH</p> <p>RAPB Ontario Region, Regional Director, FNIH</p>

Audit of the Non-Insured Health Benefits - Medical Transportation
Management Response and Action Plan
October 2010

Recommendations	Management Response	Planned Actions	Deliverables	Expected Completion Date	Accountability
<p>Recommendation No. 4 It is recommended that the Assistant Deputy Minister of the First Nations and Inuit Health Branch ensure that a new requirement be added to the Medical Transportation Policy Framework to require that the reporting on expenditures of all contribution agreements be itemized by category of costs.</p>	<p>Agree – The NIHB Program will review contribution agreement management guidelines contained in the NIHB Medical Transportation CA Manual to ensure that due process is followed in establishing a funding level and the reporting of financial and non-financial information is consistent with the Program requirements including the 21 mandatory medical transportation data elements.</p>	<p>A.1 Review and update the information contained in the NIHB Medical Transportation CA Manual.</p> <p>A.2 Distribute this information to NIHB staff through the Policy Information Center and a notification to staff.</p>		<p>January 2011</p> <p>March 2011</p>	<p>FNIHB NIHB Directorate</p> <p>FNIHB NIHB Directorate</p>
<p>Recommendation No. 5 It is recommended that the Assistant Deputy Minister of the First Nations and Inuit Health Branch ensure that the NIHB Program guidelines are clarified in terms of the frequency of reporting required from recipients, based on their risk profiles.</p>	<p>Agree - The NIHB Program requires recipients to report a minimum of three times per year for all CAs. However, contribution managers have the authority to increase the level of management, monitoring and reporting requirements, based on the level of risks assessed for recipients, in line with the requirements of the new Transfer Payments Policy.</p>	<p>The NIHB Directorate will approach the Regional Directors/Managers to reiterate the policies and procedures within NIHB’s Medical Transportation CA manual regarding recipient risk, program management, reporting requirements and staff’s scope of work/authority.</p>	<p>NIHB reminder note to the NIHB Managers Forum.</p>	<p>Q3 2010/2011</p>	<p>FNIHB NIHB Directorate</p>

Audit of the Non-Insured Health Benefits - Medical Transportation
Management Response and Action Plan
October 2010

Recommendations	Management Response	Planned Actions	Deliverables	Expected Completion Date	Accountability
	This importance of exercising such authority, when required, will be reiterated to Regional Directors/Managers.				
<p>Recommendation No. 6 It is recommended that the Assistant Deputy Minister of the Regions and Programs Branch request that the Ontario Region strengthen its monitoring activities in the area of financial reporting, documentation of site visits and early intervention in case of significant issues, such as deficits.</p>	<p>Agree - The Regions and Program Branch (RAPB) will ensure that the Ontario Region strengthen its monitoring activities in the area of financial reporting, documentation of visits to recipients' communities and continue to follow intervention policies in cases where significant issues exist.</p> <p>To address the recurring deficit problems encountered by a recipient in Northern Ontario, a review process and enhanced controls were put in place in the Spring 2010 based on the FNIHB intervention policy. Health Canada and the recipient are jointly undertaking an operational review to transition the MT service so that Health Canada's Ontario Regional</p>	<p>A.1 Review opportunities for enhancement of financial reporting.</p> <p>A.2 Review documentation currently being used to document site visits and ensure retention on MT CA files.</p> <p>A.3 Request training for all NIHB staff engaged in the management of MT CA's, to ensure understanding of the importance of early intervention in situations where significant issues emerge.</p>	<p>Request deviations, as required.</p> <p>Develop regional template trip report for MT CA.</p> <p>Training/re-training sessions</p>	<p>December 2010</p> <p>December 2010</p> <p>Fall 2010</p>	<p>RAPB Ontario Region, Regional Director, FNIH</p> <p>RAPB Ontario Region, Regional Director, FNIH</p> <p>RAPB Ontario Region, Regional Director, FNIH</p>

Audit of the Non-Insured Health Benefits - Medical Transportation
Management Response and Action Plan
October 2010

Recommendations	Management Response	Planned Actions	Deliverables	Expected Completion Date	Accountability
	Office will be responsible for the travel prior approval and claims payment and the recipient will focus on coordination of the service such as client liaison. The target date for implementation of the new operational plan is January 1, 2011.				
<p>Recommendation No. 7 The Assistant Deputy Minister of the Regions and Programs Branch should ensure that, in the Ontario Region, the procedure for conducting the claim verification process is clarified with regard to roles and responsibilities and documentation of verification steps to be carried out by staff.</p>	<p>Agree - The Regions and Program Branch (RAPB) agrees with the auditors' findings and recognizes that there is room for improvement regarding claims reporting relationships and accountabilities between the Ontario Regional Office and its two Zone Offices in Thunder Bay and Sioux Lookout.</p> <p>The Ontario Region will strengthen and document the existing role of the Ontario NIHB Director (regional policy direction, regional NIHB MVR, OMTS responsibility, reporting,</p>	<p>A1. Revised work description for Manager of Thunder and Sioux Lookout Zone NIHB (PM-03) in the Thunder Bay Zone and Sioux Lookout Zone to reflect functional supervision by Ontario NIHB Director.</p> <p>A2. Revised work descriptions for PM-03 TBZ and SLZ MT Program Managers that oversee CA management to reflect functional supervision by ON NIHB Director.</p> <p>A3. Revised Organizational Charts to reflect the functional supervision by the ON NIHB Director of the PM-03s and Program Managers in TBZ and SLZ.</p> <p>A4. Changes have been made to ensure</p>	<p>Revised and classified work descriptions</p> <p>Revised work descriptions</p> <p>Revised Organizational Charts</p> <p>Operational Change</p>	<p>November 2010</p> <p>November 2010</p> <p>November 2010</p> <p>Complete</p>	<p>RAPB Ontario Region, Regional Director, FNIH</p> <p>RAPB Ontario Region, Regional Director, FNIH</p> <p>RAPB Ontario Region, Regional Director, FNIH</p> <p>RAPB Ontario Region,</p>

Audit of the Non-Insured Health Benefits - Medical Transportation
Management Response and Action Plan
October 2010

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	<p>appeals, exceptions, etc.) and incorporate strong functional direction and oversight of operationally managed benefits and contribution agreements in the appropriate work descriptions in the two zones.</p> <p>Additionally, the Ontario Region will restructure program management of the two NIHB MT zones under one Program Manager. This will assist in ensuring better consistency across the two zones and provide direct operational oversight for the Ontario regional headquarters over the zones.</p> <p>The Ontario Region will also review roles and responsibilities directly related to the claims verification process to decrease risks of duplication or omission and take corrective actions as required.</p> <p>Additionally, a review will be</p>	<p>that the management of the Southern and Moose Factory Zone MT operations and Contribution Agreements are under the direct supervision of the NIHB Ontario regional Director.</p> <p>A5. Establish an ON NIHB Working Group comprising all managers responsible for MT operations and Contribution Agreements to review MT audits and to provide recommendations on risk management, file management, training and information exchange.</p> <p>A6. Review zone NIHB MT processes in consultation with Zone Operational management to ensure standardization of file structures and account verification procedures in accordance with the requirements of the <i>Health Canada Policy Centre – Finance – Account Verification, NIHB Medical Transportation Framework, MT Operations Manual and Audit.</i></p> <p>A7. Document roles and responsibilities related to the claims verification process by function: Benefit Analyst, Payment Analyst, and</p>	<p>Terms of reference and a work plan</p> <p>Compliance with departmental requirements</p> <p>Compliance with Accounts Verification and Payment Regulations.</p>	<p>November 2010</p> <p>November 2010</p> <p>November 2010</p>	<p>Regional Director, FNIH</p> <p>RAPB Ontario Region, Regional Director, FNIH</p> <p>RAPB Ontario Region, Regional Director, FNIH</p> <p>RAPB Ontario Region, Regional Director, FNIH</p>

Audit of the Non-Insured Health Benefits - Medical Transportation
 Management Response and Action Plan
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	<p>undertaken of the absence of auditable evidence for FAA Section 33 highlighted in the Thunder Bay Zone Office.</p>	<p>Section 34 <i>Financial Administration Act</i> (FAA).</p> <ul style="list-style-type: none"> • Update desk procedures. • Train all regional NIHB staff. • Implement changes as required. <p>With respect to the absence of auditable evidence for FAA Section 33 in the Thunder Bay Zone Office, the Ontario Region will remind employees of complying with procedures and conduct a subsequent review of payment documents ensure compliance with the requirements of section 33 of the FAA.</p>	<p>Spot Audit</p>	<p>October 2010</p>	<p>RAPB Ontario Region, Regional Director, Finance</p>