

Contract Compliance Audit of the Pre-Tax Programs for Plan Years 2022-2023

Item 6 – Group Insurance Board

Xiong Vang, HSA & ERA Accounts Program Manager

Office of Strategic Health Policy



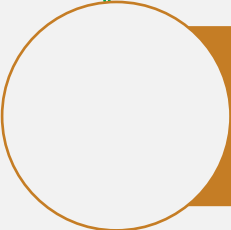
Informational Item Only

No Board action is required.

Audit Background



ETF insourced audit of the pre-tax savings account program to ETF's Office of Internal Audit (OIA) (2nd audit done internally).



The audit period included plan years 2022 and 2023 for the Pre-Tax Savings Account Programs.



The audit was conducted in accordance with International Standards for the Professional Practice of Internal Auditing.

Audit Objectives

Elections and
Contribution
Processing

Compliance with
Program Limits

Claims
Substantiation

Billing for Claims
and Administrative
Fees

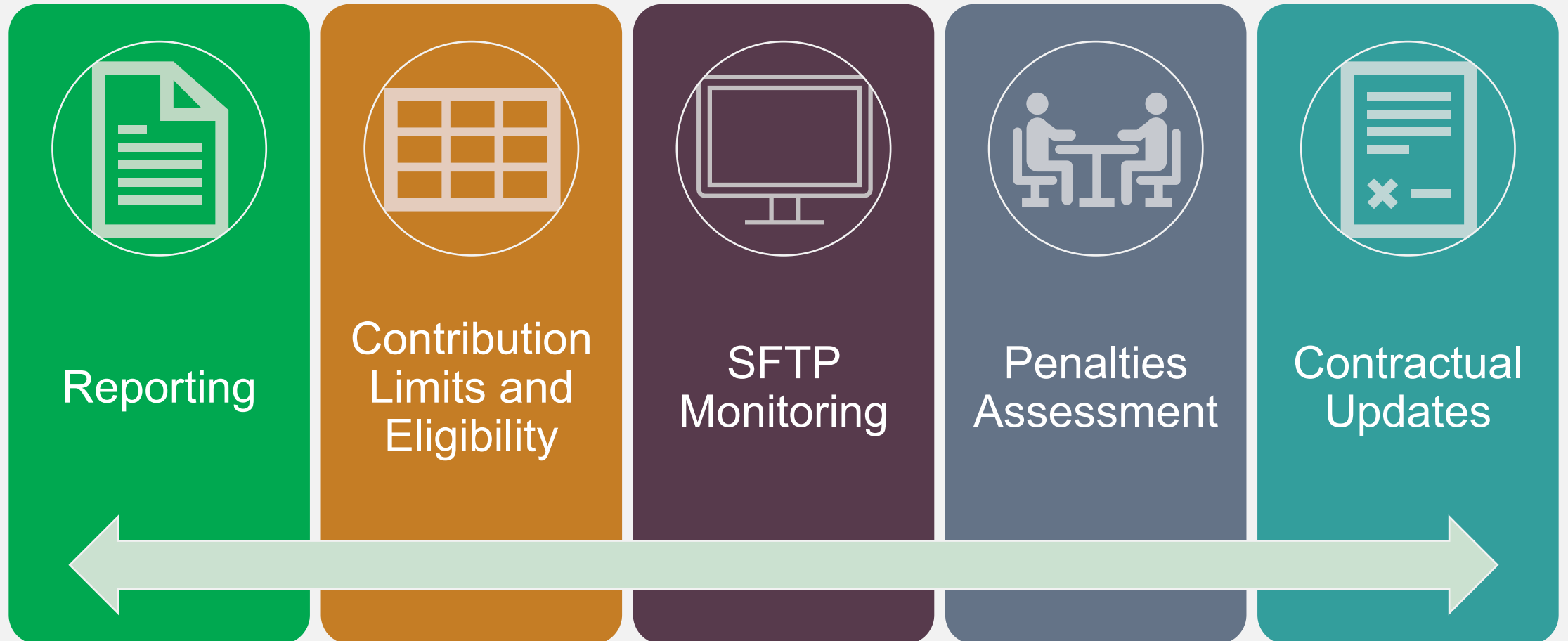
Reporting
Requirements

Access to Program
Data

Performance
Standards

Prior Audit
Recommendations

Assessment of Prior Audit



Audit Findings

Found Exceptions



ERA and CB Claims Substantiation



Quarterly Performance Standards Reporting Deficiencies



Administrative Fee Invoicing

ERA and CB Claims Substantiation

Finding

Claims substantiation process lacked sufficient controls

Internal procedures were not documented

Recommendations

Assess and document claims substantiation requirements that are clear

Improve controls over adjudicating claims

Quarterly Performance Standards Deficiencies

Finding

Missing supporting documentation, duplicate values, inconsistent reporting, and multiple versions of reports

Recommendations

Document procedures based on definitions

Implement a review process and records to be maintain

Request supporting documentations

Administrative Fee Invoicing

Finding

Duplicate billing and a fee overcharged

Recommendations

Improve its review of administrative fee invoices to ensure accuracy

Action Plan Status

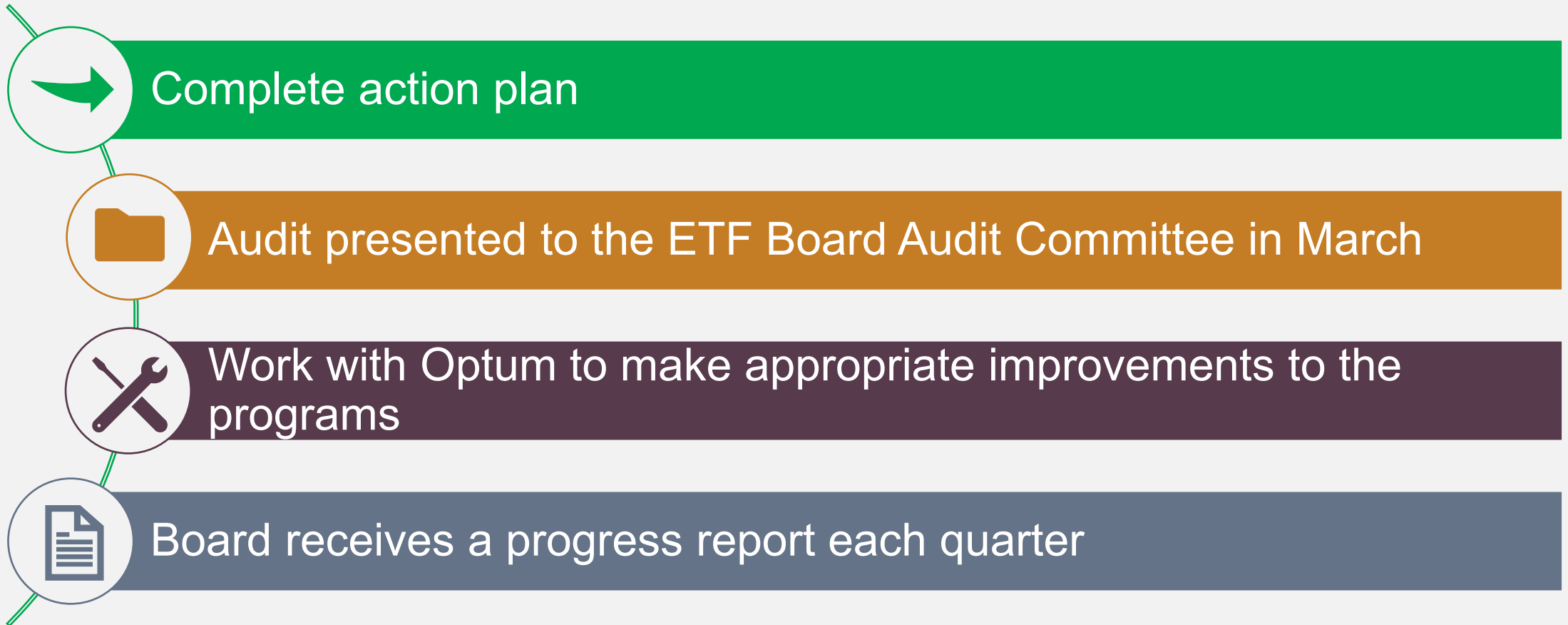
ETF took proactive steps to address concerns.

Optum has agreed with the additional efforts.

Administrative fees invoicing recommendations were resolved.

Optum and ETF meets regularly for progress status

Next Step



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Questions?

Thank you



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608-266-3285
1-877-533-5020