

County of Solano
Office of the Auditor-Controller



**Review of H&SS Standby Pay Process for
Family Health Services Clinics and the Communicable Disease Program**

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INTRODUCTION

In accordance with the Internal Audit Division's FY 2015/16 Audit Plan, we reviewed the Department of Health and Social Services' (H&SS) standby pay process for Family Health Services (FHS) Clinics and the Communicable Disease (CD) Program.

OBJECTIVE

The objectives of our review were to: (1) obtain an understanding of the standby requirements and process of H&SS FHS Clinics and CD Program, (2) determine standby pay is reasonable and necessary, (3) evaluate internal controls to determine if standby is being managed in compliance with county and department rules, regulations, and policies and procedures, and (4) determine the adequacy of departmental policies and procedures for standby.

SCOPE & METHODOLOGY

The scope of the review focused on rules, regulations, and processes for the administration of standby pay for H&SS FHS Clinics and CD Program as of December 31, 2015.

To accomplish our objectives, we reviewed regulations, bargaining units Memorandum of Understanding (MOU), and county and departmental policies and procedures. We also interviewed key departmental staff, examined and tested payroll documentation of staff who received standby pay from January 1, 2015 to December 31, 2015, surveyed other counties, and analyzed costs and other data. Our review was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing.

In any system of internal controls inherent limitations exist which may result in errors or irregularities occurring and not being timely detected. Limitations may include, but are not limited to, resource constraints, management override, and circumvention of internal controls. Accordingly, our review would not necessarily disclose all areas where improvement may be needed.

BACKGROUND

FHS clinics provide primary care to low income, uninsured, and underinsured patients. FHS also offers nutrition counseling, behavioral health, health education, and case management services. These services are provided at the clinics in Vacaville, Vallejo, and Fairfield. Clinics are open Monday to Friday from 8am to 5pm. The Fairfield clinic is also open on Saturdays from 9am to 3pm.

FHS Clinics are designated as Federally Qualified Health Centers (FQHC). FQHC's include all organizations receiving grants under Section 330 of the Public Health Service Act. Section 330 grants are administered by the Health Resources and Services Administration (HRSA). One of the program requirements for a FQHC is providing after-hour coverage for medical emergencies¹. Medical emergencies include emergent physical, oral, behavioral, and/or other health needs.

California law requires health care providers to report diseases of public health importance to the local health officer for the jurisdiction where the patient resides². The designated contact for Solano County is the Deputy Health Officer who serves as the County's Communicable Disease Controller for its Communicable Disease (CD) Program³. The CD program is a component of H&SS's Public Health Division.

Certain diseases and other health matters need to be attended to immediately by the FHS clinics staff or the CD program staff. For example, the CD program staff advises on matters involving highly contagious diseases while the clinics offer assistance to the public for after-hours health concerns which can include medical emergencies. Table 1 below shows a sample of communicable diseases county health care providers are required to report to the CD program.

Table 1 – Sample List of Reportable Communicable Diseases⁴

Anthrax	Measles	Tuberculosis
Botulism	Meningococcal infections	Diphtheria
Dengue	Plague	Hantavirus
Cholera	Rabies	West Nile virus
Malaria	Smallpox	Yellow Fever

After-Hours Activities and Pay

FHS clinics and H&SS offices are closed after hours and on weekends/holidays⁵. As such, after-hour calls for the FHS clinics and CD Program are routed to a third party answering service. For emergency calls, the answering service takes a caller's information and relays it to the staff on standby⁶. For non-emergency calls, the answering service takes the information and forwards it to the FHS clinic or the CD program office for follow-up the next business day. Table 2 below shows a summary of calls received by the answering service for FHS clinics and the CD Program. Because not all calls received are program related calls, some calls may not be forwarded to the standby staff.

¹ See 42 CFR 51c.102 (h) (4). Additionally, after-hours coverage is all hours beyond the standard 8am-5pm, Monday-Friday work week that FHS clinics are open. After-hour coverage includes weekends, and County holidays.

² See Title 17, California Code of Regulations, Section 2500 (17 CCR § 2500).

³ This is a portion of the duties the Deputy Health Officer performs for the clinics.

⁴ See Title 17, California Code of Regulations, Section 2500 (17 CCR § 2500) for a complete list of reportable communicable diseases.

⁵ Note: the Fairfield FHS clinic is open on Saturdays so clinic staff on standby can physically report to work if needed.

⁶ Standby hours are typically between 5pm to 8am on weekdays and 24 hours on weekends and holidays when the clinics are closed.

Table 2 – Calls Received by the Answering Service in 2015

Time Period	FHS Clinics (in minutes)	CD Program (in minutes)
January	1,337	27
February	1,403	44
March	1,332	17
April	1,294	25
May	950	113
June	1,236	19
July	1,471	19
August	1,734	42
September	1,400	23
October	3,088	0
November	1,535	19
December	1,187	12
Monthly Average	1,497	30⁷

Source: *Documentum*

To compensate medical services staff for being available to answer calls after regular business hours, they receive standby pay. Standby pay per the respective MOU's is defined as any time other than the time when the employee is actually on duty, during which an employee is not required to be on County premises but stands ready to immediately report for duty and must arrange so his/her supervisor can reach him/her on 10 minutes' notice or less. For some staff, H&SS includes being available at a known telephone number to receive phone calls as being on standby.

FHS Clinic staff claiming standby pay during the review period includes physicians, a dentist supervisor, dentists, nurse practitioners, physician assistants, nurses, and office supervisors. Table 3 below presents the negotiated standby pay rates for these employees.

Table 3 - Standby Pay Rates for H&SS FHS staff and CD Program staff⁸

Employee Classification	Bargaining Unit	Weekday Rate Per Hour	Weekend/Holiday Rate Per Hour
Nurse Practitioner/Physician Assistants	Unit 2	\$3	\$4
Registered Nurses	Unit 2	\$3	\$4
Physicians and Dentist	Unit 11	\$4	\$4
Dentist Supervisor	Unit 16	\$4	\$5
Office Supervisor	Unit 8	\$3	\$4

⁷ This total does not include calls received by the Deputy Health Officer on his personal cellphone/telephone number from doctors in the community related to the reporting of communicable diseases or suspected food borne illnesses.

⁸ Source: Memorandums of Understanding on the County Human Resources, Employee & Labor Relations website.

Timekeeping

FHS Clinics and the CD Program use the *Intellitime* timekeeping system to record standby pay. When staff is scheduled to be on standby duty, they create a standby request in *Intellitime*. Staff submits the request to their Supervisor for approval. If approved, staff records the standby pay time on his/her timecard. If staff worked on standby, but did not create a standby request, staff will seek a prior period adjustment to his/her timecard so he/she will receive the standby pay. Prior period adjustments are also reviewed and approved by the Supervisor.

Standby pay costs for the FHS Clinics and the CD Program for calendar year 2015 was \$77,993. Table 4 below shows the amount of standby pay received by position.

Table 4 - Standby Pay Received by Position

Position	Organizational Hierarchy Level	Standby Pay Received
Deputy Health Officer	Senior Management	\$24,715
Clinic Physician	Staff	16,612
Dentist Supervisor	Mid-Management	16,288
Dentist	Staff	12,203
Nurse Practitioner/Physician Assistant	Staff	6,762
Office Supervisor	Supervisory	949
Public Health Nurse	Staff	356
Clinic Registered Nurse	Staff	108
Total		\$77,993

Source: *Peoplesoft*

Similar Counties Surveyed

We surveyed five California counties⁹ to determine whether other counties offer standby pay for similarly situated employees. Of these counties, all only offered standby pay to staff level positions. However, Marin County offered standby pay to its health officer position. Marin County represented the executive position receives standby pay because it was negotiated as part of the collective bargaining agreement (MOU) for the position.

CONCLUSION

Overall, we conclude standby pay appears both reasonable and necessary; however, we identified opportunities for improvement. Specifically, we determined H&SS does not have written policies and procedures for administering standby pay for the Communicable Disease Program. The following pages provide a description of the findings and the related recommendations.

⁹ Napa, Alameda, San Luis Obispo, Marin, and Mendocino.

Review of H&SS FHS and CD Program Standby Pay Processes Opportunities for Improvements

1. Absence of Departmental Policies and Procedures for CD Program Standby Pay Process

H&SS does not have written policies and procedures for administering standby duty and standby pay for the Communicable Disease Program. Written policies and procedures establish a department's criteria for managing standby duty and standby pay. Policies and procedures promote uniformity and accountability in executing and recording transactions. A lack of policies and procedures can result in errors such as incorrect time reporting.

We reviewed standby payments for calendar year 2015 and identified reporting errors. For example, when an employee works a typical eight-hour shift it includes a one-half-hour or one-hour lunch break. When that same employee is scheduled to be on standby status for the remainder of the day, the maximum allowable standby pay for the day would be 15.5 or 15 hours¹⁰, respectively. However, some staff¹¹ incorrectly claimed 16 hours. Additionally, we noted one employee claiming 32 hours in a single day (8 hours of regular pay plus 24 hours of standby pay).¹² This is incorrect time reporting. The supervisor should have corrected the error instead of approving the timesheet as submitted.

Additionally, we noted staff on sick leave, vacation, or on other approved leave were still answering work related calls for communicable disease required consultation and reporting and received standby pay.

Recommendations:

1. Adopt policies and procedures for administering standby duty and standby pay. The Policy should include required authorization while on approved leave status.
2. Supervisor should ensure staff timesheets are accurate before approving.
3. H&SS should designate another staff member to be on standby if the regularly scheduled staff member is on approved leave status.

H&SS Management Response:

We agree with these recommendations. We agree that a Departmental policy and procedures for administering standby duty and standby pay within the Communicable Disease Program are needed and would promote uniformity and accountability and reduce errors. We further agree that the policy and procedures should explicitly address working standby while on lunch, vacation, sick leave or other leave status. We also agree with the third recommendation, regarding an employee on leave status

¹⁰ Calculated as follows: 24 hours in one day less eight hours of work and a one-half-hour or one-hour lunch break (eight and one-half or nine hours, respectively) results in 15.5 hours or 15 hours, respectively to be claimed for standby pay.

¹¹ Two dentists, one clinic physician, and one nurse practitioner/physician assistant.

¹² These errors totaled less than \$3,000.

and the need for designation of an alternate employee to perform standby duty. It is already expected that supervisors should ensure staff timesheets are accurate before approving them.

2. H&SS Standby Pay Process Not Consistent with MOU's

H&SS is administering standby pay for the CD Program in a manner inconsistent with the County's MOU with labor units and Personnel and Salary Resolutions.

During our review we noted the Deputy Health Officer¹³ received about \$43,400 in standby pay for the period April 17, 2014 through December 31, 2015. This position used to be part of Unit 62, unrepresented senior management, and was covered by a Personnel and Salary Resolution (PSR). The PSR allowed payment of standby pay. Most classifications within Unit 62, including the position of the incumbent employee, became part of Unit 19, represented executive and senior management, in December 2012 and the employee continued to receive standby pay per the supervisor's authorization¹⁴.

Unit 19E does not explicitly provide for standby pay. Further, Section 24 of the Unit 19E MOU states in part, "there are no agreed upon terms, promises, binding practices, or conditions except those expressly set forth in the MOU." As such, Unit 19E MOU language does not provide for standby pay.

Per the MOU's and PSR, employees authorized to claim standby pay should have prior authorization from the County Administrator's Office and Human Resources.¹⁵ We were unable to obtain evidence of such authorization.

Recommendations:

1. Prohibit supervisors from approving employee standby pay unless the employee's MOU provides for such pay.
2. Obtain and retain necessary approvals for employees receiving standby pay.

¹³ On December 6, 2015 this position title changed to Deputy Director of Health and Social Services – Medical Services Officer.

¹⁴ Note: The employee was governed by the PSR until April 6, 2014. After this date, the Unit 19 MOU became effective and did not provide for standby pay. The amount of standby pay received by the Deputy Health Officer between April 7, 2014 and December 31, 2014 was approximately \$18,700. Total standby pay received by this employee since becoming part of Unit 19 amounts to approximately \$43,400. Although The Deputy Health Officer reported standby hours in calendar year 2016, as of this Report date, the County had not paid it because the Unit 19E MOU does not explicitly provide for standby pay.

¹⁵ Per the MOU's for Bargaining Units 2, 7, 8, 9, and 16.

H&SS Management Response:

We disagree with the finding that H&SS is administering standby pay for the CD Program in a manner inconsistent with the definition of standby per the County's MOUs with labor units and the PSR. The Department has adjusted its policy and is now prohibiting any aspect of standby pay for those employees in which there is not a Memorandum of Understanding (MOU) allowing for such pay.

Human Resources Management Response:

I agree with the Auditor-Controller's conclusion that improvement opportunities exist; however, disagree with the sentiment that some provided standby pay was not authorized. Standby pay was made with authorization of the Health & Social Services Department. Concurrent with the Auditor-Controller's Office's review of standby pay, the Human Resources Department, Health & Social Services Department, County Administrator's Office, and Board of Supervisors separately identified an opportunity to clarify any standby pay eligibility of the identified classification within Unit 19, resulting in an agreed-upon resolution between the County and the Professional and Technical Engineers, Local 21 (union which represents Unit 19).