

**City of Tampa
Internal Audit Department
Audit Program Guide
HIPAA, Audit 04-27**

Budget Hours	Audit Procedures	Done By	W/P Ref.
<i>Background</i>			
	<p>Effective April 2003, all providers of medical services were required to comply with the Health Information Portability and Accountability Act (HIPAA). HIPAA was created to improve the efficiency and effectiveness of the health care system through the development of national standards for electronic health care transactions. Tampa Fire Rescue prepared for the implementation of HIPAA (ACT) at least two years prior to its enforcement date. This was accomplished through periodic dissemination of information to all employees with any involvement or contact with patient information. Upon implementation of the ACT, in conjunction with the billing service provider, videotapes and power point presentations were provided to staff for training purposes.</p>		
<i>Planning the Audit</i>			
	<ol style="list-style-type: none"> 1. Print Quality Control Package and process Auditor Assignment and Independence Statement page. 2. Prepare and send an entrance letter to applicable personnel in the area under review. 3. Conduct an in-house review of the following: <ol style="list-style-type: none"> a) Financial Data b) Internal Policy & Procedures Manuals c) Applicable Rules, Laws and Regulations, and d) Prior internal audit reports and management comments. 4. Schedule and hold an entrance conference with the Auditee. Obtain the name of the departmental contact person and secure a place from which to conduct the fieldwork portion of the audit. 5. Begin Preliminary Survey by interviewing the appropriate personnel in the Auditee Department. Document the interviews with narratives in the work file. 6. Review and document Internal Control System. (Include 		

HIPAA, Audit 04-07
Audit Program (cont.)

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	<p>control points, such as the location within the system of approvals, authorizations, segregation of duties, supervision, reconciliations, computer-generated error and edit listings, exception reports, etc.)</p> <ol style="list-style-type: none"> 7. After gaining an understanding of various functions, conduct transaction walk-throughs. Revise documentation. 8. Assess the reliability of computer-processed data – <ol style="list-style-type: none"> (a) Identify all computer-generated data that will be used during the audit. (b) Determine how the data will be used in the audit. If used as the sole evidence supporting a finding or as corroborative or supporting evidence – assess the data’s reliability by performing steps (c) to (g). If it will be used as background information – cite the data’s source and no further work is required. (c) Document how the data is used in decision-making and the extent of users’ reliance on the data. (d) Review any evaluations of the system, application and data performed by an independent third party (e.g., external auditor’s management letter). (e) Identify and document any input, processing and output controls and controls over data adjustments. (f) Test the identified controls and data elements that will be used during the audit by tracing a sample of data records to the source documents and a sample of source documents to the database. (g) Summarize the test work and results and conclude on the data’s reliability. 9. Prepare a risk analysis listing the strengths and weaknesses of the system and reference risk assessments to audit objectives. 10. Prepare the audit program and include a time budget and estimated completion date. Index the preliminary survey file and turn in for review. The Planning Checklist page of the Quality Control Package should be completed by the Audit Supervisor. 11. Clear review notes and revise the audit program, if necessary. 		

HIPAA, Audit 04-07
Audit Program (cont.)

<i>Audit Scope</i>			
	Based on the work performed during the preliminary survey and the assessment of risk, the audit period will cover the operations of Fire Rescue from April 2003 to February 2004.		
<i>Audit Objectives</i>			
	<ol style="list-style-type: none"> 1. Determine if documentation supports that Fire Rescue Personnel were trained in the requirements of HIPAA. 2. Determine if related parties have been informed and have documentation to support Fire Rescue's policy and procedures with reference to HIPAA requirements. 3. Determine, as much as is feasible, whether or not rescue personnel are complying with HIPAA requirements in the performance of their duties. 		
<i>Objective 1:</i> Determine if documentation supports that Fire Rescue Personnel were trained in the requirements of HIPAA.			
	<ol style="list-style-type: none"> 1. Obtain a listing of all active and reserve duty fire personnel as of April 2003. 2. Review training materials and identify whether all personnel signed the form stating training was received. 3. Determine reason for any discrepancies. 4. Discuss any audit findings with the Audit Supervisor and Audit Director. After receiving their approval discuss audit findings with Auditee management. 5. Summarize and conclude. 		
<i>Objective 2:</i> Determine if related parties have been informed and have documentation to support Fire Rescue's policy and procedures with reference to HIPAA requirements.			
	<ol style="list-style-type: none"> 6. Identify all third parties as defined by HIPAA. 7. Review documentation to support that the applicable agreements have been signed and are on file. 8. Obtain documentation from third parties to support compliance with agreements. 9. Discuss any audit findings with the Audit Supervisor and Audit Director. After receiving their approval discuss audit findings with Auditee management. 10. Summarize and conclude. 		

HIPAA, Audit 04-07
Audit Program (cont.)

<p>Objective 3: Determine, as much as is feasible, whether or not rescue personnel are complying with HIPAA requirements in the performance of their duties.</p>		
<ol style="list-style-type: none"> 11. Observe fire station logistics and environment to determine if HIPAA requirements are being met. 12. When practical, observe interaction between personnel for compliance with requirements. 13. Discuss any audit findings with the Audit Supervisor and Audit Director. After receiving their approval discuss audit findings with Auditee management. 14. Summarize and conclude. 		
<p>Audit Wrap Up</p>		
<ol style="list-style-type: none"> 15. Complete and index working papers. 16. Prepare a preliminary draft of the audit report. 17. Clear review notes. 18. Forward draft to auditee and request responses within 10 working days. 19. Incorporate auditee responses into the final audit report. 20. If requested, schedule and hold exit conference. 21. Send final report to reproduction and make one (1) unbound copy. 22. Prepare Release Memo, Staff Summary Sheet and City Council Agenda Item Cover Sheet. 23. Provide Audit Supervisor with ten (10) bound and one (1) unbound copy of the final report. 24. Upon release by the Mayor <u>and</u> its appearance on the City Council's Draft Agenda, distribute final report to auditee and place the report, audit program and risk analysis files in the appropriate folders on the share drive for posting to IAD's web site. 25. Have the Audit Director complete the Quality Control Checklist of the Quality Control Package. 		