



STATE OF WISCONSIN  
**Legislative Audit Bureau**  
NONPARTISAN • INDEPENDENT • ACCURATE

Hearing Date  
August 22, 2023

# **Administration of Certain Supplemental Federal Funds**

*Department of Health Services*  
(report 23-6)



# Audit Reports on State Agency Use of Supplemental Federal Funds

*Emergency Rental Assistance and Emergency Solutions Grant Programs (report 22-3)*

*Certain Broadband Expansion Grant Programs (report 22-11)*

*We're All In and Wisconsin Tomorrow Programs (report 22-21)*

*Decisions About the Use of Supplemental Federal Funds (report 22-23)*

*University of Wisconsin System (report 22-25)*

*Administration of Certain Supplemental Federal Funds (report 23-6)*



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# Supplemental Federal Funds DOA Allocated to DHS for Certain Programs We Selected for Review

March 2020 through June 2022  
(in millions)

Program	Amount
Provider Payment	\$160.0 <sup>1</sup>
Ventilator Stewardship	42.5 <sup>2</sup>
<b>Total</b>	<b>\$202.5</b>

<sup>1</sup> CARES Act funds were used for grants to long-term health care and emergency medical services providers.

<sup>2</sup> Includes \$35.0 million in CARES Act funds and \$7.5 million in ARPA funds.

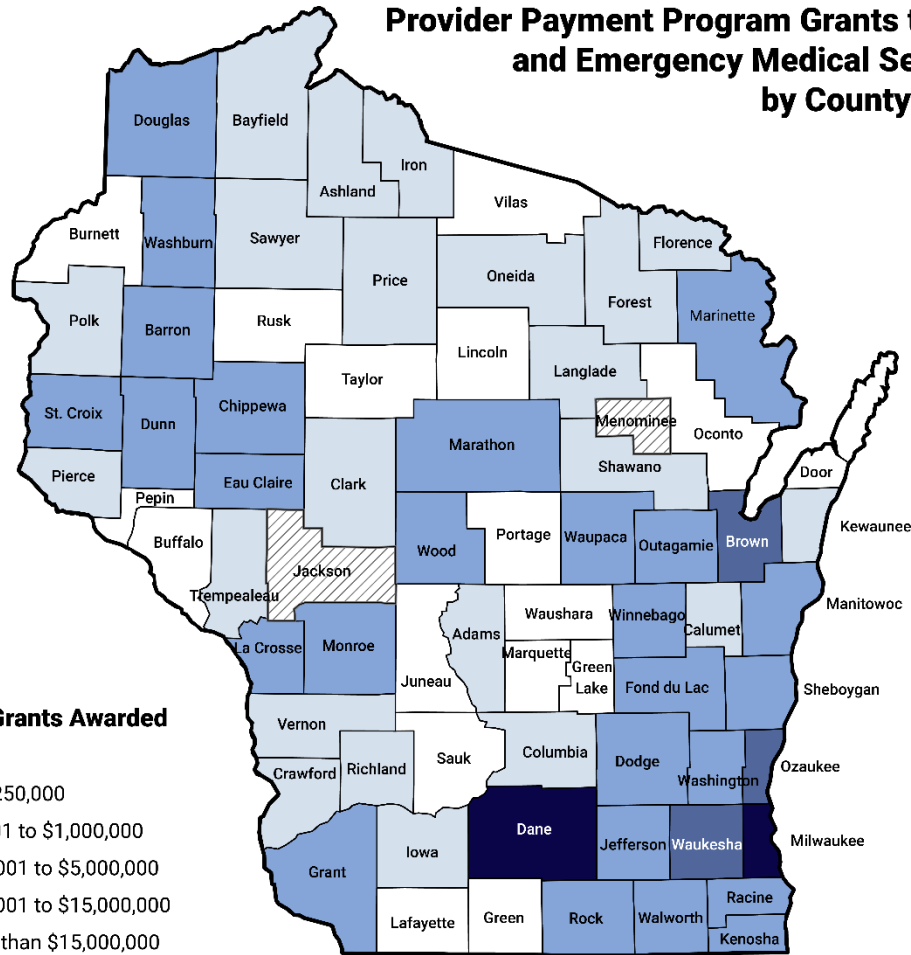
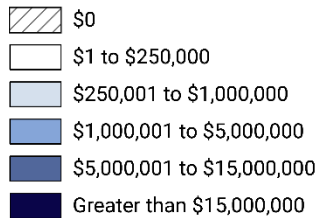


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## Provider Payment Program Grants to Long-Term Health Care and Emergency Medical Services Providers, by County<sup>1</sup>

### Amount of Grants Awarded



<sup>1</sup> Excludes 106 of the 1,431 grants for which the providers did not indicate their Wisconsin locations.



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# Administration of the Provider Payment Program

We found that DHS:

- did not specify the types of documentation applicants were required to maintain to support the grant amounts requested;
- did not establish written policies for reviewing the grant amounts requested by applicants; and
- awarded \$201,000 to adult family homes that DHS had determined did not submit sufficient documentation.



# Questioned Costs for Provider Payment Program Grants

## Program Grants to Long-Term Health Care and Emergency Medical Services Providers

	Number of Grants	Questioned Amount
<b>Requested Amounts for:</b>		
Lost Revenue	5	\$428,700
Increased Staffing Costs	2 <sup>1</sup>	79,100
Increased Equipment Costs	2 <sup>1</sup>	3,000
Subtotal		510,800
<b>Grant Applications</b>	2	7,900
<b>Total</b>	10	<b>\$518,700</b>

<sup>1</sup> We questioned two requested amounts associated with one grant.



# Report Recommendations

DHS should:

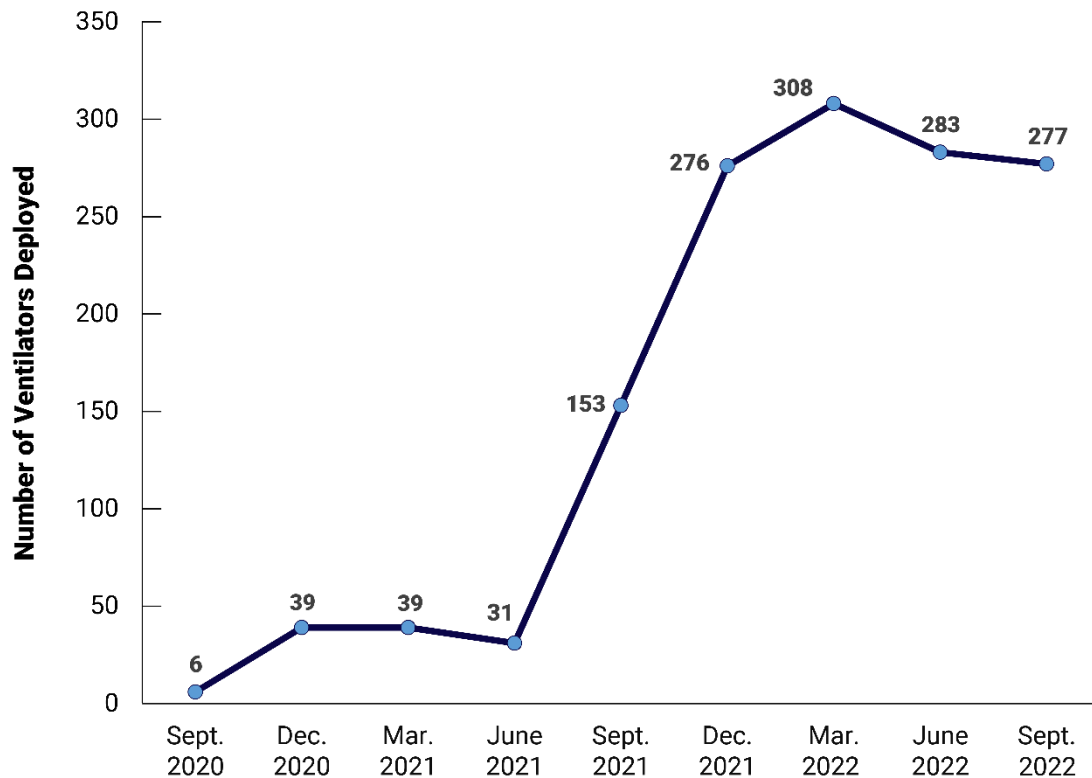
- specify the types of documents recipients must maintain in order to support grant amounts they requested;
- establish written policies for reviewing requested grant amounts;
- obtain grant application information and sufficient supporting documentation from the providers awarded the \$518,700 we questioned; and
- require the providers that cannot provide such information and documentation to repay the funds or reimburse the funds to the federal government.



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**Ventilator Deployments, as Reported by DHS<sup>1</sup>**  
September 2020 through September 2022



<sup>1</sup> As of the last day of each quarter.



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# Administration of the Ventilator Stewardship Program

We found that:

- DHS did not execute loan agreements with all entities to which it deployed ventilators;
- DHS did not inventory ventilator-related equipment;
- six ventilators were missing as of January 2023;
- DHS did not regularly track if ventilators were maintained; and
- DHS did not develop a plan for the future use of the ventilators.



# Report Recommendations

DHS should:

- execute a signed loan agreement with each entity to which it loans a ventilator;
- inventory all of its ventilator-related equipment;
- track the annual maintenance performed on its ventilators; and
- develop a plan for the future use of its ventilators.



# Office of the Inspector General

Section 15.913, Wis. Stats., states that “There is created in the department of health services an office of the inspector general.”

Statutes do not establish any specific duties for OIG.



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# Office of the Inspector General

OIG was appropriated \$7.1 million in FY 2022-23 and was authorized 98.8 FTE staff positions in September 2022.

As of December 2022, OIG had completed one audit of a portion of the \$653.8 million in supplemental federal funds DOA had allocated to DHS from March 2020 through June 2022.



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NONPARTISAN • INDEPENDENT • ACCURATE

August 22, 2023

**12**

# DHS's Adherence to Best Practices

We found that DHS did not adhere to best practices because it:

- did not publicly report summary results of OIG's audit and monitoring efforts;
- did not require OIG's internal audit section to submit in writing a proposed annual internal audit plan; and
- did not include on its website the internal audit section's reports.



# Report Recommendations

DHS should:

- publicly report summary results of OIG's audit and monitoring efforts;
- require OIG to submit in writing a proposed annual internal audit plan and post each of these plans to its website; and
- include on its website the reports completed by the internal audit section.



# Issue for Legislative Consideration

The Legislature could consider modifying statutes to require DHS to publicly report certain information about OIG, including:

- the summary results of OIG's monitoring and audit efforts;
- the annual audit plan for OIG's internal audit section; and
- all reports completed by OIG's internal audit section.



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NONPARTISAN • INDEPENDENT • ACCURATE

August 22, 2023

**15**



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NONPARTISAN • INDEPENDENT • ACCURATE

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