

ATTACHMENT B  
STATE OF COLORADO

Bill Ritter, Jr., Governor  
Martha E. Rudolph, Executive Director

Dedicated to protecting and improving the health and environment of the people of Colorado

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Colorado Department  
of Public Health  
and Environment

January 4, 2011

Sarah Aurich  
Legislative Audit Manager  
Office of the State Auditor  
200 East 14<sup>th</sup> Avenue  
Denver, CO 80203-2211

Subject: Status of Implementation of the Recommendations Set Forth in the Dental Loan  
Repayment Program Performance Audit, Dated June 2010

Dear Ms. Aurich:

In response to the Office of the State Auditor's letter dated November 30, 2010, attached is the Colorado Department of Public Health and Environment's (the department's) status report of our implementation of the recommendations, as set forth in the Dental Loan Repayment Program Performance Audit, Dated June 2010.

The attached status report includes all of the auditor's recommendations to the department with our responses and implementation dates as presented in the audit report, together with the current implementation status of the auditor's recommendations.

Should you have any comments or questions regarding our responses, please contact our Internal Auditor, Scott Toland, at 303-692-2105.

Sincerely,

Martha E. Rudolph  
Executive Director

Attachment

cc: Lisa Miller, MD, MSPH, Acting Chief Medical Officer  
Jillian Jacobellis, PhD, Director, Prevention Services Division (PSD), CDPHE  
Chuck Bayard, Director, Administration and Financial Services Division, CDPHE  
Theresa Anselmo, Director, Oral Health Unit, PSD, CDPHE  
Karin McGowan, Director, Policy, External Affairs, and Planning, CDPHE  
Scott Toland, Internal Auditor, CDPHE

## AUDIT RECOMMENDATION STATUS REPORT

**AUDIT NAME:** Dental Loan Repayment Program

**AUDIT NUMBER:** 2077

**DEPARTMENT/AGENCY/ENTITY:** Department of Public Health and Environment

**DATE:** June 2010

### SUMMARY INFORMATION

Please complete the table below with summary information for all audit recommendations. For multi-part recommendations, list each part of the recommendation **SEPARATELY**. (For example, if Recommendation 1 has three parts, list each part separately in the table.)

Recommendation Number <i>(e.g., 1a, 1b, 2, etc.)</i>	Agency's Response <i>(i.e., agree, partially agree, disagree)</i>	Original Implementation Date <i>(as listed in the audit report)</i>	Implementation Status <i>(Implemented, Partially Implemented, or Not Implemented)</i>  <i>* A recommendation that is in progress should be denoted as "partially implemented."</i>	Revised Implementation Date <i>(Complete only if agency is revising the original implementation date.)</i>
1.a.	Agree	January 2011	Partially Implemented.	
1.b.	Agree	January 2011	Partially Implemented.	
2.a.	Agree	January 2011	Implemented.	
2.b.	Agree	January 2011	Partially Implemented.	
2.c.	Agree	January 2011	Partially Implemented.	

## DETAIL OF IMPLEMENTATION STATUS

### Recommendation #: 1

Agency Addressed: Colorado Department of Public Health and Environment

Recommendation Text in Audit Report: The Colorado Department of Public Health and Environment should improve its recruiting and selection processes for the Dental Loan Program to increase the likelihood of identifying participants who will agree to provide dental care in underserved areas. Specifically, the Department should:

- a. Inform potential applicants that their probability for selection for loan repayment assistance increases if they agree to serve in difficult-to-serve areas that have not had a recent Program participant.
- b. Modify the Program application scoring tool to include additional points for applicants willing to serve underserved areas. During the recruitment process, the Department should provide potential applicants with information on the scoring method that will be used to assess applications.

Agency's Original Response: Agree

Agency's Written Response in Audit Report: The Department agrees with the recommendation. It is important to note, however, the Program currently has more applicants than funds available. Additionally, the perceived value of the incentive compared to educational debt, and costs incurred to start and maintain a new dental practice are often overriding factors to practice location selection. For example, the 12 counties identified by the audit as having high un-met needs have very small populations, representing approximately only 2 percent of Colorado's total population, and at least four have not had a dental provider for over five years. Due to this and numerous other barriers related to recruiting dental providers to the remote rural areas, the Department has adopted a multi-strategy approach to address access to care, of which loan repayment is just one strategy. In other words, a county may be receiving services through another avenue not related to dental loan repayment, such as a mobile van. Because of the complexity of access issues, it remains questionable that the action suggested to expand dental loan repayment will result in any measurable impact on the provision of dental care to underserved populations in the counties identified by the audit.

While the report found that the Program is meeting its goals, the Department will attempt to improve its recruiting and selection processes to "increase the likelihood of identifying participants who will agree to provide dental care in underserved areas" by expanding the Dental Loan Repayment program into the Colorado counties identified by the audit as having the greatest un-met need for dental care providers as follows:

- 1) The Program will more fully utilize existing avenues for applicant recruitment, such as program and partner websites, to inform potential applicants about areas of greatest un-met need.
- 2) The Program will develop Geographical Information Systems map(s) to clearly illustrate areas of greatest un-met need, and include the map(s) in the application package and the promotional and marketing material made available online and distributed throughout the state at various venues. Maps developed as part of the Program will be updated in January of each year to correspond with changes in Health Professional Shortage Area designation, and to reflect loan repayment awards distributed in a given fiscal year.
- 3) Although the Program currently includes additional points for any applicant serving underserved areas designated as a dental Health Professional Shortage Area, the application scoring tool will be modified to award additional points for those serving in an area that has been designated a Health Professional Shortage Area, and does not have a Federally Qualified Health Center. Points awarded for this criterion will be based on Health Professional Shortage Areas as designated on the date the application is scored.

**Agency's Current Comments on Implementation Status of Recommendation:**

- 1) To enhance applicant recruitment, the Program and the Primary Care Office (PCO) are working together to market and brand all loan repayment programs available to dental professionals under the Colorado Health Service Corps umbrella. In various conversations with the PCO, the Program determined this strategy was an efficient means to eliminate the confusion of potential applicants regarding subtle eligibility differences between different loan repayment mechanisms, while automatically maximizing the options for providers to receive loan repayment. The Program has communicated the necessary changes to the Colorado Rural Health Center (CRHC) fact sheet, and the CRHC continues promoting the loan repayment program on their website and through their outreach activities across the state. In addition to the CRHC outreach and promotion, the PCO is also actively promoting loan repayment for dental professionals. To date, three specific outreach activities have taken place through the partnership with the PCO, including presentations to the dental directors of the Federally Qualified Health Centers and rural health centers. In January, the Program will be hosting an information table at the Rocky Mountain Dental Convention, the largest regional dental meeting in the state, reaching over 2,000 dental providers (dentists and hygienists) with information regarding dental loan repayment opportunities.

To further ease provider confusion regarding eligibility for loan repayment options, the Program has partnered with the PCO to develop a common on-line application for loan repayment across the state. This uniform application allows providers to apply at one central location, and screening questions provide Program staff information to match applicant eligibility with the most applicable funding option. The combined application went live for the first round of Colorado Health Service Corps' (CHSC) loan repayment funding on November 1, 2010. Applicants not eligible for CHSC loan repayment funds will automatically be entered into the pool of candidates for our program's funds. A total of three application cycles will occur, March, July, and November.

- 2) The map illustrating the counties identified by the audit as having the greatest un-met need is complete and will be posted on the website and made available in the application package for the application round in March 2011. The Program is developing a standardized methodology to update the map on an annual basis.
- 3) The scoring tool has been modified to include an additional 30 points for any applicant who serves in the counties identified as having the greatest un-met need and has been used on any new applications received since November, 2010.

**Recommendation #: 2**

**Agency Addressed:** Colorado Department of Public Health and Environment

**Original Recommendation in Audit Report:** The Colorado Department of Public Health and Environment should strengthen its procedures for ensuring Dental Loan Program participants meet contractual service requirements and improve its review of participant reports. Specifically, the Department should:

- a. Establish formal policies requiring that Program participants not employed at a Federally Qualified Health Center, or employed at a Health Center fewer than 30 hours per week, supply supporting documentation on each client served for the number of client visits reported on quarterly reports. Participants employed at a Health Center fewer than 30 hours per week should also include in their quarterly reports the total number of hours worked at the Health Center during the quarter. Contract language should be revised to reflect these policies and include penalties for non-compliance, such as reduction of loan repayment amounts or cancellation of the contract.
- b. Develop and provide documentation guidelines to Dental Loan Program providers to assist them in preparing and submitting consistent supporting documentation for their quarterly reports.
- c. Adopt a sample-based review of quarterly reports and associated supporting documentation. When anomalies are identified, the Department should conduct a risk-based review and trace supporting documentation to the clients' medical records to verify that the reported number of client visits was provided. The Department should take appropriate action if it determines that service obligations are not being met.

**Agency's Response:** Agree

**Agency's Written Response in Audit Report:** The Department will implement the recommendations to ensure contractual obligations are clear and are attained, specifically:

- 1) The Program will incorporate into the scope of work for the dental loan repayment contracts a section which requires all providers, other than those employed full-time at Federally Qualified Health Centers, to supply supporting documentation to validate the number of underserved patients reported on their quarterly reporting form.
- 2) The Program will incorporate into the scope of work for the dental loan repayment contracts a section which requires those employed by a Federally Qualified Health Center fewer than 30 hours per week to include in their quarterly reports the total number of hours worked at the Health Center during the quarter.
- 3) The Program will develop written guidelines to help recipients understand and accurately complete quarterly reporting forms, including hours worked, acceptable forms of supporting documentation, and appropriate preparation and submission of supporting documentation.
- 4) The Program will enter all contracts into the Contract Management System (CMS), and comply with all required reviews and reporting, including assignment of measures documenting “standard performance” such as:
  - a. Requiring all providers, other than those employed full-time at Federally Qualified Health Centers, to supply supporting documentation to validate the number of underserved patients reported on their quarterly reporting form.
  - b. Conducting a sample-based review of said supporting documentation.
- 5) The Program will incorporate a risk-based review of any recipient who receives a “below standard” rating during any quarter of assessment, in accordance with CMS requirements.
- 6) Should “below standard” performance occur, the Program will seek remediation per Paragraph 19 in the Standard Loan Repayment Contract, up to, and including termination of this contract, and in accordance with the additional Provisions Paragraph 2 regarding payment of liquidated damages.

**Agency’s Comments on Implementation Status of Recommendation:**

- 1&2) The program has incorporated a section in dental loan repayment contracts requiring all providers, other than those employed full-time at Federally Qualified Health Centers, to supply supporting documentation to validate the number of underserved patients reported on their quarterly reporting form. This change was implemented for all contracts starting July 1, 2010 and thereafter.
- 3) The guideline document to help recipients understand and accurately complete quarterly reporting forms is complete and is under final review. It will be sent out with any quarterly report letters sent after January 1, 2011.

4-6) The Program is currently following the Department's contractor performance evaluation and rating guidelines. Quarterly evaluations are completed for each participant and any receiving a "below standard" rating receives an in-depth review and communicate any findings to the participant in accordance with the terms of the contract and CMS requirements.