

# Division of Medical Assistance

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## Findings on Compliance with Rules and Regulations

### **Finding Number 3: Managed Care Organization Contractual Agreements Signed by an Individual not on the Authorized Signatory Listing**

During the testing of thirty three transactions, it was noted that two contractual agreements with Managed Care Organizations were signed for the Division of Medical Assistance (Division) by a Assistant Commissioner whose name did not appear on the fiscal year 1999 Authorized Signatory Listing forwarded to the Office of the Comptroller. It is the policy of the Office of the Comptroller to require, on an annual basis, that all state entities provide a list of personnel approved to authorize a department's legal obligations, contracts, payments, payrolls, and other fiscal transactions. Division personnel indicated that it was their belief that, since the individual was included on the authorized signatory list provided to the Comptroller's Office in the prior fiscal year, the authorization would still be effective. However, the Comptroller's Office requires that a new list be provided on an annual basis in the event of any changes. Since there were changes to the Division's list, this name should have been included on the fiscal year 1999 annual filing.

### **Recommendation**

The Division, as a matter of policy, should require that all appropriate individuals be listed annually on the Department Head Signature Authorization Form submitted to the Comptroller's Office.

### **Department Corrective Action Plan**

The Division accepts the finding and the recommendation as presented. The Assistant Commissioner was an authorized signatory on the fiscal year 1998 Authorized Signatory Listing that was sent to the Office of the State Comptroller. However, when a new MMARS liaison for the Division prepared the fiscal year 1999 listing, the name and signature of the Assistant Commissioner was inadvertently omitted. The name and original signature of the Assistant Commissioner has been added, effective October 17, 1999, to the fiscal year 2000 Signature Authorization Listing. This document has been forwarded to the Office of the State Comptroller for filing. Copies of fiscal year 1998 and fiscal year 2000 Authorized Signatory Listings were provided at the exit conference.

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