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OFFICE OF THE STATE COMPTROLLER

July 11, 2003

Mr. James L. Stone, MSW, CSW
Commissioner
Office of Mental Health
44 Holland Ave.
Albany, New York 12229

Re: Report 2003-F-7

Dear Mr. Stone:

Pursuant to the State Comptroller's authority as set forth in Article V, Section 1 of the State Constitution and Article II, Section 8 of the State Finance Law, we have reviewed the actions taken by officials of the Office of Mental Health (OMH) as of May 22, 2003, to implement the recommendations contained in our audit report, *Manhattan Psychiatric Center Controls Over Continuing Medical Education* (Report 98-S-75). Our report, which was issued on July 12, 1999, examined controls established by Manhattan Psychiatric Center (Center) over the approval of physicians' attendance at off-site continuing medical education (CME) training courses, as well as its maintenance of documentation of physicians' CME credit for redetermination purposes.

Background

Manhattan Psychiatric Center is a public mental health center operated by OMH on Ward's Island in New York City. The Center maintains an inpatient program on Ward's Island, as well as a community-based program at its clinic in Manhattan. It employs 52 physicians.

CME serves to maintain, develop, or increase the knowledge, skills, and professional performance and relationships a physician uses to provide services to patients, the public, or the profession. The American Medical Association (AMA) defines two categories of CME: formally-organized and planned educational meetings, such as conferences and symposia, regarded as "category 1" learning activities; and less-structured learning experiences, such as consultations, discussions with colleagues, and teaching, regarded as "category 2" activities.

To maintain authorization to practice at the Center, each physician on its medical staff must obtain a redetermination of his or her clinical privileges at least every two years. The Center has adopted the AMA guidelines for CME in its Bylaws and Rules and Regulations of the Medical Staff (Bylaws). The Bylaws base redetermination, in part, on the physician's completion of the minimum CME required by the AMA for its Physician's Recognition Award certificate: 100 CME credit

hours, of which at least 40 credit hours must be for category 1 learning activities. To help physicians obtain their CME hours, the Center schedules certain on-site CME activities and also allows physicians to attend category 1 courses off-site.

Summary Conclusions

In our prior audit, we identified weaknesses in the Center's controls over the approval of physicians' attendance at off-site CME training, verification of proof of attendance at such courses, and maintenance of documentation of physicians' CME credits for redetermination purposes. As a result, Center officials had only limited assurance that the physicians to whom they granted a redetermination of clinical privileges have actually earned the required number of CME credits.

In our follow-up review, we found that Center officials have made progress in implementing the recommendations contained in our prior audit. We found, however, that the Center continues to re-certify physicians who have not accumulated the necessary CME credits.

Summary of Status of Prior Audit Recommendations

Of the seven prior audit recommendations, Center officials have implemented five recommendations, partially implemented one recommendation, and have not implemented one recommendation.

Follow-up Observations

Recommendations 1, 2, and 3

Ensure that Center physicians get pre-approval of off-site CME training by submitting training requests which:

- *give course descriptions, including accreditation statements and CME category, when applicable;*
- *indicate coverage in the physician's absence;*
- *are signed by physician's supervisor; and*
- *are signed and approved by the Director of Clinical Services.*

Require physicians to charge appropriate leave credits when they are absent from work for training for which they did not receive prior approval.

Modify the form used to request approval for off-site training to include an indication of whether the activity counts as category 1 or category 2 CME.

Status - Implemented

Agency Action - In April and October 1999, the Center issued memoranda to staff about obtaining pre-approval for off-site CME training events that occur during normal work hours. The memos required staff to obtain approval from their supervisors and the Center's Clinical

Director, to indicate on the Center's "Request for Time Off" form who would provide coverage while they were at training, the CME training they were attending, the category of the training (either category 1 or category 2), and the number of CME credits to be earned.

We reviewed a sample of time-off request forms maintained by the Clinical Director's Office to determine whether staff were complying with Center requirements. We found that all the forms had been completed properly; and contained approvals by the supervisor and Clinical Director, course descriptions, the category of training and number of credit hours to be earned, and the names of physicians who were providing coverage for the staff members attending the training.

In May 1999, Center officials issued a memo requiring all clinical staff to provide proof of attendance at off-site CME training events that occurred during normal working hours. Unless clinical staff submit proof within 30 days of the event, their leave credits would be charged. When we reviewed records maintained by the Center's Clinical Director's Office to monitor CME category 1 activities attended by clinical staff, we found that management was monitoring off-site CME training and that staff were providing the required documentation to prove attendance at CME activities.

In addition, in April 2000, OMH's Bureau of Investigations and Audit (Audit Bureau) performed its own follow-up review of the implementation status of our audit recommendations. The Audit Bureau found that the physicians were completing the time-off request forms properly, and that Center management had taken steps to monitor CME activities attended by clinical staff.

Center officials did not feel they needed to modify the time-off request form to achieve the results recommended in our prior audit report. Instead, they said the form is adequate as long as staff completing the time-off requests, and supervisors approving these requests, follow the Center's recommended procedures. Our review confirmed that the form was being completed in accordance with current policies and, therefore, does not need to be revised.

Recommendation 4

Review the records of those physicians who provided no proof of attending the off-site CME courses they claim to have taken. Adjust the time and attendance records of physicians who were absent without evidence of course attendance.

Status - Not Implemented

Agency Action - OMH officials continued to disagree that the Center should retroactively require the physicians we cited in our prior report to charge leave credits because they did not adequately document their attendance at off-site CME events. Officials stated that, because the Center's policy regarding documentation was more restrictive than OMH's policy at the time (i.e., OMH's policy did not require documentation of attendance), the Center should not require

physicians to charge leave credits for not providing such documentation. Therefore, Center officials have not made any adjustments to these physicians' time and attendance records.

Recommendation 5

Instruct supervisors to verify proof of attendance at off-site training indicated on physicians' time sheets - and follow up on any pending documentation - to ensure physicians either provide evidence of attending training or charge leave credits.

Status - Implemented

Agency Action - In May 1999, the Center issued a memo to all clinical staff telling them that they must either provide proof of attendance at all CME training events that occur during normal work hours or charge the appropriate leave credits. We reviewed a sample of the records maintained by the Clinical Director's Office to determine whether physicians attending CME training events had provided proof that they had attended the CME functions for which they received credit. We found that proof of attendance was available for all of the CME training dates we selected.

Recommendation 6

Implement procedures to compile and verify the number of CME hours earned by physicians to ensure that they all meet the CME requirements for redetermination of clinical privileges.

Status - Partially Implemented

Agency Action - The Center has implemented procedures for compiling and verifying the number of CME hours earned by its clinical staff to obtain redetermination of their clinical privileges. This process includes maintaining a record of all CME events for category 1 training (the Center does not retain records for category 2 training because it is held on-site), and proof of attendance at the event and the number of CME hours earned. The reports generated from the information retained by the Clinical Director's Office help management track the total number of CME hours earned over the two-year period prior to redetermination. In general, our reviews of the information retained showed the reports to be accurate and complete.

However, we also found that the Center did not always comply with OMH's policy for redetermination of clinical privileges. OMH requires a psychiatrist to complete 40 hours of category 1 training over the preceding two-year period before granting them redetermination of their clinical privileges. We found three psychiatrists who had not met the required 40 hours, but were granted a redetermination of their privileges by the Center. Two of these employees had received just 8 hours of category 1 credits in the two-year period; the third had received 22.

Recommendation 7

Determine the number of CME credits associated with all off-site training courses Center management approves for its physicians.

Status - Implemented

Agency Action - As stated above, the Center has implemented a process for monitoring the number of CME credits earned at off-site training events. The Clinical Director's Office maintains records of all CME training events, time-off requests associated with the events, proof of attendance at the events, the number of CME credits earned, and other documentation supporting the physicians' claims for CME credits. We reviewed the records and found that the Center's record-keeping process was accurate and complete.

Major contributors to this report were John Buyce, Joel Biederman, and Don Wilson.

We would appreciate your response to this report within 30 days, indicating any actions planned to address the unresolved issues discussed in this report. We also thank OMH and Center management and staff for the courtesies and cooperation extended to our auditors during this review.

Very truly yours,

Frank J. Houston
Audit Director

cc: Stanley P. Lockwood, OMH Bureau of Investigations and Audit
Deirdre A. Taylor, Division of the Budget