



Bureau of Acute Care Systems

**Trauma Programmatic Audit and Financial
Review Manual**

**Level I, II, III Trauma Centers; Pediatric Centers:
Burn Centers; and EMS Providers**

As of February 2018

Table of Contents

Table of Contents2
Introduction2
Trauma Care Trust Fund (TCTF) distribution procedures3
TCTF eligible expenditures3
Region administrative funding and education grants5
Program Audit and Financial Review6
Trauma Regions6
Trauma/Burn Centers and Tertiary Pediatric Trauma Centers7
EMS providers.....7
Trauma Center Registry Validation Audit8
Reports.....8

Introduction

The Mississippi Trauma System of Care Programmatic Audit and Financial Review Manual is intended to aid Trauma Care Regions, hospitals, and EMS providers to prepare for the annual programmatic audit and financial review. The staff of the Trauma System of Care hopes that this document will guide the regions, hospitals, and EMS providers as they collect and organize the information necessary to present to the reviewers to ensure compliance with statute and regulations.

Please feel free to contact the Bureau of Acute Care Systems if you or your staff has any questions.

- David Hall, Bureau Director
Office phone-----601-933-2442

- Teresa Windham, Trauma System Nurse Consultant
Office phone ----- 601-624-1207

- Margaret Cooper, Financial Officer
Office phone----- 601-933-2444

- Teletha Johnson, Trauma Registrar
Office phone -----601-933-2447

- Tammy Wells, Registrar
Office phone-----601-933-2446

Purpose

The MS State Department of Health, Bureau of Acute Care Systems is charged through the Joint Committee on Performance Evaluation and Expenditure Review (PEER) to conduct annual audits of the Trauma Care Trust Fund distributions. In addition to auditing the data entered into the state's trauma registry, the bureau should review the regions' and trauma centers' financial records to verify the accuracy of expenditure information submitted on the Trauma Care Trust Fund applications.

Audits of the Trauma Registry submissions are conducted in two ways:

- 1) Quality Assurance (QA) checks are made by the Trauma Registry staff at the time the data is received from the trauma center each month. These checks include formatting, entries in the allowable range, and completeness of the required fields.
- 2) Audits of the accuracy of the Trauma Registry records are completed during the tri-annual on-site survey of the Level I-Level III Trauma Centers. Consultant surveyors (physicians and nurses) review randomly selected patient charts and compare the diagnosis related groups (DRG) in the patient charts to the data in the Trauma Registry record. Although it is a representative sampling, it does validate the overall accuracy of the Trauma Registry.

Trauma Care Trust Fund Distribution procedures:

- Fund distribution is determined using the Distribution Model published in the Mississippi Trauma System of Care Regulations, Chapter 1, Sub-chapter 3 and Appendix C.
 - Eighty percent (80%) of the available funds of the Fund are allocated to participating Trauma Centers which shall further allocate at least thirty percent (30%) of the funds received to eligible physicians.
 - Five percent (5%) of the available funds are allocated to designated Burn Centers, which shall further allocate at least thirty percent (30%) of the funds received to eligible physicians. If no Burn Centers are designated at the time of the distribution, the five percent (5%) will be distributed to Level I, II, and III Trauma Centers.
 - Fifteen percent (15%) of available funds from the Fund are allocated to eligible EMS providers which provide pre-hospital care to trauma victims.
 - Designated Level IV Trauma Centers shall not receive Fund distribution, however, will receive \$10,000 annually for administrative support for participation in the Mississippi Trauma Care System.
- Funds that are allocated to participating hospitals, eligible physicians, and eligible EMS providers are disbursed through the Regions.

- Expenditure of Fund disbursements may be escrowed for up to three (3) years in order to accumulate sufficient funds to purchase equipment or capital investments. (Note: All escrowed funds must be in an interest bearing account; any interest must be expended in accordance with Fund guidelines.) Extensions beyond three (3) years must be approved by the Region.

TCTF eligible expenditures:

- Trauma/Burn Centers:
 - Physician compensation, including but not limited to, stand-by, call-back, or trauma team activation pay. (Must be a minimum of 30% of the total Trauma/Burn Center distribution).
 - Medical staff compensation, including nurses, nurse-practitioners, CRNA, radiology technicians, laboratory technicians, and others. May also include, but is not limited to, stand-by, call-back, or trauma team activation pay.
 - Non-medical staff compensation including administration, security, maintenance, or other function that directly supports the trauma and/or burn care program of the facility.
 - Training and associated travel costs for trauma education including but not limited to, Advanced Trauma Life Support, Advanced Burn Life Support, Advanced Cardiac Life Support, Emergency Nurse Practitioner Course, Pediatric Advanced Life Support, and Trauma Nurse Critical Care.
 - Equipment directly related to the immediate resuscitation and stabilization, and definitive acute care, of trauma and/or burn patients.
 - Commodities directly related to the immediate resuscitation and stabilization, and definitive acute care, of trauma and/or burn patients.
 - Capital investments directly related to the immediate resuscitation and stabilization, and definitive acute care of trauma and/or burn patients, i.e., expansion of emergency treatment rooms, expansion of operating rooms, Intensive Care Units.
- EMS providers:
 - Compensation for Paramedics, EMTs, and EMS drivers, including stand-by or call-back pay.

- Compensation for other employees including administration, dispatchers, maintenance, or other function that directly supports trauma and/or burn response.
- Training and associated travel costs for trauma and/or burn education including, but not limited to, Basic Trauma Life Support, BEMS approved defensive EMS driver training, equipment familiarization, proficiency training/testing/certification.
- Equipment, to include:
 - Ambulances
 - Defibrillators
 - Ventilators and airway equipment
 - Patient monitoring equipment
 - Spinal/orthopedic immobilization devices
 - Suction units
 - Stretchers/wheeled cot
 - Communications equipment, including mobile/portable radios and repeaters, laptop computers/mobile data terminals, GPS units, cellular telephones, satellite radios
 - Generators for base station back-up capability
 - Safety equipment, including reflective clothing
 - Commodities associated with the operation of the EMS service, such as fuel, oil, maintenance, district fees, and utilities.
 - Commodities charged to patients cannot be purchased with TCTF funds.
 - Capital investments directed related to providing service, such as expansion/conversion of existing stations and construction of new stations.

Region administrative funding and education grants:

- Baseline administrative funding is the amount provided to each Region for region administrative and development costs including, but not limited to, salaries, travel, accounting/auditing, office/equipment rent expenses, consultant stipends, advertising, and other expenses.
- Weighted funding is additional funding provided to each Region based on the number of participating hospitals, their designated level, and the number of counties (representing EMS providers). The weighted funding formula is based on the following:
 - Trauma Centers:
 - Level I = 4 points
 - Level II = 3 points

- Level III = 2 points
 - Level IV = 1 point
 - Non-designated/Non-participating = 0 points
- Counties = 0.5 points
- The education grant is calculated based on the number of participating Level IV Trauma Centers in the Region.
 - The primary purpose of the grant is to ensure that training mandated by the Mississippi Trauma System of Care regulations (Advanced Trauma Life Support, Trauma Nurse Core Curriculum, Registrar initial/recurring training) is completed.
 - Surplus education funds may be used for optional courses, including, but not limited to, Advanced Burn Life Support (ABLS), Pre-Hospital Trauma Life Support (PHTLS), and advanced Trauma Registrar training.
 - Regions will determine the method of expenditure of education funds.
 - Regions may host training at no cost to the participants. Region training opportunities may be individual events or combined into conferences or symposiums.
 - Regions may reimburse Trauma Centers and EMS providers for the cost of training. Reimbursement may include tuition, travel, and per diem costs for the individuals attending training.
 - Education grant funding that is not obligated by the Region by the end of the fiscal year (June 30), nor expended within 60 days of the termination of the fiscal year (August 30), must be returned to the Department.

Program Audit and Financial Review:

- The Bureau of Acute Care Systems will conduct yearly programmatic audits of the Trauma Care Regions, and financial reviews of the Regions, Trauma Centers, Burn Centers, and EMS providers which have received Fund distribution. Additionally, each Trauma Center selected for financial review will also receive a Trauma Registry validation audit.
- Financial reviews will be conducted under the direction of the BACS Bureau Director.
- The Financial Specialist will be responsible for ensuring each Region has at least 30 days' notice of the scheduled audit/financial review. The Region will be responsible for notifying the Trauma Centers and the EMS providers of the financial review.

Trauma Regions:

- The programmatic audit of the Trauma Care Region will include:

- A review of all deliverables as listed on the contract between the Bureau of Acute Care Systems and the Region for the applicable fiscal year. Evidence of compliance if applicable will be reviewed
- The programmatic audit may or may not be conducted with the financial review. This portion of the audit could occur during the registry audit.
- Regional financial reviews will be conducted every year and must include (as a minimum):
 - Region administration.
 - All Level I, II, and III Trauma Centers, as applicable
 - All designated Burn Centers, as applicable in that region
 - All Tertiary Pediatric Trauma Centers, as applicable in that region.
 - Note: Level IV Trauma Centers are not reviewed as there are no requirements on the expenditure of the annual stipend, other than satisfactory participation in the Trauma System.
 - EMS providers.
- The regional financial review notice must include listing of items to be reviewed. Documentation should include, but is not limited to, the following:
 - Regions annual projected budget for the upcoming state fiscal year
 - Regions will provide annual actual expenditure report showing the use of trauma funds for the fiscal year in review
 - Region's financial policies and procedures.
 - TCTF applications submitted by Trauma Centers and EMS providers for the fiscal year being reviewed.
 - The Regions' trauma centers' and EMS financial data (Recap sheets) for the fiscal year being reviewed.
 - Documentation verifying receipt of region administrative funding and educational grant.
 - Documentation verifying receipt of TCTF distribution.
 - Documentation verifying distribution of TCTF to Trauma Centers and EMS providers.
 - Documentation verifying expenditure of education grant funding.

Trauma/Burn Centers and Tertiary Pediatric Trauma Centers:

- Trauma Center/Burn Center/Tertiary Pediatric Trauma Center financial review will include the following:
 - Review of documentation to verify receipt of TCTF distribution from the region.
 - Review of payroll statements or other documentation verifying payment of at least 30% of each hospital distribution to physicians.

- Review of payroll statements or other documentation verifying payment to nurses, nurse-practitioners, physician assistants, CRNAs, and other medical staff.
- Review of payroll statements or other documentation verifying payment to other hospital staff.
- Review of documentation verifying costs of training and associated expenses, to include training rosters or course completion documents.
- Review of documentation verifying costs of commodities, including invoices and receipts.
- Review of documentation verifying costs of capital expenditures, including invoices and receipts.
- Review of documentation verifying costs of equipment, including invoices and receipts; equipment may be inspected in-place.
- Review of any documentation verifying, and justifying, escrow of funds. Any correspondence with the region regarding extension beyond the three year escrow period must be available at the time of the review.

EMS providers:

- EMS provider financial review will include the following:
 - Review of documentation to verify receipt of TCTF distribution from the region.
 - Review of payroll statements or other documentation verifying payment to Paramedics, EMTs, and drivers with documentation supporting trauma transports.
 - Review of payroll statements or other documentation verifying payment to other staff.
 - Review of documentation verifying costs of training and associated expenses, to include training rosters or course completion documents.
 - Review of documentation verifying costs of commodities, including invoices and receipts.
 - Review of documentation verifying costs of capital expenditures, including invoices and receipts.
 - Review of documentation verifying costs of equipment, including invoices and receipts; equipment may be inspected in-place.
 - Review of any documentation verifying, and justifying, escrow of funds. Any correspondence with the region regarding extension beyond the three year escrow period must be available at the time of the review.

Trauma Center Registry Validation Audit:

- The Registry validation audit may be conducted separately or in concert with the financial review. If conducted separately, the Trauma Center must have a minimum of 30 days' notice prior to the validation audit.
- Trauma Registry records matching the fiscal year of the financial review will be audited for the following:
 - There must be a medical record on file for every patient identified in the Trauma Registry.
 - The injury code (ICD9) and Injury Severity Score (ISS) in the Trauma Registry must be consistent with the injuries identified in the medical record.
 - The patient record meets Trauma Registry inclusion criteria.
- A sampling of no less than 10% of the total Trauma Registry records for the ~~state~~ fiscal year will be reviewed, with an error rate not to exceed 2%. If the initial error rate exceeds 2%, the audit will be increased to 25% of the registry records, with an error rate not to exceed 5%. Any error rate over 5% will require a 100% audit.
- An error rate exceeding 10% of a Trauma Registry audit will result in the immediate suspension of all Fund distributions to the hospital and the initiation of a Corrective Action Plan to resolve the errors.
- Refer to Rule 1.3.15. of the Trauma System of Care Regulations for repayment to the Trauma Care Trust Fund.
- The registry audits of the Trauma Centers will be coordinated and scheduled with the trauma centers but will be communicated with the Trauma Region Administrators.
- The programmatic audit could be conducted during the trauma registry validation audit.

Reports:

- Criteria for Findings and Recommendations.
 - The financial review will determine the following:
 - Distribution was made by the Region to the participating Trauma Centers and EMS providers in a timely manner.
 - Funds were expended by the Region in accordance with the contract between the region and the Department.
 - Funds were expended by the participating Trauma/Burn Centers and EMS providers in accordance with the Eligible Expenditures.
 - Funds have not been in escrow for more than three years without approval.
 - Any expenditure or condition that fails to meet the above criteria will be considered a Finding.

- Expenditures or conditions which do not meet the level of a Finding, but in the opinion of the reviewer require attention, will be considered a Recommendation.
- A final report of the financial review, registry validation audit, and programmatic audit will be mailed to the trauma program manager and to the trauma region administrator.
- The Financial Specialist will generate a financial review report that will be mailed to the appropriate regional and trauma center representatives that will contain the following:
 - The region's name
 - Date of financial review
 - Narrative of the findings
 - If there are any reimbursement due to the State and/or recommendation for the region/state
- Corrective Action Plans.
 - If there is a Finding on the financial review, a Corrective Action Plan (CAP) must be developed, submitted to the Bureau of Acute Care Systems for approval within 30 days of receipt of the report, and implemented on the required timeline. The organization requiring the CAP will be reviewed each year until the CAP is closed.
 - A Finding on a subsequent financial review of the same organization will result in immediate suspension of all Fund distributions. The Department will determine the amount, if any, that must be reimbursed to the Fund.
 - Refer to Rule 1.3.15. of the Trauma System of Care Regulations for repayment to the Trauma Care Trust Fund.
 - Recommendations on financial reviews may be resolved by either a CAP, or a narrative response, as approved by the BACS.
- Notification of Outcome
 - The Bureau of Acute Care Systems will notify the region of the outcome of the audit and copies of the letter will be copied to the Level I, II, III Trauma Centers and EMS agencies.

Appendix A

Appendix B- TCTF Audit Tool

Appendix A: Itinerary for Programmatic Audit and Financial Review

There is a considerable amount of detail and information required for the process. It is important that this itinerary be followed as closely as possible. The audit/review may be held at the region office, at any of the trauma centers or any of the EMS agencies, but the entire audit will be held at one agreed and specific location.

The following representatives are required to be present:

- Trauma Care Region Administrator
- Trauma Program Manager for each Level I, II and III trauma center
- Financial personnel as required to support the audit and review process from each Level I, II, and III trauma center
- Burn Program Manager for each burn center
- Financial personnel as required to support the audit and review process from each burn center
- Operations manager and/or financial personnel as required to support the audit and review process from each EMS agency

0800 – 0930:	Region Programmatic Audit
0930 – 0945:	Break
0945 – 1100:	EMS Review
1100 – 1200:	Lunch
1300 – 1430:	Level I, II, III Trauma Center Review
1430 – 1445:	Break
1500 – 1630:	Burn Center Review

Appendix B: TCTF Audit Tool
Regional Financial Review:

Date Reviewed:		Reviewer's Name (s):	
Region Representative (s):		Entity/ Organization name:	
Evaluation Criteria		Meets	
Comments		Minimum Requirements	
	Yes	No	
<ul style="list-style-type: none"> Review regions budget and financial statements. Review regions financial policies and procedures Review the regions TCTF distribution compared to the FY year auditing Review the regions financial data/ recap sheets for the fiscal year being reviewed <p>Review the following applications listed in the current financial review:</p> <ul style="list-style-type: none"> Level I, II, III trauma center Burn Center, If applicable Tertiary pediatric, if applicable EMS providers <p>Review approved expenditure. Verify distribution of TCTF to appropriate entities listed above in region.</p>			

Evaluation Criteria Comments	Meets	
	Yes	No
<p>Review Education grant funding and verify expenditure of education grant funding</p> <ul style="list-style-type: none"> • Region must disburse ALL fall distributions before December 31. • Region distribution NOT made prior to December 31 must be returned to the Department • Region must disburse ALL spring distribution before June 30th. • Region distribution NOT made prior to June 30 must be returned to the Department. • Review and verify what the training was used against. Was it trauma related as listed in the Financial Manual? 		

Financial Management Summary:

Summarize any concerns identified in the review:
Summarize information that would be useful for follow up interviews, providing future technical assistance, or in making a final finding determination.

Trauma Center Financial Review:

Date Reviewed:		Reviewer's Name (s):	
Region Representative (s):		Entity/ Organization name:	
Evaluation Criteria		Meets	
Comments		Minimum Requirements	
	Yes	No	
<p>Did Trauma Center escrow funds? Greater than 3 years?</p> <ul style="list-style-type: none"> Attach escrow documentation verifying and justifying funds. 			
Physician Compensation (30%)			
<p>Did at least 30% of each distribution go to physicians?</p> <ul style="list-style-type: none"> Eligible physicians include: ER, surgeons, ortho, neuro, anesthesiologists, or any other specialty that provides services to patient whose condition qualifies the patient for meeting trauma registry criteria. <p>Staff Compensation Nurses, Nurse Practitioners, CRNA, Radiology tech, lab tech. Includes standby, callback, trauma activation pay)</p> <ul style="list-style-type: none"> Review copies of payroll if applicable. <p>Non- Medical staff compensation (Admin, security, maintenance, other functions directly related to trauma)</p>			

Evaluation Criteria Comments	Meets	
	Minimum Requirements Yes	No
Any trauma related training used?		
Other:		

Summary:

Summarize any concerns identified in the review.
Summarize information that would be useful for follow up interviews, providing future technical assistance, or in making a final finding determination.

Licensed EMS Service Financial Review:

Date Reviewed:		Reviewer's Name (s):	
Region Representative (s):		Entity/ Organization name:	
Evaluation Criteria		Meets	
Comments		Minimum Requirements	
	Yes	No	
<u>Copy of the TCTF deposit must be available for review.</u>			
Was the TCTF used for compensation for other employees including admin, dispatchers, maintenance or other function directly related? If so review copy of payroll.			
Review training and travel for education if applicable: (documentation of cost incurred, training rosters, successful course completion)			
Equipment: receipts for equipment (documentation of training, location, related to trauma)			
Review copies of commodities, if applicable			
Review copies of Capital Investment invoices, if applicable.			
Did EMS service escrow funds? Greater than 3 years? <ul style="list-style-type: none"> Review escrow documentation verifying and justifying funds. Review any correspondence with regions regarding extension beyond 3 year period.			

Summary:

Summarize any concerns identified in the review.

Summarize information that would be useful for follow up interviews, providing future technical assistance, or in making a final finding determination.