



Health and Human Services Commission

Internal Audit Division

Internal Audit Plan

Fiscal Year 2014

October 10, 2013

David M. Griffith, CPA, CIA, CGFM
Internal Audit Director

Kyle L. Jansky, M.D.
Executive Commissioner

TABLE OF CONTENTS

TABLE OF CONTENTS	1
INTRODUCTION	1
BACKGROUND	2
INTERNAL AUDIT ACCOUNTABILITY	3
RISK ASSESSMENT METHODOLOGY	4
AUDIT PLAN.....	5
AUDIT SERVICES.....	5
CONSULTING SERVICES	9
EXTERNAL AUDIT COORDINATION	10
PERM AND MIG COORDINATION	10
REQUIRED PROJECTS	10
APPENDIX: ACTIVITIES, BUSINESS AREAS, AND PROCESSES	11

INTRODUCTION

The Texas Internal Auditing Act (Texas Government Code, Chapter 2102) and the *International Standards for the Professional Practice of Internal Auditing* issued by The Institute of Internal Auditors require internal auditors to prepare annual audit plans. The Texas Internal Auditing Act requires that a state agency's Internal Audit Director develop an annual audit plan for approval by the agency's governing board, or by the administrator of that agency if the agency has no governing board. In accordance with these requirements, this document provides the Internal Audit Plan for the Health and Human Services Commission (HHSC) for fiscal year 2014.

BACKGROUND

HHS Enterprise

The Health and Human Services (HHS) Enterprise consists of five agencies, including HHSC and four agencies under the oversight of HHSC. The four agencies are the Department of Aging and Disability Services (DADS), Department of Assistive and Rehabilitative Services (DARS), Department of Family and Protective Services (DFPS), and Department of State Health Services (DSHS).

HHSC

In addition to providing oversight of the HHS Enterprise, HHSC is responsible for operational programs including Medicaid, Children's Health Insurance Program (CHIP), Disaster Assistance, Temporary Assistance for Needy Families, Supplemental Nutrition Assistance Program, and the Medical Transportation Program. HHSC also supports HHS agencies through enterprise-wide services, such as procurement, human resources, and regional administration.

Internal Audit

The HHSC Internal Audit Division (Internal Audit) provides independent, objective assurance and consulting services designed to add value and improve operations. Internal Audit's responsibilities include coverage of both HHSC and the HHS Enterprise¹. Audit coverage consists of assessments of programs, processes, and systems under the operational responsibility of HHSC and those programs, processes, and systems (a) under the oversight of HHSC deputy executive commissioners or (b) that involve two or more HHS agencies.

As required by professional auditing standards², Internal Audit is organizationally independent, and operates free from interference in determining the scope of internal audits, performing work, and communicating results.

¹ Each HHS agency has an internal auditing function that reports to its respective Commissioner. DADS, DARS, DFPS, and DSHS Internal Audit Divisions are responsible for audit coverage of programs, processes, and systems within their respective agencies.

² Standard 1110, Organizational Independence, *International Standards for the Professional Practice of Internal Auditing*, issued by The Institute of Internal Auditors requires annual confirmation to its board of the organizational independence of the internal audit activity.

INTERNAL AUDIT ACCOUNTABILITY

Audit Charter

The Texas Internal Auditing Act requires agency internal auditors to follow professional auditing standards³. Those standards require that the governing board approve a formal, written audit charter, detailing the purpose, authority, and responsibility of the internal audit function. The Texas Internal Auditing Act indicates that when an agency does not have a governing board, the administrator of the state agency performs the roles related to the internal audit function otherwise carried out by the governing board. The Executive Commissioner approved the current HHSC Internal Audit Charter in March 2013.

Internal Audit Oversight Committee

HHSC established an Internal Audit Oversight Committee in fiscal year 2008 to provide guidance to the internal audit function. Membership has historically included the Executive Commissioner, the deputy executive commissioners, and the Chief of Staff. Membership was expanded in 2010 to include the HHSC Council Chair, in recognition of governance best practices which suggest that an internal audit committee is most effective when it includes some members that are independent of the organization. Membership was further expanded in 2012 to include the Chief Deputy Commissioner and in 2013 to include the Deputy Executive Commissioner for Procurement and Contracting.

The Internal Audit Oversight Committee holds quarterly meetings, during which topics such as the following are discussed: (a) significant audit results, (b) Internal Audit performance measure results, (c) progress toward completion of the annual audit plan, (d) proposed changes to the annual audit plan, and (e) the status of management's actions to address audit recommendations. The group increases accountability of both the internal audit function and management, which is responsible for timely resolution of operational issues identified during audits.

Independent Quality Assurance Review

In accordance with professional standards, Internal Audit is required to undergo an external quality assurance review at least once every three years. Internal Audit received a Quality Assurance Review in August 2013 by the independent CPA firm, Honkamp Krueger & Co., P.C. The firm rendered an unqualified opinion and reported the results to the Executive Commissioner.

³ *Generally Accepted Government Auditing Standards* issued by the Comptroller General of the United States and *International Standards for the Professional Practice of Internal Auditing* issued by The Institute of Internal Auditors.

RISK ASSESSMENT METHODOLOGY

Internal Audit conducted an agency business risk assessment to develop the annual Internal Audit Plan. The risk assessment included three major components: (a) input from executives and management, (b) consideration of the current operating environment and management control structure, and (c) evaluation of issues identified during prior audits.

Internal Audit received input from 253 surveys and 16 interviews of HHS Enterprise and HHSC executives and managers representing key operational and support functions. The activities, business areas, and processes considered during the annual risk assessment are listed in the Appendix.

Executives and managers provided input that included:

- Validation of the most significant processes, activities, and functions within each division or operational area.
- Identification of risk factors that have the highest potential to prevent achievement of objectives.
- Assessment of the effectiveness of the management control structure to mitigate identified risks.
- Assessment of the effectiveness of services supporting operational areas, including functions such as human resources, information technology, contract development, regional administration, and budgeting.
- Evaluation of the risk of fraud and awareness of fraud referral requirements and processes.

Internal Audit combined the assessed risks with additional information obtained from prior internal and external audit reports and other data about business risks, to identify the higher risk processes (including processes that support the HHS Enterprise) within each activity and business area. These lists were presented to HHSC executives for review, and then combined into a comprehensive list of higher risk HHSC processes.

AUDIT PLAN

Internal Audit used the results of the agency business risk assessment to identify audit projects that address areas of highest risk. In selecting audit projects, Internal Audit also considered audit work planned or underway by other audit entities that might also address some of the highest risk areas, including the State Auditor's Office, Federal Office of Inspectors General, and the HHSC Office of Inspector General (OIG).

Although the Internal Audit Plan contains a wide range of audit projects, it does not provide coverage for all HHSC divisions, processes, or activities. While the Internal Audit Plan is not intended to cover every risk, it attempts to maximize limited internal audit resources and provide reasonable coverage of the business processes rated as high risk. HHSC management understands the limitations of audit coverage and the risks assumed by management in the areas not audited.

In recognition that operating environments and risks are subject to change, Internal Audit may adjust its Internal Audit Plan to address significant changes that occur throughout the year. In response to unanticipated changes in the operating environment, the performance of additional projects may be required. Consequently, some of the projects included in the plan may not be performed. Proposed modifications to the Internal Audit Plan will be communicated to the Executive Commissioner for approval.

AUDIT SERVICES

Audits provide an independent assessment of processes or activities based on evaluation of management controls, testing of transactions, and review of evidence. Internal Audit management determines the nature and scope of each audit.

To further evaluate risks noted during the annual risk assessment process, a project risk assessment will be conducted during each audit that is performed. The project risk assessment is designed to ensure that the final project scope and objectives are appropriately focused on the highest risks within the activity under review.

Internal Audit projects conclude with written reports that provide information to management detailing the results of the audit and offer suggestions and recommendations for improvement. The audit projects planned for fiscal year 2014, including projects begun in a previous fiscal year and planned to be completed in fiscal year 2014, are listed below with a brief description of each project.

Audit Projects

Texas Integrated Eligibility Redesign System (TIERS) Data Processing and Integrity

- Evaluate the effectiveness of TIERS general and application controls designed to ensure the (a) accuracy of eligibility determinations and (b) confidentiality, integrity, and availability of data.

Managed Transportation Organization Contract Monitoring

- Evaluate whether contract monitoring processes support the managed transportation delivery model and ensure contract outcomes are achieved.

Medicaid/CHIP Division Delivery System Reform Incentive Payment (DSRIP) Processes

- Assess the effectiveness of controls over the approval, funding, monitoring, and payment of DSRIP projects in ensuring:
 - Intended outcomes are achieved.
 - Compliance with federal and state guidelines.

Eligibility Operations – Data Integrity Unit Processes

- Determine whether Data Integrity Unit processes and controls ensure client information updates in TIERS are appropriate, accurate, and adequately supported.
- Evaluate processes and controls for:
 - Managing database update privileges in TIERS.
 - Logging and establishing accountability for client information updates.
 - Monitoring and validating database update activities.

Security Incident Reporting and Prevention

- Determine whether activities and technologies that support security incident reporting and prevention effectively and efficiently result in:
 - Timely detection and response to actual and potential security incidents.
 - Identification of root causes and implementation of corrective actions to minimize impact and prevent recurrence.
 - Submittal of security incident reports in accordance with laws and requirements.

Sole Source and Emergency Procurements

- Determine whether sole source and emergency procurements are appropriate, justified, and approved in accordance with state and agency guidelines.

HHS Enterprise Administrative Report and Tracking (HEART) System Access and Security

- Determine whether access and security controls adequately protect the confidentiality, availability, and integrity of information maintained in HEART.

Office of Community Services Subrecipient Monitoring

- Determine whether Office of Community Services monitoring activities effectively ensure subrecipients are providing program services and utilizing federal funds in accordance with grant requirements, laws, and regulations.

HHSC IT Oversight of Outsourced Services

- Assess whether HHSC IT contract monitoring effectively supports and promotes the achievement of outsourcing objectives.

Prescription Drug Rebate Program

- Review the effectiveness of HHSC monitoring and oversight of contractor administration of rebates.
- Determine the efficacy of business processes and management controls that support (a) calculation of rebates, including pricing and utilization adjustments, (b) billing of outstanding receivables, (c) dispute resolution, and (d) collection of rebates in accordance with federal and state requirements, contractual agreements, and sound business practices.

Carry-Forward Audits

Organizational Governance

- Evaluate the HHSC governance framework and associated processes designed to inform, direct, and monitor the activities of HHSC and the HHS Enterprise toward the achievement of organizational goals and objectives.

Social Services Contract Monitoring

- Evaluate whether Office of Social Services contract monitoring processes ensure contract outcomes are achieved.

Premium Payment Processes

- Evaluate the effectiveness of automated controls and related business processes designed to:
 - Support complete, accurate, and effective processing, approval, and validation of premium payments and adjustments.
 - Produce reliable and complete reports on (a) clients enrolled in each managed care plan, (b) clients served by each medical transportation provider, and (c) the type of services to which clients are entitled.
 - Protect the Premiums Payable System (PPS) and related applications, databases, and operating systems from unauthorized access.
 - Manage PPS system changes, including modifications and enhancements.

Claims Administrator Contract Monitoring

- Evaluate whether HHSC and DADS contract monitoring processes ensure claims administrator contract outcomes are achieved.

Identity and Access Management

- Assess the effectiveness of controls over (a) how internal and external information system users are granted an identity, (b) the protection of user identities, and (c) authentication and authorization, including granting and revocation of access to IT support personnel and individuals that use applications.
- Identify opportunities to improve identity and access management strategies, technology, and business processes designed to (a) strengthen compliance with federal and state data security and other requirements, (b) increase efficiencies, and (c) improve the end user experience through single sign-on strategies.

Eligibility Documentation

- Evaluate the effectiveness of processes designed to achieve compliance with federal and state requirements and HHSC policies for obtaining, verifying, and retaining support for eligibility determinations.

Requested Audits

Perform audit projects that are requested by HHS Enterprise or HHSC management and approved by the Executive Commissioner.

Follow Up Projects

Follow Up of Regional Administrative Services

- Determine whether actions implemented to address issues and risks reported in the prior Internal Audit report on Regional Administrative Services achieved the intended results.

Requested Follow Up Projects

Perform follow up projects that are requested by HHS Enterprise or HHSC management and approved by the Executive Commissioner.

CONSULTING SERVICES

Internal Audit performs consulting services intended to add value and improve governance, risk management, and control processes. Consulting services are advisory in nature and are generally performed at the specific request of management. The work performed is subject to Internal Audit's agreement with management regarding project scope and objectives and is based on Internal Audit's consideration of potential impairments to independence and objectivity. When performing consulting services Internal Audit maintains independence and objectivity and does not assume management responsibilities. Consulting services include:

- Performing management advisory projects which provide analyses and recommendations on a specific subject.
- Conducting assessments that address topics agreed upon with management.
- Providing expertise and independent analyses as management controls are designed, such as through (a) auditor facilitation of business risk assessments and controls analyses and (b) participation in committees and workgroups as a non-voting, advisory member.

Requested Management Advisory Projects

Perform management advisory projects that are requested by HHS Enterprise or HHSC management and approved by the Executive Commissioner.

Ongoing Committees and Workgroups

- HHS Enterprise Audit Council
- Contract Management Workgroup
- Recovery Audit Contractor Governance Committee
- CMS PERM Technical Advisory Group

EXTERNAL AUDIT COORDINATION

Internal Audit provides an external audit liaison service that includes coordinating and providing a single point of contact for audits of HHSC by external audit entities. Internal Audit also assists management in coordinating management responses for all HHSC external audits and some HHS external audits.

PERM AND MIG COORDINATION

Internal Audit serves as Texas' single point of contact with the Centers for Medicare and Medicaid Services (CMS) for payment error rate measurement (PERM) reviews and Medicaid Integrity Group (MIG) audits. These CMS initiatives are described below.

Payment Error Rate Measurement

PERM reviews focus on identifying improper payments in the Medicaid and CHIP programs, and include tests of Medicaid and CHIP eligibility and review of medical payments at the individual claim level. PERM reviews are conducted on a cyclical basis, resulting in a state being assessed once every three years. States are required to return to CMS the federal share of improper payments. In addition, states must develop corrective action plans to improve systems and processes that contributed to errors identified during PERM reviews.

Medicaid Integrity Group

MIG activities include (a) reviews of Medicaid provider actions, (b) audits of individual provider's claims, (c) identification of overpayments, and (d) education of providers and others about Medicaid integrity issues. Audits are performed of individual providers, with efforts focused on providers with potential aberrant billing practices. The audits are designed to identify instances of waste, abuse, or fraud. At the discretion of CMS, audits may incorporate statistical extrapolation to estimate total inappropriate Medicaid claim payments for a provider. CMS requires states to refund the federal share of provider overpayments identified, either at the claim level or using extrapolation.

REQUIRED PROJECTS

Statutes, auditing standards, and agency policies mandate the completion of certain projects. Required projects for fiscal year 2014 include:

- Annual HHSC Business Risk Assessment
- Annual Audit Plan
- Annual Internal Auditor's Report

APPENDIX

ACTIVITIES, BUSINESS AREAS, AND PROCESSES

<i>Activities</i>	<i>Business Areas</i>	<i>Processes</i>
<p>Governance</p>	<ul style="list-style-type: none"> • Chief Counsel <ul style="list-style-type: none"> ○ System Services ○ General Counsel ○ System Oversight • HHS Communications • Internal Audit 	<ul style="list-style-type: none"> • Appeals and Hearings <ul style="list-style-type: none"> ○ Fair Hearings ○ Administrative and Contested Cases ○ Employee Grievance • Federal Appeals • Regional Legal Services • HHSC Litigation and Hearings • Open Records Coordination • System Contract Legal Support • Human Resources and Civil Rights System Support • System Project Coordination • System Litigation • Agency Website Management • Communications <ul style="list-style-type: none"> ○ Media ○ Employees • Client Materials Review • Manage Outreach Campaigns for Children's Medicaid, CHIP and SNAP • Audits and Consulting • External Audit Coordination

<i>Activities</i>	<i>Business Areas</i>	<i>Processes</i>
	<ul style="list-style-type: none"> ● Office of Inspector General <ul style="list-style-type: none"> ○ Chief Counsel ○ Compliance ○ Enforcement ○ Operations 	<ul style="list-style-type: none"> ● Overpayment Recoupment and Penalties ● Administrative Litigation ● Other Sanctions ● OIG Administrative Actions ● Legal Services for OIG ● Audit Services <ul style="list-style-type: none"> ○ Cost Report Review ○ Subrecipient Finance Review ○ Contract Audits ○ Outpatient Hospital ○ Managed Care Organization ● Compliance/Quality Review <ul style="list-style-type: none"> ○ WIC Vendor Monitoring ○ Utilization Review ○ Limited Program Management (Medicaid Recipients) ● General Investigations ● Medicaid Provider Integrity ● Third Party Liabilities ● Fraud Referrals and Case Management ● Criminal Background Checks ● Research, Analysis and Detection Case Development and Management ● Performance Measures Data Compiler ● Contract Management ● Policy Analysis and Recommendations ● Professional Training and Development ● External Relations

<i>Activities</i>	<i>Business Areas</i>	<i>Processes</i>
	○ Internal Affairs	● Investigations <ul style="list-style-type: none">○ State Supported Living Centers○ Vital Statistics○ Programs○ State Hospitals

<i>Activities</i>	<i>Business Areas</i>	<i>Processes</i>
Chief of Staff	<ul style="list-style-type: none"> • Executive Office Administration • External Relations • Office of the Ombudsman • Special Projects 	<ul style="list-style-type: none"> • Administration • Communications <ul style="list-style-type: none"> ○ Federal Government ○ State Government ○ HHSC Council ○ Stakeholders • Complaints Management • Customer Support for Medicaid Clients • Agency and Enterprise-wide Complaint Reports • Sunset Review Coordination • HHS Agencies – Self-Evaluation Reports • Critical Projects Meeting

<i>Activities</i>	<i>Business Areas</i>	<i>Processes</i>
	<ul style="list-style-type: none"> ○ Program Operations ○ Vendor Drug Program ○ Policy Development ● Frew Oversight ● Policy ● Veterans' Services ● Economic Analysis 	<ul style="list-style-type: none"> ● Claims Administrator Contract Compliance ● Financial Analysis ● Health Plan Management ● Contract Management ● 1115 Waiver Reporting (Managed Care) ● Quality Assurance ● Program Oversight ● Contract Management ● Rebate Administration ● MCO Pharmacy Benefit Oversight ● Policy Analysis and Development ● Rule Development ● State Plan and Federal Negotiations ● Waiver Development and Federal Negotiations ● Medical Benefits Policy Development ● Stakeholder Outreach ● Technical Assistance ● Policy and Program Analysis, Development, and Coordination ● Cross-division and Cross-agency Policy ● Special Projects ● Coordination of Veterans' Services ● Economic Analysis ● 1115 Waiver Implementation ● Uncompensated Care Pool Allocation ● Disproportionate Share Hospital Allocation

<i>Activities</i>	<i>Business Areas</i>	<i>Processes</i>
<p>Health Policy and Clinical Services</p>	<ul style="list-style-type: none"> • Texas Institute for Health Care Quality and Efficiency – Quality Unit • Healthcare Quality Analytics, Research and Coordination Support • Policy • Health Coordination and Consumer Services • Office of the Medical Director • Informal Dispute Resolution 	<ul style="list-style-type: none"> • Quality Management • Quality Policy Development, Coordination and Implementation • Contract and/or Grant Oversight • Interagency Quality Coordination • Policy Analysis, Development, and Coordination – DADS • Rule Development – DADS • Policy Analysis, Development, and Coordination – DSHS • Rule Development – DSHS • Office for Program Coordination for Children and Youth <ul style="list-style-type: none"> ○ Policy Analysis, Development, and Coordination ○ Program Management • Office of Acquired Brain Injury <ul style="list-style-type: none"> ○ Contract Management ○ Program Management ○ Policy Analysis and Development • Provider Communications • Informal Dispute Resolution Process • Independent Informal Dispute Resolution Process (federal process for nursing facilities only) • Informal Reconsideration

<i>Activities</i>	<i>Business Areas</i>	<i>Processes</i>
	<ul style="list-style-type: none">• Office of e-Health Coordination• Administrative Operations	<ul style="list-style-type: none">• Health IT Policy Analysis, Development, and Coordination• Contract Management• Administration

<i>Activities</i>	<i>Business Areas</i>	<i>Processes</i>
<p>Social Services</p>	<ul style="list-style-type: none"> ● Business Operations and Support <ul style="list-style-type: none"> ○ Program Financial Management and Budget ○ Contract Management and Administration ● Eligibility Operations <ul style="list-style-type: none"> ○ Eligibility Services – Field ○ Eligibility Services – Vendor ○ Eligibility Services – Support 	<ul style="list-style-type: none"> ● Financial Management ● Electronic Benefits Transfer (EBT) Issuance and Settlement Review and Reconciliation ● Contract Monitoring ● Procurement Support and Coordination ● Official Contract Correspondence Process ● Contract Maintenance ● Contracts – Outstationed Workers Program ● Oversight and Management of MEPD and Texas Works Eligibility Determinations ● Coordination of Support Activities for Field Staff ● Data Integrity ● Community Partner Interviewer Project ● Oversight and Management of Vendor Activities ● Policy Implementation and Support ● Quality Assurance State Office ● Quality Assurance Field Services ● Quality Control ● Training Delivery and Curriculum Development ● Data Management Reporting ● Appeals and Requests for Reviews, Preparation and Management ● State/Federal Reporting Liaison

<i>Activities</i>	<i>Business Areas</i>	<i>Processes</i>
	<ul style="list-style-type: none"> • Program Innovation • Community Access and Services <ul style="list-style-type: none"> ○ Community Access ○ Community Services • Policy Strategy, Analysis and Development 	<ul style="list-style-type: none"> • Business Process Analysis and Improvement • Information Technology Strategy and Development • Project Management • Change Management and Communications • Community Training • Community Outreach • Community Relationship Development • Statewide Network of Community Partners to Support Eligibility Determination Development and Support • Faith and Community-based Liaison • Office of Border Affairs • Management of Community Programs <ul style="list-style-type: none"> ○ Computers for Learning ○ Community Resource Coordinating Groups ○ Healthy Marriage • Management and Oversight of Community-Based Contracts <ul style="list-style-type: none"> ○ Alternatives to Abortion ○ Management of Community Contracts ○ Management of Community Contracts Supplemental Nutrition Assistance Program Education (SNAPed) • Policy Analysis, Development, and Coordination – Eligibility and Social Services

<i>Activities</i>	<i>Business Areas</i>	<i>Processes</i>
	<ul style="list-style-type: none">• Policy	<ul style="list-style-type: none">• Policy Analysis, Development, and Coordination – DFPS/DARS• Rule Review – DFPS/DARS• Rule Review – Eligibility and Social Services

<i>Activities</i>	<i>Business Areas</i>	<i>Processes</i>
System Support Services	<ul style="list-style-type: none"> ● Business and Regional Services <ul style="list-style-type: none"> ○ Facility Management and Leasing ○ Facility Support Services ○ Emergency Services 	<ul style="list-style-type: none"> ● Lease Management ● Facility Management ● Mail Services ● Warehouse Services ● Incident Management ● Maintenance and Construction (State Hospitals and State Supported Living Centers) ● Real Estate ● Training and Development (State Hospitals and State Supported Living Centers) ● Fleet Management ● Computer Aided Facility Management ● Supply Services (State Hospitals and State Supported Living Centers) ● Nutrition and Food Services (State Hospitals and State Supported Living Centers) ● Risk Management (State Hospitals and State Supported Living Centers) ● Incident Management ● Interstate Compact Coordinator (State Hospitals and State Supported Living Centers) ● Enterprise Receiving ● Coordination of Emergency Services <ul style="list-style-type: none"> ○ Ice and Water ○ Other Needs Assistance Program ○ Disaster Case Management ○ Repatriation Program

<i>Activities</i>	<i>Business Areas</i>	<i>Processes</i>
	<ul style="list-style-type: none"> ○ Regional Administrative Services ○ Risk Management ● Civil Rights ● Leadership Development ● Contract Oversight and Staff Services ● Human Resources 	<ul style="list-style-type: none"> ● Asset Management ● Contract Management ● Mail Services ● Warehouse Services ● Fleet Management ● Facility Management ● Incident Management ● Facility Leasing Requests, Office Space Planning, and Moves ● Cost Pool Management ● Safety Program ● Emergency Management Program Coordination ● Workers' Compensation ● Discrimination Complaints (Employee and Client) ● Reasonable Accommodations ● Conflict Resolution ● Accessibility – Language Services and Electronic Information Resources ● Administrative Complaints ● Civil Rights Training ● Leadership Development Programs ● Contract Management ● Hiring/Separation ● Benefits Administration ● Salary Administration ● Performance Management ● Records Management ● Employee Relations ● Training and Organizational Development <ul style="list-style-type: none"> ○ Management and Staff Development ● Technical Assistance

<i>Activities</i>	<i>Business Areas</i>	<i>Processes</i>
	<ul style="list-style-type: none"> • Center for the Elimination of Disproportionality and Disparities • Operations and Program Support • Special Projects 	<ul style="list-style-type: none"> • Contract Management • Training • Asset Management • Records Management • Business Continuity and Emergency Preparedness • Administrative Contracts • Survey of Employee Engagement • Wellness Program • Operations Reviews • Business Process Analyses and Development • Interagency and Intraagency Project Management

<i>Activities</i>	<i>Business Areas</i>	<i>Processes</i>
<p>Procurement and Contracting Services</p>	<ul style="list-style-type: none"> • Contract and Administration • Historically Underutilized Business (HUB) Program Services • Procurement 	<ul style="list-style-type: none"> • Contract Oversight and Grant Processes Oversight • HHSAS and HCATS Support • Requisition Intake • Requisition Processing • HUB Program Services • Administrative Goods and Services Contracts (all agencies) • Client Services Contracts (HHSC and DADS) • Request for Proposals • Procurement Card • Office Supply • Strategic Sourcing

<i>Activities</i>	<i>Business Areas</i>	<i>Processes</i>
Information Technology	<ul style="list-style-type: none"> • Office of the Chief Information Officer • Applications • Infrastructure and Operations • IT Customer Service • IT Business Services 	<ul style="list-style-type: none"> • IT Governance Process • Customer Service Satisfaction • Demand Management • Secure Software Development Lifecycle • Oversight and Monitoring of Outsourced Services • Change Management • Software Quality Assurance • Texas Integrated Eligibility Redesign System (TIERS) Production Operations • Technology Infrastructure – Statewide Network Services • State Data Center Services • IT Client Systems – Image Development and Maintenance • IT Client Systems – Electronic Software Distribution • IT Customer Service Desk Incident Intake, Routing, and Resolution • Project Oversight and Reporting Processes (including to Federal and State Authorities) • Software Asset Management • Audit Coordination and Tracking • PPM Timekeeping • IT Budget Forecast

<i>Activities</i>	<i>Business Areas</i>	<i>Processes</i>
	<ul style="list-style-type: none"> • Technology • Information Security 	<ul style="list-style-type: none"> • Business Technology Solutions • System Modernization • Cross-Agency Strategy, Standards, and Coordination • Security and Privacy Policy and Compliance • Security Incident Prevention, Monitoring, and Response • Risk Management

<i>Activities</i>	<i>Business Areas</i>	<i>Processes</i>
<p>Financial Services</p>	<ul style="list-style-type: none"> • Office of the Deputy Executive Commissioner for Financial Services • HHS System Forecasting • Rate Analysis • Strategic Decision Support • Actuarial Analysis 	<ul style="list-style-type: none"> • Administration • Caseload and Cost Forecasts • Analytical Support for Actuarial/Rate Development • Informing Policy Changes through Forecast Scenarios • Reporting Budget Neutrality for 1115 Waiver • Analytical Support for Program Changes and Development • Cost Reporting • Acute Care Services Rate Determinations • Hospital Services Rate Determinations • Long-Term Services and Supports Rate Determinations • Processing of Supplemental Payments • Data Analysis <ul style="list-style-type: none"> ○ Strategic Planning ○ Internal/External Reporting ○ Program Evaluation ○ Fiscal Impact Estimation and Cost Model ○ Coordination and Development of Enterprise Data Warehouse • Managed Care Cost Analysis

<i>Activities</i>	<i>Business Areas</i>	<i>Processes</i>
	<ul style="list-style-type: none"> ● HHS System Budget and Fiscal Policy ● Chief Financial Officer <ul style="list-style-type: none"> ○ Budget Management Office ○ Fiscal Management Office 	<ul style="list-style-type: none"> ● Consolidated Budget Development ● State/Federal Reporting and Compliance Monitoring ● Fiscal Policy Development ● Cross-Agency Fiscal Management ● Budget Development, Tracking, and Reporting ● Financial Reporting ● Payroll ● Accounts Payable ● Travel Reimbursement ● Accounts Receivable