

***Correctional
Managed Health Care
Committee***

POLICY STATEMENT

Number: CMHCC – F- 01 (rev. 1)
Date: September 25, 2007
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Supersedes: CMHCC – F- 01
(September 20, 2005)

SUBJECT: FINANCIAL REPORTING

AUTHORITY: Govt. Code, Section 501.148(a)(5); Section 501.148(c) and Section 501.148(d)

POLICY: It is the policy of the Correctional Managed Health Care Committee (Committee) to develop and distribute financial reports detailing all expenditures made to provide services under the Committee's contracts and reflecting the actual costs of providing correctional healthcare. The University providers are required, by contract, to provide complete, detailed and accurate financial information to the Committee in a timely manner.

PROCEDURES:

- I. The following reports will be prepared by the Committee and submitted to the appropriate agencies in a timely manner:
 - A. Annual Financial Report documentation meeting the requirements of Section 2101.011 of the Texas Government Code, as directed by the State Comptroller's Office.
 - B. Quarterly reports required for the Legislative Budget Board (LBB) and Governor by appropriation rider.
 - C. Quarterly reports detailing historical and current capitation payments compared with actual costs and revenues.
 - D. Monthly financial updates to be submitted to the Governor's Office, Senate Finance Committee, House Appropriations Committee, and the LBB detailing expenditures, revenues, and all available fund balances.
 - E. Monthly financial monitoring results, including any areas of concern and corrective action plans.
 - F. Other monthly, quarterly, and/or annual financial reports required by the Committee.

- II. The University providers will provide complete, detailed monthly financial statements to the Committee upon finalization of said financial statements, not later than the 30th day of the following month, except that the final year end closeout report shall be due to the CMHCC not later than 60 days following the end of the fiscal year.
- III. The monthly financial reports from the University providers will be in the format required and include supporting detail as specified by the CMHCC Finance Manager.
- IV. Access to any additional detailed documentation requested of the University providers by the Committee will be available in a timely manner. The additional monthly financial information requested by the Committee may include, but is not limited to the following:
 - A. Standard financial reports – summary level and by location (unit)
 - B. Account summaries – by department and location
 - C. Detail reporting by location and department – transaction level
 - D. Listing of capitalized assets by location, monthly detail report of capital acquisitions/disposals, and corresponding depreciation schedule(s)
 - E. Accrual information and backup documentation
 - F. Documentation support for the Support Services Assessment / Indirect Expenses Calculation, including allocation across contracts of administrative and overhead costs
 - G. Documentation/detail support for all University Hospital expenses
 - H. Documentation Support for IBNR (Incurred But Not Reported)
 - I. FTE (Full Time Equivalent) Report – Consolidated and by location
 - J. Documentation/detail support for payments to Freeworld Providers
 - K. Documentation/detail support for payments to University Professional Services.
 - L. Reports identifying all personnel assigned to the TDCJ Contracts who also provide services for other university contracts, with

information on the allocation of those costs and methods used to verify the accuracy of those allocations

- M. Annual budget, summary (annualized) and detail (by month)
- N. Documentation/detail support for interest income reported
- V. The CMHCC Finance Manager will be afforded access to necessary financial detail by the University providers either directly by electronic access or be provided with electronic copies of requested detail.
- VI. Copies of all published financial reports will be provided to members of the Committee, TDCJ, UTMB, and TTUHSC and made available to the public through the Committee's website.

Adopted: September 25, 2007
James D. Griffin, M. D.
Chair, CMHCC