

# **Medical Examiner's Office Billings for Services September 25, 2019**

**By Onondaga County Comptroller Matthew Beadnell**

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# **SECTION I**

## **BACKGROUND AND EXECUTIVE SUMMARY**

### **Background**

The Onondaga County Medical Examiner's Office (OCMEO) is accredited by the National Association of Medical Examiners and has statutory responsibility to investigate deaths as outlined in County Laws Article 17A, Paragraphs 670- 678, namely the instances where the public interest is served by explaining cause and manner of death, including investigation of deaths that have a potential public health impact.

The OCMEO services Onondaga County (OC) as well as surrounding counties and correctional facilities. The OCMEO's provides services to the surrounding counties either based on a contract (Oneida County) or fee per service agreement based on the Onondaga County Legislative adopted fee schedule. Local Law #10-2017 adopted the new fee rates for 2018 for Medical Examiner services provided to non-contract counties and correctional facilities. Oneida County does not have a coroner and utilizes the Onondaga County forensic investigators, toxicologists and other related services, as compared to other counties with a coroner, which predominately utilize just the autopsy services.

We focused our cost estimations on the following four categories of service provided when deaths are reported to the Medical Examiner: autopsies, external exams, non-medical examiner services and death certification (previously referred to as death certificates). Postmortem exams (autopsy or external) include phone calls, phone call documentation, case data entry/forms, descendent processing intake and release, specimen and evidence collection, photographs, clean-up, scene response, death certificate certification and processing, forensic investigator report, examination report and testimony prep and appearance. External exams are less invasive than an autopsy but include all elements of the autopsy except internal examination. Non-Medical examiner services include such things as phone calls, data entry, records processing and records review and are mainly completed for Onondaga and Oneida counties. Death certification via investigation and medical record review include phone calls, case data entry, records processing, records review, and death certificate data entry.

It is our understanding each pathologist is limited to performing under 325 autopsies per year in order to allow the OCMEO to maintain their national accreditation by National Association of Medical Examiners. Due to administrative duties, the Chief Medical Examiner is expected to perform fewer autopsies per year than the pathologists he/she supervises.

All OCMEO fixed assets were fully depreciated and our estimation of service costs did not include an equipment replacement component. Therefore, we did not include equipment costs in our estimates. Had we included future replacement equipment (to maintain accreditation and forensic investigators vehicles, etc.) it would have increased our service fee estimates.

## **Executive Summary**

### **Findings:**

- **For 2018, Onondaga County taxpayers subsidized OCMEO services for surrounding counties by an estimated \$817,690.**
- Participating counties either pay OCMEO on a negotiated contract fee (Oneida County) or based on a fee schedule per service.
- Estimated total net loss to Onondaga County taxpayers related to Oneida County's contract fee was \$403,911 in 2018, and over \$2.3 million for the entire life of the current contract through 2023. In addition, fees for services OCMEO preformed for other counties do not cover actual costs incurred. Estimated net cost to Onondaga County taxpayers related to other counties for 2018 was \$413,779 (Oswego County \$188,659; Cayuga County \$126,698; Madison County \$77,845; other \$20,577). Since services for these counties were provided on a fee basis, we did not estimate future losses to Onondaga County taxpayers. Below is a schedule that shows the estimated amounts Onondaga County taxpayers subsidized OCMEO services for surrounding counties in 2018, by county:

<b><u>2018 Estimated Costs and Actual Invoiced Amounts</u></b>						
<b>County/Service</b>	<b>Oneida</b>	<b>Oswego</b>	<b>Cayuga</b>	<b>Madison</b>	<b>Other</b>	<b>Totals</b>
Autopsies	\$ 932,230	\$ 302,484	\$ 236,558	\$ 147,364	\$ 73,682	\$ 1,692,318
External Exams	84,854	48,202	17,215	20,658	-	170,929
Non-Medical Examiner	47,527	234	78	156	-	47,995
Death Certificates	18,107	-	-	-	-	18,107
<b>Total Costs for Services</b>	<b>\$ 1,082,718</b>	<b>\$ 350,920</b>	<b>\$ 253,851</b>	<b>\$ 168,178</b>	<b>\$ 73,682</b>	<b>\$ 1,929,349</b>
Total Invoiced for Services *	678,807	162,261	127,153	90,333	53,105	1,111,659
<b>OC Taxpayer Subsidized</b>	<b>\$ 403,911</b>	<b>\$ 188,659</b>	<b>\$ 126,698</b>	<b>\$ 77,845</b>	<b>\$ 20,577</b>	<b>\$ 817,690</b>

\* Includes Testimonies and Toxicology Service Fees Invoiced

- The Oneida County contract: "... the amount of annual compensation shall be calculated as follows: The base compensation shall be the total amount paid for the previous calendar year after the annual reconciliation. The base amount shall then be adjusted by the rate of increase or decrease on the Consumer Price Index for urban wage earners and clerical workers (CPI-W) for the preceding calendar year. The rate of increase shall at no time exceed three percent (3%)". It appears that the OCMEO did not calculate the

increase or decrease in the contract based on the change in the CPI-W) each year in the contract period January 1, 2014 to December 31, 2018. It appears the CPI-W should have been taken into consideration after the annual reconciliation when calculating the new base rate. Taking the CPI-W into consideration could have changed the base amount of the annual billing and resulted in an increase or decrease in the billing amounts for the years 2015 to 2018.

- One of the reasons OCMEO billings do not cover the costs of services provided in 2018 is:
  - Toxicology spends approximately 82% of their time on autopsies and this cost does not appear to be recouped under the current Oneida County contract or adopted fee schedule.
- Our calculated fees for services do not include a future equipment capital outlay or an Onondaga County administrative overhead component.
- The cost of autopsies is increasing because the OCMEO is currently relying extensively on contract pathologists to perform autopsies.

## **Recommendations:**

*The Onondaga County Executive, County Legislature, and OCMEO should consider:*

- 1) Increasing future OCMEO service fee rates to include all related costs for providing services to other counties and entities, including an equipment replacement component.*
- 2) Including an administrative overhead component in the service fee rates.*
- 3) Revisiting the Oneida County contract and attempt to renegotiate the compensation terms to take into consideration the extent of services required to fulfill the OCMEO's obligations and, at a minimum, recovery of all costs.*
- 4) Asking the County Comptroller's Audit Division to review Onondaga County department requests for fee schedules and contract rates prior to approving them. The Division could assist the Executive and Legislature with understanding the associated costs to the County and help facilitate informed decisions on the appropriate fee structure prior to approving the requested fee schedule.*

*In addition the OCMEO should determine:*

- 5) The Consumer Price Index for urban earners and clerical workers annually and adjust the base amount for the subsequent year based on the contract language. In addition, they should revisit the 2014 to 2018 contract and recalculate the base amounts for 2015 to 2018 to determine if there is any billing adjustment based on the recalculated base amounts.*
- 6) Their future equipment needs and associated costs for consideration by the Onondaga County Executive and Legislature for incorporating this cost component in service fee rates going forward.*

## **SECTION II**

### **SCOPE AND METHODOLOGY**

#### **Scope and Objectives**

The scope of this audit was to determine if the OCMEO is recovering their costs for services provided to other counties.

Our audit objectives were to:

- Review OCMEO's departments costs recorded in the County's financial system - PeopleSoft.
- Review the billing process and compare invoices to established fee schedules.
- Determine if other costs should be included in the fee estimation.
- Compare service revenue to estimated service costs.
- Provide recommendations to the County Executive, County Legislature and OCMEO.

#### **Methodology**

In order to complete the audit we:

- Interviewed OCMEO management and other appropriate County staff to determine appropriate procedures.
- Reviewed 2018 billings.
- Reviewed expenses and revenues for 2016, 2017 and 2018 from the county accounting system (PeopleSoft) for the Medical Examiner and Toxicology.
- Determined the 2018 Medical Examiner's Office payroll and fringe benefits.

- Inquired of OCMEO management as to time allocation and number of each service provided to each county for autopsies, external exams, non-medical examiner, and death certifications.
- Estimated Toxicology's portion for autopsies and external exams.
- Estimated cost of performing autopsies, external exams, non-medical examiner services and issuing death certifications based on 2018 financial and service data.
- Omitted certain costs from the general base rate that were not associated with all counties as a whole that the OCMEO provides services to. These were added back in on top of the base rate to calculate the rates for that county (counties) depending on which counties the costs were focused on.
- Allocated costs directly to the counties provided services, where appropriate.
- Estimated total costs for 2018 for autopsies, external exams, non-medical examiner and death certifications based on that year's numbers and the percentages calculated from 2018 actual costs.

## **SECTION III**

# **FINDINGS AND RECOMMENDATIONS**

### **Fees Per Service**

After comparing calculated fees for services to the authorized rates, Onondaga County taxpayers appear to be subsidizing the Onondaga County Medical Examiner's Office fee for services performed for other counties. In addition, the current rate structure does not incorporate future capital costs or an administrative overhead component in the fees.

We estimated the cost of performing autopsies, external exams, non-medical examiner services and issuing death certifications using the financial information recorded in the Medical Examiner's and Toxicology's department accounts recorded in Onondaga County's accounting system (PeopleSoft) for 2018. Where applicable, we applied percentages of services performed for job title classifications as provided by OCMEO management.

We did not include depreciation nor future replacement costs for scientific equipment, vehicles, or other necessary future equipment capital expense. In addition, we did not include an Onondaga County administrative overhead component in our calculated rates.

The estimated base costs per service are presented on the following page along with the 2018 authorized fees. As illustrated, the authorized rates for contract and non-contract services are well below the estimated cost per service. In addition, fees for performing non-medical examiner services or issuing death certifications have not been billed in the past.

We determined a billable base rate for all counties. There is an adjusted base rate for Oneida County.

Note: based on the data provided by the OCMEO, no private autopsies were performed in 2018.



**Total 2018 Estimated Billable Base Costs per Service For All Counties**

	<b>Autopsies</b>	<b>External Exams</b>	<b>Non-ME Services</b>	<b>Death Certificates</b>	<b>Total</b>
Salary/ Fringe Benefits/ Fees for Services	\$ 1,646,737	\$ 163,945	\$ 153,815	\$ 69,806	\$ 2,034,303
Overhead	1,120,410	112,041	6,224	6,225	1,244,900
Other Fees for Services	120,224	15,508	-	-	135,732
<b>Total</b>	<b>\$ 2,887,371</b>	<b>\$ 291,494</b>	<b>\$ 160,039</b>	<b>\$ 76,031</b>	<b>\$ 3,414,935</b>
Toxicology	930,041	119,971	-	-	1,050,012
Less Adjustment *	(420,310)	(22,417)	(100,874)	(16,812)	(560,413)
<b>Total Estimated Expenses</b>	<b>\$ 3,397,102</b>	<b>\$ 389,048</b>	<b>\$ 59,165</b>	<b>\$ 59,219</b>	<b>\$ 3,904,534</b>
<b>Total Services Performed</b>	<b>876</b>	<b>113</b>	<b>1,528</b>	<b>175</b>	
<b>Estimated Base Cost Per Service</b>	<b>\$ 3,878</b>	<b>\$ 3,443</b>	<b>\$ 39</b>	<b>\$ 338</b>	

Note: Services performed includes Onondaga County.

Note: Costs associated entirely with Onondaga and Oneida County have been omitted from the base service fees.

\* Reduced Forensic Investigator's salary and fringe benefits that do not apply to counties other than Onondaga.

**2018 Adopted Authorized Rates per**

**Local Law 10 of 2017**

<b>Contract</b>	\$	1,800	\$	1,050	**	**
<b>Non-Contract</b>	\$	2,700	\$	1,600	**	**
<b>Prisoner/Inmate</b>	\$	4,500				
<b>Private</b>	\$	5,000				

\*\* Historically not addressed in Local Laws

**Recommendations**

*The Onondaga County Executive, County Legislature, and OCMEO should consider:*

- 1) Increasing future OCMEO service fee rates to include all related costs for providing services to other counties and entities, including an equipment replacement component.*
- 2) Including an administrative overhead component in the service fee rates.*

## **Contract Services to Oneida County**

Onondaga County has a contract with Oneida County to provide a full range of medical examiner services. Oneida County does not have a coroner and utilizes the full extent of services offered by the OCMEO as compared to other counties which generally only require the need of autopsies. For 2018, Oneida County actually paid \$140,000 per quarter totaling \$560,000, \$4,628 for testimony services and an additional \$114,179 for a year end reconciliation. Our estimate for 2018 actual OCMEO services for Oneida County, if billed on a per service basis, was approximately \$1,082,718. This leaves an estimated shortfall of \$403,911 in 2018 billings for Oneida County which Onondaga County taxpayers subsidized. For the full calculation for the 2018 year, please see the table below.

<b>Oneida County's 2018 Estimated Service Costs vs. Actual Contract Payments</b>					
	<b>Autopsies</b>	<b>External Exams</b>	<b>Non-ME Services</b>	<b>Death Certificates</b>	<b>Total</b>
Estimated Base Service Fee	\$ 3,878	\$ 3,443	\$ 39	\$ 338	
Total Service Provided	213	23	565	41	
Estimated Base Cost	\$ 826,014	\$ 79,189	\$ 22,035	\$ 13,858	\$ 941,096
Forensic Cost	\$ 106,216	\$ 5,665	\$ 25,492	\$ 4,249	\$ 141,622
Total Estimated Service Cost	\$ 932,230	\$ 84,854	\$ 47,527	\$ 18,107	\$ 1,082,718
Total Service Provided	213	23	565	41	
Oneida's Estimated Rate	\$ 4,377	\$ 3,689	\$ 84	\$ 442	
Contracted Payments (4 x \$140,000 plus other fees for services per invoices)					\$ 678,807
Estimated Underpayment					\$ 403,911
<b>The estimated base cost has been increased for forensic costs associated entirely with Oneida County and have been allocated based on percentages provided by the Senior Administrative Officer in Financial Operations.</b>					

The most recent contract with Oneida County was executed on September 5, 2018, by the then County Executive and continues through December 31, 2023. This contract is on a total fee basis, with annual escalators the same as the 2014 to 2018 contract (see above). As in the 2014

to 2018 contract, the rate of increase is capped at 3% per year. Using the maximum amount possible for payment to Onondaga County under this contract, we estimated OCMEO will have incurred a loss of approximately \$2.3 million by the end of this agreement. This is illustrated in the table presented below based solely on the contract payments, this does not include any end of the year reconciled amounts that may be invoiced or invoices for services such as testimony and toxicology. The following table only illustrates the annual maximum rate of increase of 3% allowed in the contract; it does not take into consideration a decrease of Consumer Price Index that may occur.

<b>Oneida County Contract Payments Adjusted with a 3% Escalation Factor Compared to Estimated Cost of Services for Oneida County</b>					
			<b>Contract Escalation Factor</b>	<b>Contract Payments Including 3% Escalation Factor</b>	
<b>2019 Base Year</b>				\$ 677,500	
2020	\$	677,500	1.03	697,825	
2021		697,825	1.03	718,760	
2022		718,760	1.03	740,323	
2023		740,323	1.03	762,532	<u>\$ 3,596,940</u>
<b>Estimated Future Costs using 3% Escalation Factor</b>					
<b>2018 Estimated Base Year</b>				<u>\$ 1,082,718</u>	
2019	\$	1,082,718	1.03	\$ 1,115,200	
2020		1,115,200	1.03	1,148,656	
2021		1,148,656	1.03	1,183,115	
2022		1,183,115	1.03	1,218,609	
2023		1,218,609	1.03	1,255,167	<u>\$ 5,920,746</u>
<b>Estimated Net Cost to OC Taxpayers</b>					<u><u>\$ 2,323,806</u></u>
<b>The 3% escalation factor is the maximum the annual compensation can be increased per the contract.</b>					

The Oneida County 2014 to 2018 contract states: “For the year 2015-2018, the amount of annual compensation shall be calculated as follows: The base compensation shall be the total amount paid for the previous calendar year after the annual reconciliation. The base amount shall then be adjusted by the rate of increase or decrease on the Consumer Price Index for urban wage earners and clerical workers (CPI-W) for the preceding calendar year. The rate of increase shall at no time exceed three percent (3%)”. It appears that the OCMEO did not calculate the increase or decrease in the contract for 2015 to 2018 based on the change in the CPI-W each year in the contract period January 1, 2014 to December 31, 2018. Taking the CPI-W into consideration could have changed the base amount of the annual billing and resulted in an increase or decrease in the billing amounts for the years 2015 to 2018.

### **Recommendations**

*The Onondaga County Executive, County Legislature, and OCMEO should consider:*

- 3) Revisiting the Oneida contract and attempt to renegotiate the compensation terms to take into consideration the extent of services required to fulfill the OCMEO’s obligations and, at a minimum, recovery of costs.*
- 4) Asking the County Comptroller’s Audit Division to review Onondaga County department requests for fee schedules and contract rates prior to approving them. The Division could assist the Executive and Legislature with understanding the associated costs to the County and help facilitate informed decisions on the appropriate fee structure prior to approving the requested fee schedule.*

The OCMEO should:

- 5) Determine the Consumer Price Index for urban earners and clerical workers annually and adjust the base amount for the subsequent year based on the contract language. In addition, they should revisit the 2014 to 2018 contract and recalculate the base amounts for 2015 to 2018 to determine if there is any billing adjustment based on the recalculated base amounts.*

### **Equipment Replacement Cost**

We reviewed the fixed asset listing provided by the Deputy Comptroller/Accounting and noted equipment purchases were from 1998 through 2017. The estimated useful life was either 5 or 10 years for each item on the list. During our field work the supervisor of toxicology indicated new equipment costing in excess of \$300,000 will be needed in order for the OCMEO to maintain its accreditation. There may be other OCMEO equipment cost in the foreseeable future. Other counties utilizing our services are not faced with this financial outlay and failure to include this into the service rates would leave the burden entirely on Onondaga County tax payers.

**Recommendation**

- 6) *The OCMEO should determine their future equipment needs and associated costs for consideration by the Onondaga County Executive and Legislature for incorporating this cost component in service fee rates going forward.*

## SECTION IV

### EXHIBITS

Presented below is a table of individual services delivered to each county, as provided to us by the OCMEO.

<b>2018 OCMEO's Services Provided by County</b>				
<b>Counties</b>	<b>Autopsies</b>	<b>External Exams</b>	<b>Non-Medical Examiner</b>	<b>Death Certs</b>
Onondaga	467	65	951	134
Oneida	213	23	565	41
Oswego	78	14	6	0
Cayuga	61	5	2	0
Madison	38	6	4	0
Jefferson	8	0	0	0
St. Lawrence	5	0	0	0
Lewis	1	0	0	0
Broome	3	0	0	0
Cortland	1	0	0	0
Otsego	1	0	0	0
	<u>876</u>	<u>113</u>	<u>1528</u>	<u>175</u>

Presented below is the summary of our estimated base cost of performing the four major OCMEO services utilizing actual 2018 cost and OCMEO provided statistical data.

Cost associated entirely to Onondaga County for transportation fees of approximately \$116,300 and costs incurred on behalf of Oneida County for forensic services of \$141,622 were omitted from our billable base fee estimate below.

The reduction indicated in the chart below is for Forensic Investigator costs that are associated with only Onondaga County.

<b>Total 2018 Estimated Billable Base Costs per Service for All Counties</b>					
	<b>Autopsies</b>	<b>External Exams</b>	<b>Non-ME</b>	<b>Death Certs</b>	<b>Total</b>
Salary/ Fringe Benefits/ Fees for Services	\$ 1,646,737	\$ 163,945	\$ 153,815	\$ 69,806	\$ 2,034,303
Overhead	1,120,410	112,041	6,224	6,225	1,244,900
Other Fees for Services	120,224	15,508	-	-	135,732
Total	<u>\$ 2,887,371</u>	<u>\$ 291,494</u>	<u>\$ 160,039</u>	<u>\$ 76,031</u>	<u>\$ 3,414,935</u>
Toxicology	\$ 930,041	\$ 119,971	\$ -	\$ -	\$ 1,050,012
Less Adjustment *	(420,310)	(22,417)	(100,874)	(16,812)	(560,413)
Total Expenses	<u>\$ 3,397,102</u>	<u>\$ 389,048</u>	<u>\$ 59,165</u>	<u>\$ 59,219</u>	<u>\$ 3,904,534</u>
Total Services Performed	<u>876</u>	<u>113</u>	<u>1528</u>	<u>175</u>	
<b>Estimated Base Cost Per Service</b>	<b>\$ 3,878</b>	<b>\$ 3,443</b>	<b>\$ 39</b>	<b>\$ 338</b>	
Note: Services performed includes Onondaga County.					
Note: Costs associated entirely with Onondaga and Oneida County have been omitted from the base service fees.					
* Reduced Forensic Investigator's salary and fringe benefits that do not apply to counties other than Onondaga.					

The illustration below is the allocation of estimated overhead.

**Allocation of Estimated Overhead Based on OCMEO's Estimated Percentages**

	<b>2018 Salary, Fringe Benefits and Pathologist Fees</b>	<b>Overhead Allocated based on Provided Percentages</b>	<b>Total</b>
<b>Autopsies</b>	\$ 1,646,737	\$ 1,120,410	\$ 2,767,147
<b>External Exams</b>	163,945	112,041	275,986
<b>Non-ME</b>	153,815	6,224	160,039
<b>Death Certificates</b>	69,806	6,225	76,031
	<b><u>\$ 2,034,303</u></b>	<b><u>\$ 1,244,900</u></b>	<b><u>\$ 3,279,203</u></b>

**Percentages to allocate our estimated overhead were provided by the Senior Administrative Officer in Financial Operations.**

**90% for Autopsies, 9% for External Exams and .5% for both Non-ME Services & Death Certificates. Death Certificates was rounded for flow through purposes.**

Total estimated overhead was allocated to Autopsies, External Exams, Non-ME and Death Certificate services based on percentages given by Senior Administrative Officer in Financial Operations. This resulted in a total estimated cost component for the above services.

The illustration on the following page is our estimation of Toxicology costs associated with performing autopsies and external exams. Costs associated with DWI cases have been omitted from our calculation.



**Onondaga County Medical Examiner  
Toxicology Expenses**

<u>Expenses</u>	<u>2018</u>
Salaries	\$ 506,964
Fringe Benefits	322,531
Supplies	63,455
Information Technology Servs	39,335
Main in Lieu of Rent	307,387
Legal Services	11,067
Other Dept. Charges	(30,988)
Training & Travel	200
Full Cost Portion of Indir	6,431
Reimbursable Ind Cost A-87	11,384
Fees for Services	34,892
All other Expenses	7,843
<b>* Total Expenses</b>	<b><u>\$ 1,280,502</u></b>

	<u>Percentage Allocation</u>	<u>Amount to Allocate</u>
** Autopsies & External Exams	82%	\$ 1,050,012
DWI	18%	230,490
		<b><u>\$ 1,280,502</u></b>

**2018 Estimated Toxicology Costs for Autopsies & External Exams**

	<u>Amount Performed</u>	<u>% of total</u>	<u>Total per Service</u>
*** Autopsies	876	89%	\$ 930,041
External Exams	113	11%	119,971
Total	<u>989</u>	<u>100%</u>	<u>\$ 1,050,012</u>

\* Total expenses were obtained from PeopleSoft Dept. #4351020200.

\*\* % of services provided by the Senior Administrator Officer in Financial Operations.

\*\*\* Statistical count of services maintained by the Medical Examiner's Office.

- Estimated Toxicology costs were allocated based on the number of autopsies and external exams performed based on statistical counts maintained by the Medical Examiner's Office.
- Costs associated with DWI cases were omitted from our calculation.

# SECTION V

## RESPONSE



### Onondaga County Health Department

J. Ryan McMahon II, County Executive  
Indu Gupta, MD, MPH, Commissioner of Health

John H. Mulroy Civic Center • 421 Montgomery Street, Syracuse, NY 13202  
Phone 315.435.3155 • Fax 315.435.5720



September 10, 2019

Comptroller Matthew Beadnell  
14<sup>th</sup> Fl, John H. Mulroy Civic Center  
421 Montgomery Street  
Syracuse, New York 13202

Dear Comptroller Beadnell,

The Onondaga County Health Department (OCHD) appreciates the time and effort that went into the Audit of the Medical Examiner's Office Billing for Services. As detailed in the Executive Summary, we agree with the recommendation to amend the service fee rates and have proposed changes that reflect increased fees in our 2020 requested budget. OCHD would like to emphasize that it has been our intention to utilize changes to the fee schedule to better cover increased costs, as we had done in 2019 with Local Law #6-2018, compared with the fee schedule in affect in 2018 described in this audit. The new rates proposed for 2020, which also include a non-medical examiner/case review service fee increase, better reflect the true costs of providing medical examiner services and incorporate an administrative component. Further, we concur that the Oneida County contract should be revisited to more accurately include the full cost for providing services.

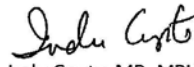
Regarding the recommendation to revisit the Oneida contract from 2014-2018 to determine if a billing adjustment based on the Consumer Price Increase might have been missed, we can verify over the past three years the reconciliation amount for actual costs that was charged to Oneida County was greater than the amount it would have been if it was only adjusted for the CPI annually. OCHD will ensure that going forward, the base rate should be increased accordingly.

The need for a death certification (only) fee does not reflect the current operations because death certification without an exam is provided only to the counties (Onondaga and Oneida) where the Onondaga County Medical Examiner Office (OCMEO) serves as the county medical examiner as required by New York County Law.

It is our opinion that charging all interdepartmental costs to outside agencies is not appropriate. In reviewing the past 10 years of interdepartmental costs you will find no direct correlation between providing services for outside counties and an increase in interdepartmental costs. In fact in 2014 the year after we started providing services to Oneida there was a decrease in these costs. It has been and will continue to be the Health Department's opinion that these counties should be charged for any and all services they receive a direct benefit from, such as Purchasing costs for the supplies needed to complete postmortem exams and MILOR for the space that is utilized. We do not believe that outside counties should be directly charged for costs that were incurred by Onondaga County prior to providing services and would continue to be incurred if we stopped providing these services.

We look forward to finalizing which costs, both current and future, should be identified for annual reconciliation and review of the OCMEC fee schedule.

Kind regards,

  
Indu Gupta, MD, MPH  
Commissioner of Health

  
Steven P. Morgan  
Chief Fiscal Officer

cc: Ann Rooney, Deputy County Executive for Human Service

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*Deputy Comptroller*

Kim C. Hall  
*Assistant Deputy Comptroller*

September 25, 2019

Indu Gupta, Commissioner of Health, MD, MPH  
Steven P. Morgan, Chief Fiscal Officer (CFO)  
John H. Mulroy Civic Center  
421 Montgomery Street  
Syracuse, NY 13202

Dear Commissioner Gupta and CFO Morgan,

We appreciate your response to the draft OCMEC Billings for Services audit report and the feedback you provided. In addition, I want to personally thank you and your staff for the time and effort that went into responding to our questions and requests for data and your acceptance of the primary recommendations.

As with any audit, it is my goal to ensure the findings and recommendations are not only precise, but also clearly outline corrective measures. As such, I must respectfully address the following 3 areas of concern you mention in your response letter:

- Recommendation to revisit the Oneida contract from 2014-2018 for a billing adjustment.

It appears you may have used an either/or for the reconciliation amount vs the CPI-W amount. According to the contract language calculation (Page 3 of our audit report has the full, relevant contract wording), the new base amounts for each year 2015 through 2018 would be calculated by adding both the reconciliation amount and the CPI-W amount. The resulting amount would form the new base for the following year. This calculation would compound the new base annually. Doing the calculation using both amounts annually may not necessarily result in more money being owed to the County for 2015 to 2018, but the compounding effect may create such a scenario. Therefore, the last sentence of recommendation #5 remains unchanged to encompass this calculation.

- Need for a death certification (only) fee.

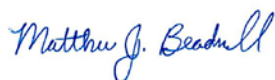
There are costs associated with the death certification service. Per the case detail of services provided to us, we calculated a rate based on how many were completed. To confirm what you stated, on page 3 of our audit report, the only County we show with costs associated with death certificates besides Onondaga County is Oneida County, as you suggest,.

- Including interdepartmental costs in the fee calculations.

We understand Onondaga County would have a significant portion of the interdepartmental costs if the OCMEC discontinued services to other counties. However, if the other counties were to establish their own full service Medical Examiner Offices, they would have to bear these types of internal costs as well. Since Onondaga County offers these services to other counties, in addition to providing the services in Onondaga County, it is appropriate to apportion these costs to all the services provided, regardless of the county they were provided for. To do otherwise would mean, in the best case scenario, Onondaga County would receive no benefit for the efficiencies gained from providing the services to other counties while the receiving counties would receive the benefit of not having these costs at all. In the worst case scenario Onondaga County taxpayers continue to pay part of the cost of providing services to other counties. While there could be some debate on the amount of the interdepartmental costs that should be apportioned to the receiving counties, we don't believe there is an argument for none of the costs to be apportioned, especially since the other counties would have similar costs if they provided the services for themselves.

Again, thank you for providing feedback. Your response has been included as an attachment to our final report.

Sincerely,



Matthew J. Beadnell  
Onondaga County Comptroller

Cc: Ryan McMahon, County Executive  
David Knapp, Chairman Onondaga County Legislature  
Debra Cody, Chairman of the Ways and Means Committee  
Tim Burtis, Chairman of the Health Committee  
Brian Donnelly, Deputy County Executive