



RISK MANAGEMENT Part 2

**By
Robert Dorr, Director
Office of Internal Audits**



Developmental Disabilities Residential Services

Highest Classification of Risk

Consumer Outcomes

Safety and Well-being

Successful Outcomes



- Has this applicant demonstrated an awareness of the financial risks involved in becoming a Provider?
- Has this applicant demonstrated an understanding of the full costs involved in becoming a Provider?
- Has the applicant submitted a budget which appears to be adequate to support the expected levels of care?



- Has this applicant demonstrated that they have planned adequately for contingencies?
Resources?
- Does the overall financial presentation reflect a reasonably robust fiscal outcome to suggest ongoing viability at the required service / care level?
- Does the overall financial presentation suggest adequate management skill and experience?

Budget

Identify Fixed Costs

- Rent / Mortgage
- Insurance
- Utilities
- Licenses / Permits
- Equipment / Furnishings
- Supplies
- Other?



- Costs categorized by match to available revenues? Medicaid reimbursable vs Room and Board
- Are both categories sustainable?

Budget

Identify Variable Costs

Across possible # of consumers served

(Generally 1-4)

Staffing Expense – Detail

- Show wages and fringes
- Training costs
- Insurance / Bonding
- Other ?

Budget

Identify Variable Costs

Across possible # of consumers served

(Generally 1-4)

For-Profit

- Taxes
- Owner's Draw

Not-For-Profit

- Salaries / Taxes

Budget

Identify Variable Costs

Across possible # of consumers served

Other Expenses

- Food and supplies
- Transportation
- Consumer spending
- Other ?

Budget

Identify Variable Costs

Across possible # of consumers served

Show ALL expected revenues

- Social Security
- Medicaid
- Wages, pensions, family support
- Other ?



Questions?



Contact Information

Provider Enrollment Unit:

mhddad-serviceapps@dbhdd.ga.gov