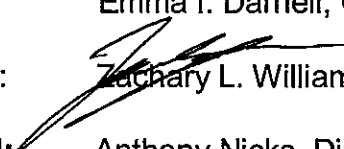


DEC 29 2009



INTER OFFICE MEMORANDUM

TO: Emma I. Darnell, Commissioner, District 5
THRU:  Zachary L. Williams, County Manager
FROM: Anthony Nicks, Director of Internal Audit
DATE: December 28, 2009
SUBJ: GHS Dialysis Services – Additional Inquiry

A. Financial Data

1. Identify operating losses for the period 2007-2008 for Outpatient Services

According to Grady Officials, its accounting system does not allow outpatient and inpatients dialysis information to be separated in its Statement of Operations. As a result, they are unable to provide operational losses for the outpatient dialysis clinic.

2. List Total Revenues and Total Expenses for the Outpatient Clinic for the period 2007-2008.

Grady Officials stated that they are unable to provide this data since the accounting system does not allow the separation of the inpatient and outpatient dialysis data.

3. Based upon the data presented in the report indicate the Total Dollars Lost in the operation of the Outpatient Clinic for the period 2008-2008.

There is no data in the report that indicates the total dollars lost in the operation of the outpatient clinics for the period 2007-08. However, there is a reference to an operational loss of \$2 million for operating the outpatient clinics made in a presentation to the GMHC Board, however based on the amounts presented in this report, the numbers presented to the GMHC Board were incorrect.

B. Patient Information

1. Of the 17 patients receiving re-location assistance, identify the number of patients who are receiving dialysis care from MexCare.

Currently, there are 7 patients who are receiving dialysis treatments from MexCare. Of the 17 patients, there were 10 patients for whom no information was provided. However, Joy White, CAO, DeKalb Hospital Authority, stated that information on those 10 patients would be provided in a report on the status of patients on 01/04/2010.

2. Identify the termination date of GHS contract with Fresenius Clinics

The contract with Fresenius is for a period of one year. The effective date of the contract was September 1, 2009. The contract will terminate on August 31, 2010.

3. Describe the current health status of each Fulton County resident being served in the Outpatient Clinic at Closing.

Joy White, CAO, Fulton DeKalb Hospital Authority, stated that information regarding the health status of the Fulton County patients would be provided on January 4, 2010.

If you have any additional questions, please contact me.

ZLW/AN:bah