



NICA Families,

The Auditor General has completed its operational audit of NICA, which focused on NICA's administration of the Florida Birth-Related Neurological Compensation Plan, including NICA's compliance with Sections 766.303 through 766.315, Florida Statutes, and applicable State public records and meetings laws. The audit also included an examination of selected NICA administrative activities. **A copy of the Operational Audit is attached.** The audit is also posted on the Auditor General's website:

https://FLAuditor.gov/Pages/PDF_files/2022-009.pdf

THE AUDIT DISCLOSED THE FOLLOWING FINDINGS:

Plan Administration

Finding 1: NICA had not established a mechanism to effectively and consistently document, account for, and track benefit denials or disputes.

Finding 2: Analysis of Plan participant survey responses indicated that the NICA Benefit Handbook could be enhanced to better inform participants of their benefits and rights and that NICA could take steps to ensure that benefit request decisions are documented and adequately explained to participants.

Finding 3: NICA records did not always include the rationale for denying or limiting participant claim reimbursements.

NICA Assessments

Finding 4: NICA did not timely or consistently use all available remedies to collect delinquent assessment amounts from non-participating physicians. As of June 16, 2021, active non-participating physicians owed NICA \$14,367,193 for assessment amounts due for the 2016 through 2021 assessment years.

Selected Administrative Activities

Finding 5: NICA expenses associated with holiday luncheons for NICA personnel did not appear to be clearly necessary to the performance of NICA's statutory duties. Additionally, meals provided for NICA personnel and Board members were not limited to the amounts provided by State law.

Finding 6: NICA controls did not promote the retention of text and instant messages in accordance with State public records laws.

Information Technology Controls

Finding 7: Certain security controls related to user authentication for the network domain, NICA virtual private network (VPN), and Claims Accounting and Reserves Electronic System need improvement to ensure the confidentiality, integrity, and availability of NICA data and information technology resources.

Thank you,

Tasha Carter
FL's Insurance Consumer Advocate

www.MyFloridaCFO.com/Division/ICA



The Voice for Florida's Insurance Consumers

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