

More on why it's wrong to have UHY audit DSS
at the same time it represents clients before DSS:

1. Professional audit firms should have single purpose when dealing with an entity they're auditing – not multiple interests.
2. Conflict of interest – UHY represents 43 health care providers funded by DSS. UHY is currently representing two nursing home providers in Medicaid rate-setting appeals before DSS. This dual role presents risk and appearance of impaired independence and impaired objectivity in an audit.
3. Nursing home expenses and rate-setting have a major effect on the department's budget (over \$1 billion in Medicaid nursing facility expenses annually), and would likely be a major area that is reviewed by any outside audit firm.
4. Also presents unhealthy situation in UHY's representation of health care providers before DSS. UHY would have perceived ability to leverage DSS on rate-setting appeals involving taxpayer dollars. Potential for attempted undue influence on DSS decisions because of powerful position as an auditor of the department.
5. Would consequently open door for complaints by other health care providers that UHY clients would have unfair advantage.
6. Potential for business gain by UHY if additional health care providers retain the organization because of an audit relationship with DSS.
7. Would also put DSS in untenable position because our rate-setting decisions regarding UHY clients could be questioned, based on UHY's conflicted, dual role as an auditor of the department.