

PROVIDER RISK ASSESSMENTS

Risk is defined as the possibility that an event will occur, which will affect an organization's achievement of objectives. At DCF, we conduct provider risk assessments to ensure that each risk is identified, documented, prioritized, and mitigated, whenever possible. These risk assessments serve two primary functions: (1) They inform all areas of the DCF of the level of risk posed by a provider for noncompliance, and (2) They meet the federal requirements for subrecipient monitoring. DCF Provider risk assessments have two components: Fiscal and programmatic. Identification of risk is a shared responsibility of the Bureau of Finance's Fiscal Integrity and Audit Section (FIAS) and a program's contract administrator.

FIAS RESPONSIBILITIES

FIAS performs the risk assessments of all the department's provider agencies, including the counties and tribes, annually. FIAS is responsible for conducting and documenting provider risk assessments so that program divisions can access those risk assessment scores in order to develop appropriate risk-informed performance monitoring plans. Further, FIAS uses the risk assessments to inform the priorities for the fiscal reviews for subrecipient monitoring.

CONTRACT ADMINISTRATOR RESPONSIBILITIES

Contract administrators must review their providers' risk assessment prior to contracting with an agency, as the risk assessment determines whether to execute a contract or whether adjustments are needed to the contract performance monitoring plan. It is the responsibility of the contract administrator to inform their contract team of the provider's risk level.

While FIAS performs risk assessments annually, it is the responsibility of contract administrators to notify FIAS of known issues that may pose a risk to the department. **Contract administrators should consider the following questions and alert FIAS of these--or any other known issues--that may pose a risk to the department:**

- Have you learned there are suspected or known allegations of fraud by the provider?
- Has the agency director been terminated?
- Has there been substantial staff departure?
- Were there required or contractual program reports to the division that substantially deviated from the scope of work?
- Were there division review findings requiring agency response or remediation?

Contract administrators should consider the following questions when developing their performance monitoring plans:

- Does the provider have experience with same or similar subawards?
- Do the results of previous audits indicate programmatic risk?
- Has there been staff turnover that is likely to affect this program?
- Has the provider implemented new systems or substantially changed their systems?
- Do the extent and results of Federal awarding agency monitoring suggest risk?

RESOURCES:

The detailed risk assessments are available in [PATs](#). The results of the risk assessment of the [FACTS](#) Dashboard. Training for PATs is available at [Learn@DCF](#). Access can be requested via [Form 5272](#). Questions on risk assessments can be referred to [FIAS](#).