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Wisconsin Mental  
Health Institutes

**September 2003**

# Audit Summary ■

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We have completed a financial audit of the Mendota and Winnebago Mental Health Institutes for the period July 1, 2001, through June 30, 2002, at the request of the Department of Health and Family Services. We express unqualified opinions on the financial statements. The financial position of each Institute improved significantly during FY 2001-02: Mendota Mental Health Institute reported a net increase in assets of \$2.5 million, and Winnebago Mental Health Institute reported a net increase of \$1.0 million. Higher billing rates and improved billing and collection procedures have contributed to the Institutes' improved financial positions.

For several years, the Department experienced technical problems in implementing its new billing and accounting system for the Institutes, which resulted in significant billing and collection delays and accounting problems. During our current audit, we note the Department is taking reasonable steps to address the technical problems and to improve the timeliness and effectiveness of its billing and collection efforts. The Department also continues to make improvements in its process for estimating patient revenues and receivables for financial reporting.

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