



**WISCONSIN LEGISLATIVE AUDIT BUREAU
AUDIT SUMMARY**

Report 02-13

August 2002

WISCONSIN MENTAL HEALTH INSTITUTES

We have completed a financial audit of the Mendota and Winnebago Mental Health Institutes for the period July 1, 2000 through June 30, 2001, at the request of the Department of Health and Family Services. We express an unqualified opinion on the Institutes' financial statements, which show that, on an accrual basis, Mendota Mental Health Institute had a net loss of \$360,835, and Winnebago Mental Health Institute had a net loss of \$502,963.

We also reviewed the Department's progress in implementing its billing and accounting system for the Institutes and improving its process for estimating revenue and receivable balances. During prior years, we reported that technical problems associated with the system resulted in significant billing and collection delays and accounting problems. The Department is taking reasonable steps to address these technical issues. However, additional direction from management may be needed to improve the timeliness and effectiveness of the Department's collection efforts. As the result of continuing concerns with the Department's process for estimating patient revenues and receivables, one-time adjustments totaling \$14.6 million were required to correct reporting errors in both Institutes' patient receivable balances.

[full report, PDF file \(436KB\)](#)