



INTERNAL CONTROLS FOR MEDICAL PRACTICES

## Unparalleled Professional Service from a Leader in Establishing Internal Controls

When operating a practice, a physician is responsible for the overall protection of the assets of a practice. To successfully achieve this goal, he or she is often forced to delegate duties to trustworthy employees. Integrity and 100% trust are vital in this physician/employee relationship. However, these successful delegations do not always occur and additional measures are sometimes necessary to prevent fraud.

One of the most effective ways to prevent fraud is implementation of strong internal controls including an effective segregation of duties. Internal controls as related to fraud are the measures, policies and procedures a company puts in place to safeguard assets and ensure the reliability of accounting data. Included in the internal controls is segregation of duties that divides up tasks to prevent the opportunity to defraud the business.

We offer the following services designed to help physicians protect the assets of their practices:

- Protecting bank statements
- How to insulate employees from opportunity
- Accounts receivable procedures
- Insuring expenses are legitimate
- Signature nightmares
- Pressures to deviate
- Signature nightmares

Many practices will contend that there are sufficient internal controls in place to deter, or even eliminate, fraudulent actions. But, as experience has shown, last year's internal controls may no longer be as effective as when they were developed. Businesses change, and as they do more/different employees are hired for old and newly created positions.

Regular "check ups" for your practice are effective management tools to use in establishing or modifying internal controls. As you encourage your patients to get annual health physicals, we encourage our clients to get annual office procedural physicals. Either way, knowing the results early and taking the measures to "treat" any problems found are definitely beneficial. We have several Certified Fraud Examiners on staff to assist you with the development of controls to detect and prevent fraud in your practice.

In addition, KatzAbosch was a founding firm of the Leading Edge Alliance (LEA), a global alliance of major independently owned accounting and consulting firms in the United States, Asia, and Europe. Since its inception, we have become a leader within the organization by founding various subsets of the group and speaking regularly at LEA conferences.

**For more information, contact us at 1.800.989.6432 or [info@KatzAbosch.com](mailto:info@KatzAbosch.com).**

*The KatzAbosch team is dedicated to providing responsive, accurate and reliable service to clients. We recently conducted an independent client satisfaction survey and across the board, the firm overwhelmingly exceeds our clients' expectations by more than 90%. Additionally, out of 150 accounting firms across the nation, KatzAbosch averaged 5 to 26% higher than the median group. These excellent results showcase the firm's superior reputation in the mid-Atlantic community and beyond as well as our commitment to helping our clients achieve their financial goals.*