

Topic: Monitoring and Audits – Corporate Compliance	Department: Entire agency
Original effective date: 3/11/02	Last revision date: 6/28/24
Owner: VP for Quality and Compliance	Frequency of reviews: Annual
Internal/Regulatory Reference(s) (all that apply): 18 NYCRR 521.3(c)(6); NYS Social Services Law 363-d(2)(f); 42 USC 1396a(a)(68)	
Related documents/Links: Please see references within the document	

Policy: It is the policy of The Arc of Monroe (“The Arc”) that business, administrative and support functions promote personal and organizational outcomes.

Additional Information: Audits are conducted in order to evaluate our compliance with Medicaid and other regulatory requirements, monitor for and identify compliance risks, and to monitor and assess the overall effectiveness of our compliance plan. Internal audits will occur routinely. In addition, we may request outside parties to come in and conduct audits. Governmental entities also have the right to come in and conduct audits.

Areas to audit are determined through the Preventive Risk Assessment policy and any emergent issues or risks that arise during the course of the year. The Arc reserves the right to audit for compliance against any applicable statute, law, rule, regulation or policy.

We will use all audit results as part of the preventive risk assessment process to help inform existing or emergent risk areas (please cross reference the policy, “Preventive Risk Assessment” for additional information). Internal corporate compliance audits are completed routinely by the VP for Quality and Compliance, but may be assigned to other staff as necessary. Please see the current-year Compliance Audit Plan for details.

Corporate compliance audits assess us against requirements we must comply with in order to get paid by the government. These are generally done according to a schedule based on census size. This is to make sure that there is a balanced audit sample size across programs.

Audits are done by looking at a sample of people supported, documents or elements within a given program. The sample may be chosen randomly or, in some cases, it may be a more targeted sample. This is determined based on the nature and objective of the audit.

Audits can provide information both about the specific person being audited but, more importantly, can provide trends related to compliance. If a pattern of issues is noted, the audit may be expanded to include more people; or, a focused audit just around that issue may be initiated. Audit results and trends can help a program to identify both systems and performance issues occurring with the program.

Audit results are always shared with the management of the program that was audited (from director through VP). The CEO and COO will be informed if any element of the audit is out of compliance as appropriate and/or at the discretion of the VP for Quality and Compliance or the auditor. This is to ensure and demonstrate transparency in communicating audit findings with the leadership of the

agency. At the discretion of the VP for Quality and Compliance, any audit findings may be shared with any or all members of the Executive Management Team (EMT). EMT consists of the CEO, COO, CHRO and CFO.

This policy applies to persons who are affected by the agency’s risk in this area (to the degree that they are so affected) including our employees, managers, contractors, agents, subcontractors, independent contractors, students, interns, and volunteers, hereafter referred to as “affected individuals.”

Procedure	
Task:	Responsible party:
General Guidelines:	
1. Audits will be done to make sure that staff are following laws and regulations, or meeting identified standards required to ensure our claims are sound. We might also look at specific processes or procedures to make sure they are being followed as required.	VP for Quality and Compliance
2. Audits will be developed and initiated as necessary based on new or emergent compliance risks, or in anticipation or response to newly issued regulations, laws or requirements. This information will be communicated to the Board of Directors on a quarterly basis, as appropriate. Please cross reference the policy, “Internal Compliance Committee Board Reports.”	VP for Quality and Compliance
3. The VP for Quality and Compliance may designate or assign compliance audits to others in the agency as necessary. Those to whom audits are assigned will be trained and competent to complete such audits.	VP for Quality and Compliance
4. Results of routine audits will be distributed as described above. Results of other, non-routine audits will be distributed to appropriate members of leadership at the discretion of the VP for Quality and Compliance and the Internal Compliance Committee (ICC).	VP for Quality and Compliance
5. Programs are required to respond to audit findings: both to the specific findings (for the individual person) as well as to any trends or systemic issues noted.	Managers
6. Validation audits may occur as well to ensure that these responses have been implemented and to assess their effectiveness. These validation audits summaries are shared with the program’s management (Dir, Sr. Dir and VP), and EMT	VP for Quality and Compliance
7. Affected individuals are required to assist with and participate in audits as required. For example, they: *Are required to answer questions honestly *Are required to give the auditor (whether internal or external) information requested *Cannot lie to the auditor *Cannot mislead the auditor	Affected individuals
8. Not cooperating with an audit may be considered insubordination and could result in disciplinary actions up to and including termination.	Management and HR
9. Before, during or after an audit, affected individuals are prohibited from: *Changing or correcting documentation that was inaccurate or incorrect in order to make it look correct.	All affected individuals;

<p>*Writing up missing documentation after the fact unless they are told to by a Quality or Operations Coordinator, the QI Manager and/or the VP for Quality and Compliance/Compliance Officer.</p> <p>*Lying to the auditor; for example, saying that they don't have information when in reality they do. Even if they believe that the information would not meet regulatory requirements, they still need to share it with the auditor.</p> <p>Doing any of these things could result in disciplinary action up to and including termination of employment. Please cross reference the policy, "Staff incentives, performance and discipline" for more information.</p>	<p>Management; HR</p>
<p>10. If and when deemed appropriate, we will contact our lawyers. The VP for Quality and Compliance/Compliance Officer has open free access to legal counsel when needed.</p>	<p>VP for Quality and Compliance</p>
<p>11. The VP for Quality and Compliance will be notified of any outside audits that aren't routine. Routine audits would be things like BPC surveys, our annual financial audit, or ISO. If in doubt, let them know.</p>	<p>Affected individuals</p>
<p>Managers:</p>	
<p>1. Managers have a responsibility to understand the regulatory requirements for their programs.</p>	<p>Managers</p>
<p>2. They have an obligation to actively cooperate with and support the audit function within their own departments and the agency, demonstrating openness to and collaboration with any audits that occur.</p>	<p>Managers</p>
<p>3. Managers are expected to be present for and participate in any audit occurring in their program to the extent necessary. Absence from audits should be an exception due to extenuating circumstances.</p>	<p>Managers</p>
<p>4. Managers have primary responsibility for responding to audit findings in a thorough and consistent way. This should include root cause analysis for identified trends. Managers should be open to and practice continuous quality improvement.</p>	<p>Managers</p>
<p>VP for Quality and Compliance</p>	
<p>1. The VP for Quality and Compliance will have primarily responsibility for completing routine internal corporate compliance related audits, as described above.</p>	<p>VP for Quality and Compliance</p>
<p>2. The VP for Quality and Compliance acts as the agency's Compliance Officer, as required in NYS law.</p>	<p>VP for Quality and Compliance</p>
<p>3. Has primary responsibility for administering the agency's compliance program, and related policies and procedures.</p>	<p>VP for Quality and Compliance</p>
<p>4. Acts as a resource for agency staff, managers, and leadership related to audits, audit approaches, tracking and trending, and responding to audit findings.</p>	<p>VP for Quality and Compliance</p>
<p>5. Is kept informed and supports external audits that relate to billing or compliance, as appropriate.</p>	<p>VP for Quality and Compliance</p>

Document revision record:

Revision Date	Release Date	Reason for change	Approver
10/27/05	10/27/05	Reasons for changes not documented	P Dancer
12/29/06	12/29/06	Reasons for changes not documented	P Dancer
3/7/08	3/7/08	Reasons for changes not documented	P Dancer
6/23/08	6/23/08	Reasons for changes not documented	P Dancer
6/24/09	6/24/09	Reasons for changes not documented	P Dancer
7/13/09	7/13/09	Reasons for changes not documented	P Dancer
8/6/10	8/6/10	Reasons for changes not documented	P Dancer
10/5/10	10/5/10	Reasons for changes not documented	P Dancer
10/20/11	10/20/11	Reasons for changes not documented	P Dancer
6/5/12	6/5/12	Reasons for changes not documented	P Dancer
5/30/13	5/30/13	Reasons for changes not documented	P Dancer
10/24/14	1/1/15	Reasons for changes not documented	P Dancer
7/29/15	7/29/15	Reasons for changes not documented	P Dancer
5/22/17	5/22/17	Reasons for changes not documented	P Dancer
11/9/18	11/9/18	Reasons for changes not documented	P Dancer
12/24/19	12/24/19	Transitioned to new procedural format	P Dancer
3/5/21	6/23/21	Added a formal statement of purpose for doing audits; updated details; added discrete sections for QCs, managers and the VPQC	ICC
4/28/22	4/29/22	Revised the phrasing related to reporting findings to EMT	ICC
6/30/22	6/30/22	Corrected pronouns	ICC
7/21/22	8/8/22	Defined "staff" for the purposes of this policy	ICC
9/9/22	9/9/22	Added reference to 42 USC 1396a(a)(68)	ICC
3/15/23	3/15/23	Specified whom this policy applies to; updated to reflect that the VPQC is now responsible for completing compliance audits; defined this policy as specific to corporate compliance auditing and monitoring; added bullet regarding new audit approaches when necessary and communication to the board	ICC
7/26/23	7/26/23	Spelled out an acronym; removed an unnecessary sentence	ICC
6/28/24	7/18/24	Added some clarifying language; added information on the distribution of non-routine audit results; defined who is part of EMT	ICC