

PATHWAYS CMH

POLICY TITLE: Compliance Monitoring and Auditing	CATEGORY: Compliance	
EFFECTIVE DATE: 06/06/13	BOARD APPROVAL DATE: 06/05/13	
REVIEWED DATE: 04/07/17	REVISION(S) TO POLICY STATEMENT: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	OTHER REVISION(S): <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
RESPONSIBLE PARTY: Compliance Manager	CEO APPROVAL: Mary Swift, CEO	

APPLIES TO:

Pathways Personnel
Contract Providers

POLICY:

A key component of Pathways' compliance program includes proactive monitoring and auditing functions designed to test and confirm compliance with legal requirements, and with the organization's written compliance standards. These functions serve to test compliance with internal policies and procedures and with federal, state, and local laws, regulations, and rules. As such, they may assist Pathways' compliance activities by identifying possible misconduct or criminal activity.

Pathways Compliance/Risk Management Monitoring Team (CRMT) and/or Compliance Manager will make recommendation for remediation and ensure that a remedial action plan is developed when a compliance violation is detected. The plan is designed to prevent a recurrence of the violation and is a key factor in evaluating the success of the compliance plan.

PURPOSE:

The purpose of this policy is to identify and define Pathways approach to auditing and monitoring as part of the organization's compliance program.

DEFINITIONS

1. *Audit* – means a formal objective review of compliance with a particular set of internal or external standards. Audits are typically conducted by individual(s) who are independent from the area being audited with no vested interest in the outcomes or business area being reviewed.
2. *Monitoring* – means reviews that are repeated on a regular basis during the normal course of operations; may be informal and not necessarily independent of the business unit. An organization may monitor its activities as part of a corrective action plan, to ensure that corrections implemented continue to be effective. Monitoring may also be initiated when no specific problems have been identified to confirm and document ongoing compliance.
3. *Prospective Audits* – occur before billing, allowing an organization to correct discovered errors before submitting the bill.

4. *Retrospective Audits* – occur after billing, and may require an organization to correct discovered errors by rebilling or self-disclosing to a payer or to the government.
5. *Baseline Audit* – typically the initial audit in a series of identical audits, and as such establishes the baseline against which progress measured by future audits is compared.
6. *Risk Assessment* – typically a broad- based audit that may be used to identify opportunities for improvement either before development of the compliance program or work plan or periodically, thereafter.

REFERENCES:

- Federal Sentencing Guidelines, Chapter 8
- BBA Section 438.608
- CMHSP Specialty Supports and Services Contract Sections I.15 and II.5
- Pathways Compliance Plan and Policies
- NorthCare Compliance Plan and Policies

HISTORY:

REVISION DATE: N/A; 06/14/14; 06/08/15; 04/07/17

CEO APPROVAL DATE: 05/13/13; 06/14/14; 06/08/15; 04/12/17

BOARD APPROVAL DATE: 06/05/13

PROCEDURES

1. Monitoring and Auditing:

In order to assist in evaluating the effectiveness of the Compliance Plan and prevention of fraud, waste, and abuse, Pathways will employ a variety of monitoring and auditing techniques that may include, but are not limited to, the following:

- a. Periodic interviews with Pathways and Contract Provider personnel regarding their perceived levels of compliance within their departments or areas of responsibilities;
- b. Questionnaires developed to poll personnel within Pathways and Contract Provider organizations regarding compliance matters including the effectiveness of training/education;
- c. Information gained from written reports from Contract Provider compliance officers utilizing assessment tools developed to track all areas of compliance;
- d. Audits designed and performed by internal and/or external auditors utilizing specific compliance guidelines;
- e. Investigations of alleged noncompliance reports; and
- f. Exit interviews with departing Pathways employees and contract providers.

Information obtained through monitoring and auditing efforts will be retained in written form and results will be presented to the CRMT for interpretation and determination of recommended amendments(s) and/or remediation/disciplinary actions. A summary will be provided to Pathways Board at least annually.

2. Compliance auditing and monitoring functions will be coordinated with other internal audit functions.
3. Reports from internal auditing and monitoring functions other than that conducted by the Compliance Officer/CRMT, including the status and effectiveness of corrective actions taken, will be provided to the Compliance Manager, quarterly at minimum.
4. The auditing and monitoring process:
 - a. Incorporates input from management and operational areas.
 - b. Details process for responding to all auditing and monitoring results and follow-up reviews of areas found to be non-compliant.
 - c. Determines if the implemented corrective actions have fully addressed the compliance issue.
5. Information obtained through monitoring and auditing efforts will be retained in written form and results will be presented to the CRMT for interpretation and determination of recommended amendment(s) and/or remediation/disciplinary actions. A summary will be provided to the Pathways Board at least annually.
6. Effectiveness Evaluation of the Compliance Program:

Pathways' CRMT will evaluate, no less than annually, the effectiveness of the Compliance Program including the Code of Conduct and other Compliance policies and procedures. Pathways Compliance Manager shall present to the CRMT recommendations for approval, modifications or rescissions. If modifications and/or

remedial actions are determined, Pathways Compliance Manager is required to perform on-going monitoring of the issue for compliance.