

## VENTURA COUNTY HEALTH CARE AGENCY

PROCEDURE: Compliance Enforcement	PROCEDURE NO.:	PAGE:
SUBJECT: Monitoring and Auditing		
DEPARTMENT: ALL DEPARTMENTS	EFFECTIVE DATE: 5/1/2022	REVISION DATES
APPROVED BY:	REVIEW DATES:	

### SCOPE

This policy applies to Ventura County Health Care Agency (HCA), its affiliates and all satellite locations.

### PURPOSE

To outline the process for performing compliance audits and/or monitoring in order to confirm organizational compliance.

### DEFINITIONS

- A. "Annual Audit Plan" means a list of audits based on a compliance Risk Assessment.
- B. "Audit Documentation" means a record of the planning, performance, and reporting of compliance audits. This documentation should substantiates findings in the audit report.
- C. "Compliance Monitoring" means routine ongoing activity intended to provide assurance that a compliance process or internal control is effective and that risks are identified timely.
- D. "External Audits" means those audits initiated by an external party, including government payers, payer representatives, or other regulatory entities.
- E. "Identification" or "Identified" means Overpayments that have or will be through the exercise of reasonable diligence, determined quantified.
- F. "Internal Audits" means those sponsored by HCA and used to determine compliance with legal and regulatory guidelines and/or compliance with an internal policy or operating objective.
- G. "Overpayment" means any funds that HCA receives or retains under any Federal or State Healthcare Program to which HCA, after applicable reconciliation, is not entitled.
- H. "Research Audits" means a focused examination of trial-related activities and documents to determine whether the evaluated trial-related activities were conducted, recorded, analyzed, and accurately reported according to the protocol, good clinical practice and the applicable regulatory requirements.
- I. "Risk Assessment" means an analysis and prioritization of risk areas unique to HCA and based on their probability and impact.

## **POLICY**

HCA will take reasonable steps to confirm compliance with applicable laws, regulations, policies and procedures. HCA's Compliance Officer will recommend audits and monitoring of identified risk areas related to compliance with laws and regulations, as well as organizational policies, procedures, and HCA's Code of Conduct. Results of audit and monitoring activities will be reported to HCA's Compliance and Oversight Committees no less than quarterly. In the event any audit or review reveals potential violations of Federal and State Healthcare law or regulation, HCA's Compliance Officer will recommend appropriate action in accordance with its policies. In addition to risk-based Internal Audits, HCA's Oversight Committee may periodically request work to assess the effectiveness the HCA's Compliance Program by auditors or consultants external to HCA.

## **PROCEDURES**

- A. HCA's Compliance Officer is responsible for overseeing that auditing and monitoring is properly executed, documented, and reported. When applicable, audit activities are conducted in a manner that maintains any appropriate legal privilege, including the attorney-client, work product, quality management and self-evaluative privileges. If the Internal Audit is conducted pursuant to attorney client privilege, it will be delivered to Ventura County's Legal counsel for further distribution.
- B. HCA performs a compliance Risk Assessment of areas identified through operations, external sources, regulators, and disclosures. HCA's Compliance Department will also solicit input from the HCA's administrative leaders for other perceived high-risk areas.
- C. Potential risks will be ranked according to probability of occurrence and impact. The compliance Annual Audit Plan will place the greatest emphasis on addressing high risk areas. The Annual Audit Plan will specify the areas of operations which will be audited or reviewed during the year and the persons or entities responsible for conducting the audit or monitoring, if known.
- D. HCA's compliance Annual Audit Plan will be presented it to the Compliance and Oversight Committees for acceptance. Any revisions to the compliance Annual Audit Plan will be presented at the next regularly scheduled meeting of HCA's Compliance and Oversight Committees.
- E. Changes to the Annual Audit Plan will be made based upon the immediacy of the issue and expected scope, resource availability, and timing of the next regularly scheduled audit. Audits with regulatory risk will have the highest priority.
- F. Preliminary communication will be initiated with key stakeholders prior to audit activities to explain the audit's purpose. The communication will specify the audit scope and anticipated timing.
- G. Internal Audits or monitoring may be conducted internally or by persons or entities external to HCA that have knowledge of healthcare compliance requirements within a specific area. Internal Audits conducted by persons or entities external to HCA will include both reports and workpapers to support such work, including sampling methodology.
- H. Audit results may require further action. These actions can include further investigation of the matter, advising management on enforcement or discipline, developing additional corrective action plans and reporting to applicable government agencies on any Overpayments. The nature of the follow-up will be dictated by the seriousness and complexity of the deficiencies noted.

- I. HCA's Compliance Officer will assist in the implementation of corrective actions to the extent it does not compromise the Compliance Officer's independence.
- J. Research audits will be performed upon request.
- K. HCA's compliance Internal Audits and formal monitoring will be filed in HCA's Compliance Department in conformance with HCA's Records Retention policy.

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