

## NORTHCARE NETWORK

<b>POLICY TITLE:</b> Compliance Monitoring & Auditing	<b>CATEGORY:</b> Compliance	
<b>EFFECTIVE DATE:</b> 3/21/13	<b>BOARD APPROVAL DATE:</b> 3/21/13	
<b>REVIEWED DATE:</b> 6/10/22	<b>REVISION(S) TO POLICY STATEMENT:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<b>OTHER REVISION(S):</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>RESPONSIBLE PARTY:</b> Compliance Officer	<b>CEO APPROVAL DATE:</b> 7/12/22 Dr. Tim Kangas, CEO	

### **APPLIES TO**

NorthCare Network Personnel  
Network Providers

### **POLICY**

NorthCare Network's 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 and regional policies and procedures and with federal, state, and local laws regulations, and rules. As such, they may assist NorthCare Network's compliance activities by identifying possible misconduct or criminal activity.

NorthCare Network's Compliance Oversight and Risk Management Committee (CORMC) and/or Compliance Officer 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 NorthCare Network's 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
- MDHHS/PIHP Contract
- NorthCare Network Compliance Plan and Policies

## **HISTORY**

REVISION DATE: 12/18/13, 11/5/14, 9/16/15, 5/16/17, 8/23/21

REVIEW DATE: 3/13/13, 12/18/13, 11/5/14, 9/16/15, 7/27/16, 5/16/17, 3/13/18, 1/22/19, 12/3/19, 10/21/20, 8/23/21, 6/10/22

CEO APPROVAL DATE: 3/13/13, 12/18/13, 11/5/14, 10/6/15, 8/2/16, 6/6/17, 3/27/18, 2/7/19, 1/7/20, 11/3/20, 9/7/21, 7/12/22

BOARD APPROVAL DATE: 3/21/13

## **PROCEDURES**

### A. Monitoring and Auditing:

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

1. Periodic interviews with NorthCare Network and Provider personnel regarding their perceived levels of compliance within their departments or areas of responsibilities.
2. Questionnaires developed to poll personnel within NorthCare Network and Provider organizations regarding compliance matters including the effectiveness of training/education.
3. Information gained from written reports from Provider compliance officers utilizing assessment tools developed to track all areas of compliance.
4. Monitoring designed and performed by internal reviewers.
5. Audits designed and performed by independent internal and/or external auditors utilizing specific compliance guidelines.

6. Investigations of alleged noncompliance reports.
  7. Exit interviews with departing employees/Network Providers.
- B. Compliance auditing and monitoring functions will be coordinated with other internal audit functions.
- C. Reports from internal auditing and monitoring functions other than that conducted by the Compliance Officer/CORMC, including the status and effectiveness of corrective actions taken, will be provided to the Compliance Officer, quarterly at minimum.
- D. The auditing and monitoring process:
1. Incorporates input from management and operational areas.
  2. Details process for responding to all auditing and monitoring results and follow-up reviews of areas found to be non-compliant.
  3. Determines if the implemented corrective actions have fully addressed the compliance issue;
- E. Information obtained through monitoring and auditing efforts will be retained in written form and results will be presented to the CORMC for interpretation and determination of recommended amendments(s) and/or remediation/disciplinary actions. A summary will be provided to the NorthCare Network Board at least annually.
- F. Effectiveness Evaluation of the Compliance Program:  
NorthCare Network's CORMC will evaluate, no less than annually, the effectiveness of the Compliance Program including the Code of Conduct and other Compliance policies and procedures. NorthCare Network's CO shall present to the CORMC recommendations for approval, modifications or rescissions. If modifications and/or remedial actions are determined, NorthCare Network's CO is required to perform on-going monitoring of the issue for compliance.