

Auditing and Monitoring for Compliance
POLICY: AC.ETH.01.16

Date: September 30, 1999

Responsible to: President/CEO

POLICY:

Established guidelines are provided for the auditing, monitoring and evaluation of compliance with the Ethics in Business Program.

PROCEDURE:

Shepherd Center and Affiliates will ensure compliance with the Ethics in Business Program through auditing and monitoring by:

1. Reporting from departments/program to the Chief Compliance Officer.
2. Audits and monitoring by internal auditor and Chief Compliance Officer. These reports will be submitted to President & CEO, Compliance Committee and summary to Governing Board. Audits/Reviews will include such topics as:
 - a. Potential kickbacks arrangements.
 - b. Potential self-referral arrangements.
 - c. CPT/HCPCS-ICD-9 coding.
 - d. Claim development and submission.
 - e. Medical Record Documentation.
 - f. Medical necessity review.
 - g. Outpatient ABN review.
 - h. Cost reporting.
 - i. Inventory reviews.
 - j. Payment reserves for federal healthcare programs.
 - k. Contractual relationships.
 - l. Marketing practices.
3. Any suspected violation or potential violation of the compliance program may trigger an audit and/or ongoing monitoring by Chief Compliance Officer.
4. Auditing and monitoring by the Chief Compliance Officer and auditor will include, but will not be limited to:
 - a. On-site visits; scheduled and unscheduled.
 - b. Interviews with staff and management.
 - c. Questionnaires to solicit feedback or impression from a broad cross section or specific divisions of staff.

- d. Review and evaluation of medical records, financial documents and any other source documents to support claims.
- e. Reviews of any written material or documentation dealing with business compliance.
- f. Trend analysis or studies that seek deviations in specific areas.

5. Auditors and Chief Compliance Officer;

- a. Will be independent of direct line management or physicians.
- b. Have access to any relevant resources.
- c. Presents reports to President/CEO, compliance committee and/or general board.
- d. Identify specific areas for improvement and assist in action plan.