# DePaul Corporate Compliance
# Auditing and Monitoring Policy

## Purpose:

DePaul (sometimes referred to as "Organization" or "the Organization") developed and implemented a Compliance Program in an effort to establish, in part, effective internal controls that promote adherence to applicable Federal and State laws and requirements. An important component of the Compliance Program is the use of audits and/or other evaluation techniques to monitor compliance and assist in the reduction of identified risk areas.

DePaul recognizes the need for internal controls but also realizes that resources are limited. Therefore, this policy focuses on DePaul's resources to effectively and efficiently audit and monitor risk areas.

For purposes of this Policy, the term "Affected Individuals" includes all persons who are affected by the required provider's risk areas including the required provider's employees, the president and other senior administrators, managers, contractors, agents, subcontractors, independent contractors, and governing body and corporate officers.

## Policy:

It is the Policy of DePaul to conduct ongoing auditing and monitoring of identified risk areas related to compliance including but not limited to billing, fiscal management, clinical operations, and service provision. It is the responsibility of the entire Management Team to ensure that ongoing auditing and monitoring is properly executed, documented, and evidenced.

It is the Policy of DePaul to analyze and trend the results of all audits (both internal and external) on a regular basis to ensure that DePaul's Compliance Program is effective.

## Regulatory Reference:

Social Service Law 363-D
18 NYCRR Part 521

## Procedures:

1. On an annual basis, the Compliance Officer, in conjunction with the President, Senior Management, and Compliance Committee, will determine the scope and format of routine audits of DePaul's operations based on an organizational risk assessment. The Compliance Officer will include all scheduled audits on a work plan or audit plan that is shared with the Compliance Committee and the Board of Directors.

2. Each DePaul program or department will conduct a review of its compliance with applicable regulations and quality measures on an annual basis. Senior Management staff shall be responsible for identifying needs for internal auditing of specific issues under their oversight. This should occur at least annually as a part of the Organization's risk assessment and for consideration in the annual work plan and audit plan.

3. The Compliance Officer will recommend and facilitate auditing and monitoring of the identified risk areas related to compliance with laws and regulations, as well as DePaul's policies, procedures, and Standards of Conduct. (Risk areas may be identified through the regular course of business, external alerts, external audits or reviews, or internal reporting channels.)

4. The Compliance Officer will be responsible for oversight of DePaul's internal auditing system and is authorized to delegate auditing duties to other DePaul personnel, accountants, consultants, and attorneys, as necessary and appropriate.

5. The Compliance Officer will conduct and/or oversee compliance audits and reviews with assistance from Management staff and Quality Management staff with the requisite skills to carry out the audit. Whenever feasible, the Compliance Officer will seek to have audits conducted by DePaul employees who are not involved in the delivery of services subject to the audit.

6. The Compliance Officer will oversee all audits of financial processes or systems as facilitated by the Chief Financial Officer. The audits will serve to ensure that internal controls are in place so that:
    - Generally Accepted Accounting Principles (GAAP) are followed; and
    - Federal, State, and local laws, regulations, and requirements are met.

7. The Compliance Officer will oversee all audits of operational and programmatic issues with DePaul's Corporate Compliance Committee.

8. The ongoing auditing and monitoring will serve to evaluate, at minimum, the following risk areas:
    - Billings;
    - Payments;
    - Ordered services;
    - Medical necessity;
    - Quality of care;
    - Governance;
    - Mandatory reporting;
    - Credentialing;
    - Contractor, subcontractor, agent, or independent contract oversight;
    - Review of contracts and relationships with contractors, specifically those with substantive exposure to government enforcement actions;
    - Review of documentation and billing relating to claims made to Federal, State, and third party payers for reimbursement;
    - Compliance training and education;
    - Effectiveness of the Compliance Program; and
    - Other risk areas that are or should reasonably be identified by DePaul through its organizational experience.

9. The audits and reviews will examine DePaul's compliance with specific rules and policies through on-site visits, personnel interviews, general questionnaires (submitted to employees and contractors), clinical record reviews to support claims for reimbursement, and documentation reviews.

10. The Compliance Officer will review and approve the sample size and sample criteria prior to each audit unless the detail is included in the annual audit plan or work plan.

11. All audit and review tools used will be standardized throughout DePaul and approved by the Compliance Officer.

12. A written report of all internal audit and review results will be forwarded to the program director, respective department, or division director within seven (7) business days from the completion of the review or audit. Within 10 business days from the receipt of the written report of findings, the program director or the department or division director will submit a written Plan of Corrective Action to the Program or Department Vice President for review. The department head or director is responsible for ensuring that corrective measures are implemented and monitored for effectiveness. A written summary of all audits, results and plans of corrective action completed will be submitted to the Compliance Officer monthly.

13. Monitoring results will determine the timeframe for a post-audit review. The objective of the post-audit review is to ensure that corrective actions were completed and effective in preventing any recurrences of deficiencies.

14. The results of all internal auditing and monitoring activities, including records reviewed, audit results, and corrective actions, will be recorded and maintained by the internal auditor assigned to the review and available to the Compliance Officer.

15. Should non-compliance be detected during routine internal monitoring and activities, the Compliance Officer will ensure a thorough investigation in accordance with the Reporting and Investigation of the Compliance Concerns Policy.

16. Any correspondence from any regulatory agency charged with administering a federally- or state-funded program received by any department of DePaul will be copied and promptly forwarded to the Compliance Officer for review and subsequent discussion by the Compliance Committee.

17. Program management will notify the Compliance Officer of any visits, audits, investigations, or surveys by any regulatory agency or authority. Results (whether oral or written) of any visits, audits, investigations, or surveys will be forwarded to the Compliance Officer promptly upon receipt by DePaul personnel.

18. The Compliance Officer will be responsible for reporting to the Compliance Committee on the general status of all audits and reviews, the outcome of compliance auditing and monitoring,

and the corrective actions taken. The reporting will occur at the first regularly scheduled Compliance meeting after the conclusion of the audit or review.

19. The Compliance Officer will be responsible for reporting the results of auditing and monitoring activities and corrective actions of all billable programs at least annually to the Board of Directors. The report will also include monitoring of trends, an assessment of any compliance risks to the Organization, and an evaluation of the effectiveness of DePaul's Compliance Program.

20. At least annually, the Compliance Officer will benchmark audit results and compare results of similar audits to determine whether improvement is occurring.

21. On an annual basis, the Compliance Officer, in collaboration with the Compliance Committee, will conduct a review to monitor the effectiveness of the Compliance Program, Compliance Program Policies and Procedures, and the Standards of Conduct to determine:
    - Whether such written policies, procedures, and Standards of Conduct have been implemented;
    - Whether Affected Individuals are following the policies, procedures, and Standards of Conduct;
    - Whether such policies, procedures, and Standards of Conduct are effective; and
    - Whether any updates are required.

    The Compliance Officer will provide a report of this review to the Compliance Committee and the Board of Directors.

## Sanction Statement:

Non-compliance with this policy may result in disciplinary action, up to and including termination.

## Compliance Statement:

As part of its ongoing auditing and monitoring process in its Compliance Program, DePaul will review this policy based on changes in the law or regulations, as DePaul's practices change, and, at minimum, on an annual basis. Additionally, this policy will be tested for effectiveness on an annual basis or more frequently as identified in accordance with DePaul's Compliance Program. Testing will include but is not limited to ensuring that the policy is appropriately followed; the policy is effective; the policy has been disseminated to all Affected Individuals, as who will also be notified of any updates or changes.

Tracking of the criteria above and results of this testing will be completed by the Compliance Officer, or designee. Additionally, results will be reported to the Compliance Committee and Governing Body on a regular basis.

## Record Retention Statement:

DePaul will retain this policy and all subsequent revisions, and any related documentation will be retained for a period of, at minimum, six years.