

## **CORPORATE COMPLIANCE PROCEDURES**

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### **ILA Corporate Compliance Committee**

Corporate Compliance Committee (CC) members are senior management of the Agency administration, all of whom are well-versed with Corporate Compliance and its impact upon the functions of the Agency within their focus of responsibility.

CC Composition: The CO and the CS and can include the Deputy Executive Director/Chief Financial Officer, the Director Of Operations, the Director of Residential Services, the Supervisor of Day Services and others as designated by the CO

CC Goal: The CC's purpose is to advise and assist the CO with the implementation of the Compliance Plan.

CC Protocol: Compliance issues are reported to the CC by the CO, and then by the CC to the CEO and when appropriate to the Compliance and Governance Committee Board. In addition, the CO shall provide periodic reports to the Compliance and Governance Committee of the Board.

#### **CC Roles:**

- Analyzing the environment where the Agency does business, including legal requirements with which it must comply
- Reviewing and assessing existing Policies & Procedures (P&P) that address risk areas for possible incorporation into the Compliance Plan
- Working with departments to develop standards and Policy and Procedure that address specific risk areas and encourage compliance according to legal and ethical requirements
- Advising and monitoring appropriate departments relative to compliance matters
- Developing internal systems and controls to carry out compliance standards and policies
- Assessing Risk to the Corporations within the context of Corporate Compliance
- Monitoring internal and external audits to identify potential non-compliant issues
- Implementing corrective and preventive action plans
- Developing a process to solicit, evaluate and respond to complaints and problems

## **Assessing Risk**

**Policy:** On an annual basis, the CC will convene and, as part of that meeting, will review the Agency's performance regarding Corporate Compliance in the prior year and set forth future compliance efforts. In considering future compliance efforts, the committee's deliberations are to be based upon an assessment of the areas that present a risk for non-compliance. Said risk assessment will be based upon a report from the CCS regarding the experience of prior year(s) and the results of audits performed by the CCS, as described below under "Audit and Monitoring". The CC's deliberations will be documented and serve as the roadmap for Corporate Compliance for the upcoming year.

**Procedure:** The Committee is to convene during June of each year, discuss and decide upon the risk areas, and publish its findings so that at the beginning of the next fiscal year the risk areas can be incorporated into the Corporate Compliance efforts. Current areas of risk for inaccurate or fraudulent billing to Medicaid, and of risk for all of the other principles of Corporate Compliance are contained in Corporate Compliance Committee Minutes, which are to be updated annually.

## **Audit and Monitoring**

**Policy:** Within the realms of the Corporate Compliance regulations, risk areas in general and those contained in the annual assessment of risk, the audit of records will be conducted by the CCS. Through the on-going audit of billing records, the CCS can proactively determine what, if any, problem areas exist and focus on the further risks areas that are associated with those problems. The CCS can also recommend remedial measures that will avoid future problems. The CCS will audit randomly selected records of individuals served by ILA Residential Services and ILA Day Services on a monthly basis including supporting documents to assure that appropriate documentation is present to support each billing.

**Procedure:** A randomly selected number of consumer records will be reviewed to ensure compliance with regulations relative to documentation and reimbursement. Examples include, but are not limited to:

- I. Records review of billing for service provided to Individuals
  - Service planning and review (Existence, timing, quality and content)
  - Progress notes (Existence, quality, content)
  - Physician authorization
  - Admission eligibility/criteria
  - Discharge planning
  - Quality assurance and utilization review
  - General case record documentation
  - Medical necessity
    - i. Delivery of appropriate services
    - ii. Billing for services not actually rendered
  
- II. Records review related to ILA staff use of Agency resources.
  - Employee expense records
  - Agency Vehicle use
  - Employee use of ILA funds through agency issued credit cards

**Procedure:** In all cases, if issues regarding the use of agency resources are identified by any routine audit, employee report, consultant or Outside financial audit firm who is conducting the annual Independent Fiscal Audit, the CO in consultation with the agency compliance attorney and BOD Compliance liaison will determine the immediate course of action, including if an initial focused review should be expanded in scope. When audit results reveal areas needing additional information or education of employees and/or providers, the Agency, through the CCS, CO and CC will analyze whether these areas should be incorporated into the overall agency training and education program.

An important component of a successful compliance audit is an appropriate response to the problems identified. In case of the review of billing records, the Agency's response may generate a repayment to the Medicaid program with an appropriate explanation to the payer. Any uncovered use of an Agency resource by a staff member may result in repayment to ILA or an equivalent tax liability to the employee, and/or, as appropriate, disciplinary action, which can include termination of employment.

The CO will review audit results and recommend remedies to the CC, which ultimately will be presented by ILA's Executive Director to ILA's Board of Directors for final action.