AUDITING AND MONITORING POLICY

PURPOSE
To establish the company's position on Auditing and Monitoring. The purpose of Auditing and Monitoring system is to have a comprehensive approach designed to include different departments and levels of management to create checks and balances for ensuring compliance, evaluating processes and improving the effectiveness of systems through the use of structured data collection, management and outcome reporting.

SCOPE
This policy applies to all LADD management, and may involve employees and people supported. Managers, Supervisors and Quality Assurance/Compliance members are responsible for conducting audits. Other members of management may conduct audits if necessary. Please see the Annual Audit list below along with the responsible person.

POLICY
It is the policy of LADD to promote a positive public image that aligns with the Mission, Vision and Values of the company. All services and locations will be reviewed to ensure compliance with applicable laws, contractual requirements, organizational standards, systems and practices. Should non-compliance occur, immediate action will be taken to correct the non-compliance through the quality improvement process, correcting the clinical record and when necessary repayment of funds and necessary contacts to meet applicable federal/state laws and contracts.

STANDARDS AND DEFINITIONS
Services Department
- Services will complete designated audit worksheets according to the schedule outlined.
- Services will complete timely corrective action that remedies noncompliance.

Compliance Department
- Compliance is responsible for the development of audit worksheets and auditing schedules in conjunction with the Services Department to achieve service and program compliance. All audit worksheets and the audit schedule are located in the R: Drive \010 Auditing and Monitoring.
- The Compliance Department will complete an annual audit schedule and provide to the team.
- Compliance is responsible for completion of data tracking and reports so that corrective action, including training and system change, in conjunction with Services and Quality Improvement Departments, occurs. All audit reports are located in the O Drive:\Company Reports.
- Compliance will review data, observe physical locations and provide recommendations for improvement to Steering Committee
- At the end of the audit cycle (January through December) the Compliance Department will remove all audit worksheets and reports and save in a folder by year. The Compliance Department will then set up new folders to begin the new audit cycle.

Corporate Compliance Officer
- The Corporate Compliance Officer (CCO) is responsible for oversight of the auditing and monitoring process.
- In the event an audit reveals potential violations, trends or areas for improvement, the CCO will take appropriate action including:
  - Conduct investigations
  - Coordinate with Human Resources and Service regarding corrective action
  - Coordinate with Quality Improvement regarding system change, training and modification to policies and procedures
- The results of all audit and monitoring functions are provided to the CCO, who will report results to the Steering Committee and Executive Director on a regular basis, no less then annually.
- The CCO will direct implementation of Steering Committee and Executive Director recommendations.

The CCO reports directly to the Executive Director for any critical compliance issues.

Steering Committee

- The Steering Committee will review audit results and trends documenting recommendations in the Steering Committee meeting minutes.
- The Steering Committee will determine high risk areas for focused audits annually during Strategic Planning.
- The Steering Committee will direct the Emergency Management Committee to coordinate with Quality Assurance to address areas of risk and related audit findings.

Auditing Standards

Audit Type	Audit Name	Audit Worksheet Location	Person Responsible	Audit Schedule *Compliance to complete schedule*
Quarterly Environmental Safety Checklist- To be done by apartment if applicable	Quarterly Environmental Safety Checklist Audit	R:Manager\010 Auditing and Monitoring\Monthly Environmental Safety Checklist Audit	Manager	Quarterly
Persons Medications	Annual Quality Assurance Audit	R:Manager\010 Auditing and Monitoring\Annual Quality Assurance Audit	Supervisor	Annual
Person Administrative				
Program Operations				
Program Maintenance				
Emergency Guide Book and Drills				
General Appearance of Program LICENSED ONLY				
Person Centered Plan 30 Day Post PCP Review	N/A	N/A	Supervisor	According to PCP Dates
CLS specific versions of the above audit types are completed for CLS services		R:Manager\010 Auditing and Monitoring\Audit Worksheets\CLS Audits\"multiple"		
	Individual Service Annual Quality Assurance Audit		Supervisor and/or Regional Director	Annual
Home Help Billing Logs And Occupancy Logs	N/A	N/A	Regional Director	Monthly
Goals/Objectives/Billing Verification	Goals/Objectives/Billing Verification Audit	R:Manager\010 Auditing and Monitoring\Audit Worksheets\ Compliance Audits\"multiple"	Compliance	Annual
Personal Allowance	Personal Allowance Audit		Compliance	Monthly
Medical and Health Conditions	Medical and Health Conditions Audit		Compliance	As needed by IR/RCA
Safety and Physical Plant	Safety and Physical Plant Audit		Compliance	As needed by IR/Barriers-EMC

PROCEDURE

AUDIT PROCESS

1. The responsible person will access the correct audit worksheet, according to the Audit Standards section.
2. All audit worksheets are located in the Manager R Drive, in the folder 010 Auditing and Monitoring in a subfolder called Audit Worksheets.
3. The audit worksheet is scored as follows: 0= NO and 1= YES. Any areas that do not apply are noted as N/A.

Quarterly Environmental Safety Checklist Audit- MANAGERS

1. This audit worksheet is available to be completed electronically or can be printed and completed as a paper copy if needed.
2. The Manager or their designee will complete the audit worksheet.
3. Once the audit worksheet has been completed the Manager will review the audit worksheet:
    a. If a question has been left blank the Manager must complete the question by scoring it.
    b. If a question receives a score of 0 the Manager must complete the Corrective Action Plan (CAP) section of the audit worksheet.
    c. Score the audit worksheet by dividing the total score of all questions added together by the number of questions that were scored. Do not count N/As in the calculation. For example, if the total of all responses to questions is 50 and all 52 questions were scored, with no N/As the scoring is 50/52=.96 or 96%. If the total of all responses is 45 and there are 7 questions marked with N/As the scoring is 45/45=100%.
    d. The completed and scored audit worksheet will be saved into the system as noted below by the *5th* of the month following the month completed i.e. 29 December due by 1/05.
4. Once the audit worksheet is scored by the Manager the Manager will:
    a. For audit worksheets completed electronically, save the document in R:\010 Auditing and Monitoring\02 Completed QES Checklist Audits (M). The document will be named the program number and the month it was completed for i.e. 29 December.
    b. For audit worksheets completed as paper, scan the document and save in R:\010 Auditing and Monitoring\02 Completed QES Checklist Audits (M). The document will be called the program number and the month it was completed for i.e. 29 December.

    Special Note

    For audits that have been completed in paper form and corrections are required. Each time corrections and additions are made to the document it must be saved in place of the original document so the most up to date document is in the folder. If the corrections are completed on the electronic version, simply save the updated document in place of the original. **Regardless of corrective action original scores and percentages are NEVER changed.**
5. On a monthly basis the Supervisor:
    a. Will review the completed audit worksheet to ensure corrective action is being completed as noted.
    b. Validate the percentage score is accurate.
    c. Enter the percentage score in the correct location on the Quarterly Environmental Safety Checklist Report located in O:\Company Reports\All QA Audit Reports\00 Quarterly QES Checklist Audit (REPORT)(M). Scores are entered in the report by the *15th* of the month following the month completed i.e. P29 December due by 1/15.
    d. Additional comments are to be added to the Report when a percentage score is less than 100%. Comments are to be left by right clicking on the QES Score cell. After right clicking, scroll down and select the Insert Comment prompt. A dialogue box will open with your name in it, you can type your comments here.
    e. Supervisors will monitor areas that have required a CAP and note on the report the date the CAP was completed.
6. On a quarterly basis the Compliance Department will complete a summary report that indicates:
    a. Any outliers not achieving a score of 100%.
    b. Any outliers not completing the audit process on a monthly basis.

c. Company trends regarding CAPs.
d. All information will be consolidated for review by Dept. Directors on going for improvements and used during Strategic Planning.

Annual Quality Assurance Audit- SUPERVISORS

1. This audit worksheet is available to be completed electronically or can be printed and completed as a paper copy.
2. The Supervisor will complete the audit worksheet according to the schedule provided by the Compliance Department. Modifications to the schedule must be approved by the Regional Director and communicated to the Compliance Department so the schedule is updated.
3. Once the audit worksheet has been completed the Supervisor will review results:
    a. If a question receives a score of 0 the Supervisor must complete the Corrective Action Plan section of the audit worksheet for each item scoring 0.
    b. Once completed the audit worksheet is scored by dividing the total score of all questions per section added together by the number of questions that were scored in that section. Do not count N/As in the calculation. For example, if the total of all responses to questions is 50 and all 52 questions were scored, with no N/As the scoring is 50/52=.96 or 96%. If the total of all responses is 45 and there are 7 questions marked with N/As the scoring is 45/45=100%.
4. Once the audit worksheet is scored by the Supervisor the Supervisor will:
    a. For audit worksheets completed electronically, save the document in the R Drive:\010 Auditing and Monitoring\03 Completed Annual Quality Assurance Audits (S). The document will be named the program letter and number and Annual Quality Assurance Audit i.e. P29 Annual Quality Assurance Audit.
    b. For audit worksheets completed as paper, scan the document and save the document in the R Drive:\010 Auditing and Monitoring\03 Completed Annual Quality Assurance Audits (S). The document will be named the program number and Annual Quality Assurance Audit i.e. 29 Annual Quality Assurance Audit.

    Special Note

    For audits that have been completed in paper form and corrections are required. Each time corrections and additions are made to the document it must be saved in place of the original document so the most up to date document is in the folder. If the corrections are completed on the electronic version, simply save the updated document in place of the original. **Regardless of corrective action original scores and percentages are NEVER changed**.
5. On a monthly basis the Regional Director:

    Will review the completed audit worksheet to ensure corrective action is being completed as noted.
    a. Validate the percentage scores are accurate.
    b. Enter the percentage scores in the correct location on the Annual Quality Assurance Audit Report located in O:\Company Reports\All QA Audit Reports\Annual Quality Assurance Audits Report.
    c. Additional comments are to be added to the Report when a percentage score is less than 100%.
6. On a quarterly basis the Compliance Department will complete a summary report that indicates:
    a. Any outliers not achieving a score of 100%.
    b. Any outliers not completing the audit process on a monthly basis.
    c. Company trends regarding CAPs.
    d. All information will be consolidated for review during Strategic Planning.

Person Centered Plan 30 Day Post PCP Review- SUPERVISORS

The 30-Day Post PCP Review is completed per the PCP process outlined at O:\01. Management Manual\LADD FORMS & PROCEDURES\PCP and Service Delivery\My PCP Process. SIL. Licensed

Home Help Billing Logs and Occupancy Logs- REGIONAL DIRECTOR

Home help logs and occupancy logs are review for accuracy on a monthly basis prior to claims being submitted for payment. After review and verifying the information is correct the Regional Director signs the document to indicate their approval for the billing process to proceed.

Compliance Audits- COMPLIANCE DEPARTMENT

1. The Compliance Department will complete electronic versions of the **Goals/Objectives/Billing Verification Audit, Medical and Health Conditions Audit, Safety and Physical Plant Audit** worksheets according to the schedule outlined in the Audit Standards section.
2. Once the audit worksheet has been completed the Compliance Department will:
    a. Score the audit worksheet by dividing the total score of all questions added together by the number of questions that were scored. N/As will not be included in the calculation. For example, if the total of all responses to questions is 50 and all 52 questions were scored, with no N/As the scoring is 50/52=.96 or 96%. If the total of all responses is 45 and there are 7 questions marked with N/As the scoring is 45/45=100%.
3. Once the audit worksheet is scored and signed by the Compliance Department the Compliance Department will:
    a. Save the document in the R Drive:\010 Auditing and Monitoring\04 Completed Compliance Audits (Nan). The document will be named the program number and the type of audit i.e. 29 Goals-Objectives-Billing Verification. All Compliance Department audits are completed in electronic form.
4. The Compliance Department will enter the percentage score from the completed audit worksheet on the Compliance Audits Report located in the O Drive:\Company Reports\All QA Audit Reports\03 Compliance Audit (REPORT).
5. For scores of zero the Compliance Department will require a CAP and note on audit reports the date the CAP has been requested.
6. The Compliance Department will send an email notifying the Manager of the need for a CAP. The Supervisor will be included in the email.
7. Once the Manager has completed the CAP they will reply to the email notifying the Compliance Department the steps taken to correct and the date corrected. The Supervisor will be included in the email.
8. Once the Compliance Department has the completed CAP they will note the correction on the original audit worksheet and note the date the CAP was completed on the audit report.
9. On a monthly basis the Services Team:
    a. Will review the completed audit worksheets to ensure corrective action is being completed as noted.
10. On a quarterly basis the Compliance Department will complete a summary report that indicates:
    a. Any outliers not achieving a score of 100%.
    b. Company trends regarding CAPs.
    c. All information will be consolidated for review during Strategic Planning.

1. The Compliance Department will complete electronic **Personal Allowance Audits** of all people supported that LADD is Representative Payee for on a monthly basis.
2. This audit and report are combined into one document. Due to the nature of this audit only a perfect score is acceptable therefore no percentages are calculated.
3. Once the audit has been completed the Compliance Department will save the results on the Personal Allowance Audit Report located in O:\Company Reports\All QA Audit Reports\Personal Allowance Audit Report.
4. The Compliance Department will send notice to the Supervisors via email, with a link to the report, notifying them the month of reviews has been completed.
5. On a monthly basis the Supervisor will review required corrections with the Manager. Together the Manager and Supervisor will complete corrections as follows:
    a. All Personal Allowance receipts, ledgers bank documents are due by the *10th* of the following month, which means that receipts, bank activity and bank withdrawal slips are saved in Citrix

by the *10th* ready to be audited. (For more information please refer to the Personal Allowance Policy).

b. By the 10th day of the following month, the Personal Allowance Audit report will be completed and saved in the Company Reports folder.
c. Indications that corrections are needed are if an item is marked as 0, or there's a comment indicating somethings "needs" done.
d. If the comments say: "In the future please", this means that you don't have to go back and fix the item, but need to review that comment and follow those instructions for future. So for example it may say "In the future please scan receipts going in the same direction", so now, you know that next time you scan receipts you are scanning them all in the same direction.
e. If the note says "Administrative" that means the manager may need additional training and the supervisor will review.
f. Managers will review the Personal Allowance Audit report and make corrections; Supervisors will verify that corrections were completed by the Manager and initial next to the correction.
g. Managers will enter in the note's column of the Personal Allowance Audit Report as follows:
a. What the corrections were
b. Date completed
c. Initials
h. Do not change the numbers or delete information entered on report by Compliance.
i. Corrections are due by the 10th of the following month by the manager or supervisor.
j. If you open a report and it says it is "Read Only" that means someone else has the report open. You can review the report, but cannot make changes while in "Read Only". You will need to wait until the other person is done to enter your corrections.

6. On a quarterly basis the Compliance Department will complete a summary report that indicates:
   a. The Compliance Department will continue to follow up until all corrective action has been completed.
   b. Company trends regarding CAPs.
   c. All information will be consolidated for review during Strategic Planning.