Review of Audit Re-Design

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Agenda

- Audit Process Changes in 2017
- Pre-Audit Process
- Audit Process
- Post-Audit Process
- Overview of 2017 PACE Audits to Date
- Common Conditions
- Questions and Answers

General Reminder

- PACE Regulations and Manual guidance has not changed:
  - PACE Regulation: Last update 2006
  - PACE Manual: Last update 2011
- 2017 audits are not changing requirements, we are only changing how we assess compliance with requirements.

Example: PACE Organizations have always been expected to automatically process an appeal following an untimely service delivery request (42 CFR 460.104(d)(2)(v)).

Process Changes

- Reduction in the Number of Elements
- Participant Centered Audit Approach
- New HPMS Module/Electronic Data Submission
- Citation at Condition Level
- PACE Audit Consistency Team Review

PACE Audits 2017 – Pre-Audit

Pre-Audit Overview

- Engagement Letter
  - Attestation by CEO – 2 Business Days
    - HPMS Access
  - Attachments in HPMS
    - Attachment II – Supplemental Questions
    - Attachment III – Pre-Audit Issues Summary
  - Frequently Asked Questions

Pre-Audit FAQs

Frequently Asked Questions

- Q: My CEO does not have HPMS Access. Who can attest to the audit engagement letter?

  A: Users with attestation rights vary by organization. You can contact the HPMS helpdesk (hpms@cms.hhs.gov) to find out who has attestation rights.

- Q: What does CMS consider a self-disclosed issue?

  A: CMS considers any issue of non-compliance that is disclosed by the PACE organization to their Account Manager, during the audit period, a self-disclosed issue.

Pre-Audit Universe Submissions

- Universes
  - Requirements in Audit Process and Data Request
  - Templates in HPMS under Submission Materials
  - Due 30 days after engagement letter is issued
  - Avoiding Data Entry Errors
  - Frequently Asked Questions

Tips: Avoiding Data Entry Errors

Tips for Avoiding Data Entry Errors

- Enter dates in CCYY/MM/DD format (exact- 2017/07/20).
- Do not enter more than one date in any field other than service request assessments.
- Enter Y or N. Do not enter 'Y' or 'N'
- Enter NA. Do not enter N/A
- Complete all fields. Do not leave any fields blank.

Tips: Populating the SDR

Tips for Populating the Service Delivery Request Universe (SDR):

- Include all requests <u>processed</u> as service requests under 42 CFR 460.104(d)(2)

- Include requests based on decision/ process date

- Enter the date "received" as the date you deemed the request received in accordance with your internal policies and procedures

- All months should be included on one tab in the universe

Tips: Populating the AR

Tips for Populating the Appeal Records Universe (AR):

- Include all requests <u>processed</u> as internal appeals under 42 CFR 460.122

- Exclude external appeals (Medicaid/ Medicare appeals)

- For standard appeals organizations do not need to enter a time (they may enter NA)

- All months should be included on one tab in the universe

Tips: Populating the GR

Tips for Populating the Grievance Record Universe (GR):

- Include all requests <u>processed</u> as internal grievances under 42 CFR 460.120

- Notification allows for oral and written - organizations should only enter the one(s) applicable to them

    - Example: If the organization notifies participants in writing only, they would enter NA in the oral notification fields.

Tips: Populating the LOP

Tips for Populating the List of Personnel Records Universe (LOP):

- Include all personnel employed during the audit review period
  - Newly hired personnel
  - Personnel terminated during audit period
  - Contractors

Tips: Populating the LOPMR

Tips for Populating the List of Participant Medical Records (LOPMR):

- Include all participants enrolled at any point during the audit review period

- If a participant has received both skilled and unskilled care- always indicate the higher level of care (skilled)

- Fill out the fields based on how you define the terms (e.g. psychoactive meds, functional decline, hearing and vision loss, significant weight loss)

Tips: Populating the QAIR

Tips for Populating the Quality Assessment Initiatives Records (QAIR):

- Include all quality initiatives that occurred during the audit review period

Tips for Populating the On-Call Universe (OCU)

- Include all after hours calls received by the PACE Organization
- Exclude calls received during normal business hours

Universe FAQs

Frequently Asked Questions

- Q: Does my organization need to wait until we receive the audit engagement letter to begin preparing audit universes?

  A: No, PACE organizations can and should begin preparing universes at any time.

- Q: What is the audit period/timeframe for the universes?

  A: The audit period is 1 year preceding the issuance of the audit engagement letter.

Pre-Audit Preparation

- Preparing for the Audit
  - Documentation
    - Audit Process and Data Request
    - Access to Systems
  - Desk Audits
  - Sample Requests

PACE Audits 2017 – The Audit

The Onsite Audit

- Desk Audit
- On-site
  - SDAG Review
  - Personnel
  - Medical Record Review
  - Observations
  - Emergency Medication/Equipment & Van Inspection
  - Quality Interview

Root Cause and Impact Analyses

- New Processes
  - Root Cause Analyses (RCAs)
    - Identify the Issue
    - 24 Hours to Complete
  - Impact Analyses (IAs)
    - Information Requested and Scope will vary
    - 10 Business Days

Tips: Completing the RCA and IAs

Tips for Completing Root Cause and Impact Analyses

- Understand the issue
- Ask questions before submitting the completed document
- Address the root cause or causes clearly and objectively
- Impact Analyses are limited to the audit period
- Complete all requested fields in an impact analysis
- You can submit the RCA or IA early

PACE Audits 2017 – Post Audit

Post Audit Overview

- Following the onsite portion of the audit, a PACE Organization should expect the following:
  - A detailed exit conference
  - Additional documentation requests if needed
  - Audit team will brief the PACT on all audit conditions
  - If conditions have been added or removed at the PACT level following the exit conference – the audit team will conduct a call with the PO

Post Audit Overview (cont.)

- Following the onsite portion of the audit, a PACE Organization should expect the following:
  - An Immediate Correction Action Required (ICAR) email (if applicable)
  - A Draft Audit Report
  - An opportunity to respond to the Draft Audit Report
  - A Final Audit Report
  - Submission of Corrective Action Plans (CAPs)

Audit Exit Conference

- During the exit conference, the audit team will:
  - Identify all potential conditions of non-compliance
  - Identify outstanding documentation requests
  - Brief the PACE Organization on next steps
  - Answer any questions the PACE Organization may have
- During the exit conference, the audit team will not discuss classification of conditions (CAR/ ICAR/ Observation)

Post-Exit Audit Activities

- The audit doesn't end with the exit conference:
  - A PACE organization may get additional documentation requests following the onsite portion of the audit
  - New documentation requests will be made on the official Document Request Log (DRL) and uploaded into HPMS
  - The audit team will clearly identify timeframes/ due dates for those requests

The PACE Audit Consistency Team

- Inside the audit team:
  - Following the exit conference, the audit team will be working to finalize all audit work papers and finalize their documentation
  - Included in this is preparing for, and presenting to the PACE Audit Consistency Team (PACT)
  - The PACT will hear all potential conditions of non-compliance and will determine how to classify them (ICAR, CAR, observation) and/or whether to add or remove conditions

Removing or Adding Conditions

- When conditions are removed or added as a result of the PACT:
    - In order to ensure continued transparency, the audit team will set up a call with the PACE Organization to explain what conditions have been added/ removed and the rationale for adding/ removing them
    - PACE Organizations are not expected to take corrective action on a potential condition until they receive an official ICAR email or a final audit report

The ICAR Process

- The ICAR Process:
  - An ICAR is a condition of non-compliance that is identified as needing immediate corrective action
  - Following the PACT Meeting, the audit lead will send an email to the PACE Organization identifying any and all conditions that were classified as ICARs
  - PACE Organizations will have 3 business days to submit Corrective Action Plans (CAPs) into HPMS in response to the ICARs

Draft Audit Report Process

- The Draft audit report process:
  - Following the issuance of the ICAR email, the audit team will work on populating and sending the draft audit report through HPMS
  - The draft audit report will outline all conditions of non-compliance and give their classification (CAR/ ICAR/ observation)

Commenting on the Draft Report

- Commenting on the Draft audit report:
  - PACE Organizations will have 10 business days to comment on the draft audit report
  - Comments can range from full agreement of conditions to fully disagreeing
  - Comments can also challenge classifications or challenge the way a cause or effect statement was worded (if you think additional clarity should be added)

Final Audit Report Process

- Final audit report process
  - CMS will review and respond to all comments received on the draft audit report
  - Once we have made any edits to the report, CMS will release the final audit report through HPMS
  - Following the final audit report, all conditions and classifications will be final

Corrective Action Plans (CAPs)

- Corrective Action Plan (CAPs):
    - Once the final audit report is sent, PACE Organizations will have 30 days to submit CAPs into HPMS for all CARs and ICARs
    - Observations do not need CAPs
    - CMS will review and either approve or reject the CAPs
    - Upon all CAPs being accepted, the CAPs will enter the "monitoring" phase
    - Once CMS has determined corrective action has been fully implemented, the CAPs will be released and the audit will be closed

Audits to Date (as of 07/11/17)

- Audits Completed to Date in 2017: 36
- Number of Conditions Cited: 134
  - Observations: 32
  - Corrective Action Required (CAR): 69
  - Immediate Corrective Action Required (ICAR): 33
- Number of Reports Issued: 14

Audits to Date (as of 07/11/17) (cont.)

- Number of conditions cited by element:
  - SDAG: 109
  - CACP: 17
  - Personnel: 3
  - Onsite: 1
  - Quality: 4

Audits to Date (as of 07/11/17) (cont.)

- Common Conditions in 2017:
  - PO did not conduct in-person assessments and/or reassessments as often as required. (17)
  - PO's denial notifications failed to include the specific reason(s) for the denial in a clear and understandable manner. (13)
  - PO's denial notifications did not include the participant's right to appeal the denial and/or information about how to appeal the denial. (13)

Audits to Date (as of 07/11/17) (cont.)

- Common Conditions in 2017:
  - PO did not automatically process an appeal following an untimely decision for a service. (11)
  - PO failed to notify participants or their representatives of its decision to approve or deny a request for reassessment within 72 hours from the date of receipt of a request by the IDT, or within 8 days if an extension was taken. (9)

Questions

- For audit questions: PACEAuditQs@cms.hhs.gov
- For policy questions: https://dmao.lmi.org/dmaomailbox/