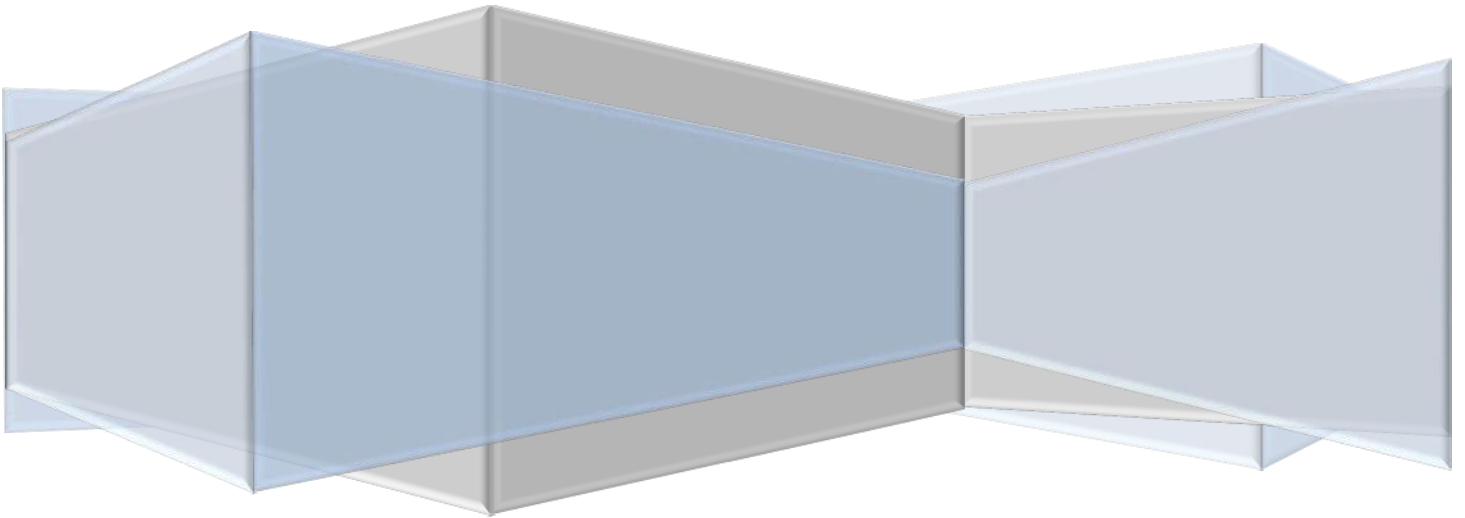


Programs of All-Inclusive Care for the Elderly (PACE)

Audit Corrective Action Plan (CAP) Process



Corrective Action of Audit Findings

1. **Corrective Action Plan Submission:** The PACE organization (PO) must submit corrective action plans (CAPs) for any issue of non-compliance identified during a PACE audit as requiring correction, unless otherwise specified by CMS.
2. **Corrective Action Plan Requirements:** For each issue of non-compliance requiring correction, the PACE organization must submit a detailed plan of correction that outlines how they will correct non-compliance using the CAP template. CAPs must fully address how the PO will remediate all identified non-compliance and prevent future non-compliance. To ensure the PO comes into compliance with CMS requirements, all corrective action plans must address, at a minimum, the following:
 - The cause(s) that led to the non-compliance.
 - The specific actions and changes that will be implemented to prevent future non-compliance.
 - The specific actions that will be taken to remediate any impacted participants, if remediation is possible.
 - The staff responsible for the implementation of the corrective action plan.
 - The specific, objective, and measurable monitoring activities the PO will undertake to evaluate the effectiveness of the changes implemented to prevent future non-compliance.
 - The staff responsible for monitoring and evaluating the effectiveness of the CAP (if different from the staff responsible for implementing the CAP).
 - How the CAP will be integrated into the PO's compliance program in order to ensure compliance with CMS requirements.

3. Corrective Action Plan Acceptance and Implementation: CAP submission is only required when regulatory non-compliance has been identified; therefore, it is imperative that the PO implement corrective actions and achieve regulatory compliance as quickly as possible. POs are expected to begin implementing each CAP immediately following CMS's acceptance of the CAP(s). POs are expected to have fully implemented CAPs and must plan to achieve regulatory compliance within 60 days of CAP acceptance. Failure to correct non-compliance identified during an audit within 60 days of CAP acceptance may result in a compliance and/or enforcement action referral.

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-1327. This information collection will allow CMS to conduct comprehensive reviews of PACE organizations to ensure compliance with regulatory requirements. The time required to complete this information collection is estimated at 780 per response, including the time to review instructions, search existing data resources, gather the data needed, to review and complete the information collection. This information collection is mandatory per CMS's authority under Section 1894 and 1934 of the Social Security Act and implementing regulations at 42 CFR § 460.190 and 460.194, which state that CMS, in conjunction with the State Administering Agency (SAA), audit PACE organizations (POs) annually for the first 3 contract years (during the trial period), and then on an ongoing basis following the trial period. Additionally, per § 460.200(a) PACE organizations are required to collect data, maintain records, and submit reports as required by CMS and the State administering agency. If you have comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850.