

CMS 2010 Regional PACE Conference

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TRANSCRIPT

PACE Audit Process - Onsite Margaret Kosherzenko, RN CMS Philadelphia Region III

Good morning. I have to make one correction to Jill's statement though. It's not, unfortunately, the New York Macy's Parade. It's the Philadelphia Thanksgiving Day parade, but just as nice. So for those of you that are looking in the Philadelphia parade, we will be with Twinkle, 45 of us, spinning the Twinkle snowman. Anyhow, good morning.

Again, my name is Peggy Kosherzenko, and I am a nurse and an account manager, and also an auditor. And I'm here today to speak with you about the PACE audit process. And we're going to talk about where the authority comes from for the PACE audits, what the purpose is, and then what a PACE audit entails, and then hopefully we'll talk a little bit about how a PACE organization can have a positive PACE audit.

So in speaking about the PACE audit, we first have to look at the Code of Federal Regulation, because that's where you will find the PACE regulations. The program all-inclusive care for the elderly are found at the Title 42, Public Health, at 460 through 460.2.10. In addition to the PACE regulations, for the PACE audit we also utilize the Part D regulations, which are found at 42 of the Code of Federal Regulations, 423 Voluntary Medicare Prescription Drug Benefit. However, since Matthew Febo did such a great job of talking with you yesterday about the Part D, for today's conversation we're going to be speaking about the PACE regulations at 460.

So the PACE regulations defined that PACE organization, which is the entity, which has in effect a PACE program agreement to operate a PACE program. And the PACE program is a program of all-inclusive care for the elderly operated by a approved PACE organization in accordance with your PACE program agreement that features a unique capitated managed care benefit that offers comprehensive and social service delivery systems using an interdisciplinary team approach in adult day centers that is then supplemented by in-home care and referral services in order to meet the needs of participants. So PACE programs offer a great deal to our adult citizens.

And as part of that, the objectives are to enhance the quality of life and autonomy, to maximize the dignity and respect of older adults, to enable them to stay into the community for as long as medically and socially feasible, and then to try to preserve and to support the older adult's family unit. So the PACE regulations cover a great deal of information, and part of that is looking at what a PACE program agreement is. We kept talking about that as part of the PACE organization and PACE program definition.

But a PACE program agreement is that a PACE organization must have an agreement with CMS and the state administering agency for the operation of a PACE program under Medicare and Medicaid regulations. So how does that occur? What happens is



that a PACE organization sends an application to CMS and in that application they say, "We can be in compliance with all the requirements under 460."

Along with that application there is an attestation from the state administering agency basically saying that they agree that the PACE organization is qualified to operate a PACE program, and then also the state says, "We're willing to go into an agreement with them." That information comes to CMS and that application is reviewed, along with information from the state, as well as information that is obtained through on-site audits that happen prior to the Medicare agreement being approved. But as part of that agreement, part of your application, the PACE organization commits to being able to be in compliance with all federal, state, and local laws and regulations, and that is what we're going to be speaking with about today.

So the PACE organization, they apply, they become approved to be a PACE organization, and as part of the PACE regulations that they commit to being compliant with are 460.190 through 460.196, and these are the regulations that give CMS the authority to do comprehensive onsite reviews of the PACE organization, and that reason for that is to ensure that the PACE organization is being in compliance with those requirements. Part of that monitoring is onsite annual reviews done by CMS, along with the state administering agency.

In addition to that, under 460.194, corrective action, the PACE organization must take action to correct any deficiencies identified during those reviews. And the state and the CMS are required to monitor the effectiveness of that corrective action. Failure to correct deficiencies could lead to sanctions or enforcement action or even termination.

Under 460.196, disclosure of review results, CMS, as well as the state, is required, if requested, to release any of the documentation from those reviews to the public. The PACE organization is required to post a notice saying that those review results and your plan of correction are available to review to anybody who would request it. And in addition to that, the PACE organization is supposed to post the review, the results of the audit and your corrective action plan in a place where your participants can view it.

So we talked a little bit about what the – where the authority comes from for a PACE audit. So I wanted to talk a little bit about the purpose. The PACE organization agrees to meet the requirements under the PACE program at 460, and our purpose in coming to do the audit is simply to confirm that you are in compliance. You are in compliance from the day we enter your organization, that first day, and you are in compliance until the exit conference. You are in compliance that entire time, unless something comes, a finding comes that suggests otherwise. Otherwise, you're in compliance.

So what happens? You're a PACE organization. You're newly approved. Prior to actually having an audit, what occurs for a newly operational PACE organization is that there's a technical advisory visit, not an audit. It's a visit from CMS; usually our central office staff and the state administering agency, and oftentimes the regional office will accompany them. And it's a visit where we come and see whether or not what you as



the organization put in your application is actually being practiced, and then whether or not your practice actually meets the requirements.

Unlike an audit, there is not corrective action plan required to be submitted back to CMS. However, the team that comes will make recommendations and suggestions to you. Following through with some of those recommendations may be very helpful to you as you prepare for your audit.

So what types of PACE audits are there? Well there is a trial period audit, routines audits, and focus audits. It sounds like quite a lot of audits. I heard in the past presentation, somebody made a comment that there was like seven audits that somebody had at your organization. So we know that you do have a lot of audits. I'd like to go through the types of audits that we do from CMS.

Trial period audits, these are audits that we, by statute, have to conduct. They are annual on-site audits during the PACE organization's trial period. And your trial period is those first three contract years following the PACE organization program effective date. So for the first three years there will be an on-site comprehensive annual audit by CMS and the state administering agency. We will be reviewing all the elements related to the regulations.

Routine audits, these are conducted at least every two years following a PACE organization's successful completion of the trial period. Now if you've had some issues related to deficiencies and not being in compliance during that trial period, you may find that your routine audit period is not every other year, but remain as an annual audit until we find that you are maintaining compliance with the regulation. Again, routine audits are comprehensive, they're on-site, and they are usually performed by the regional office and the state administering agency.

Focused audits, focus audits, by nature, they're limited in scope, and they are looking at specific areas that have come to the attention of CMS and the state administering agency. Usually they are the result of some action or previous audit. And the audit team focuses on areas where problems are thought to be – could lead to non-compliance with regulations. Now focus audits are unannounced. The other audits that we spoke about, your first trial period audits for those first three years, and your routine audits are normally announced audits. You know that we're coming. They're set up in advance.

Focused audits, you could come in on a Tuesday morning or Wednesday morning at 7:30, there will be somebody here saying, "We're here to do a focused audit." Again, they're limited in nature. We may only be there a day or two because we're only looking at a specific area. These audits can be lead by our central office staff or by the regional office staff of CMS. Although the regulations – we look at all the elements in the regulations, 460 through 460.210. We focus on the regulations in categories, operation and elements include contracts, participant rights, grievances, appeals, enrollment, disenrollment, and marketing.

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Clinical elements relate to everything for participant health care and safety. And your clinical elements are usually reviewed by a clinical person, usually it's a nurse, but often it can be a physician. It can also be an occupational therapist, a physical therapist, or a pharmacist. In addition, the Part D elements, which, again, Matt had spoken to yesterday, they relate basically to enrollment, claims, and payment. And the part D elements, unlike the operation and clinical elements, can be done on-site or as a desk review.

So the audit team: Since the PACE contract is a three-way agreement between CMS, the state administering agency, and the PACE organization. CMS and the state administering agency share the responsibility for audit and monitoring the PACE organization, and therefore, they share in being part of the team. Normally there is a team lead and then there is a lead for the operational elements and for the clinical elements.

The PACE audit, as Colleen mentioned, there is a portion of it is done by a desk review. And there was a lot of good discussion earlier this morning about that desk review audit. So we gather all kinds of information from you prior to the on-site. And as part of that, we also do possibly some telephone interviews. The on-site review includes interview, observations, and documentation review.

So what happens prior to the audit? There's a letter that's sent out. We just spoke about how it's an announced audit. Usually you'll know months in advance that you're going to have the audit during this week so that your staff can be available and there's no surprises. But about two months to eight weeks before the audit is planned, you'll get a letter from CMS basically notifying you and confirming the dates and then asking for a great deal of documentation, which Colleen pointed out in her presentation. That documentation comes back to CMS and to the state administering agency and, like Colleen, we review that information.

Oftentimes, it's from that information – somebody mentioned the on-call logs. That is a lot of information. But we really do review that. We actually look through that information to see, did Mr. Roberts call five or six times and does your on-call suggest that he keeps calling back every evening, and we might then follow up with that when we come onsite to see, "Well what was happening with Mr. Roberts that he had to call five evenings in a row to complain about the same issue?" But we are looking at that information. I agree that it is a lot and that it is burdensome. So, again, any suggestions that you have, we appreciate.

Along with that, we ask for that documentation to be sent to us, but then we use it and send information back to you, which I will get to in a moment. In addition, prior to the audit, there are telephone conference calls. The audit team is going to have a conversation with you by telephone -- it will be the state administering agency and CMS -- to discuss the audit, the logistics, you know, when we're arriving, when we're thinking we're going to be leaving. At the exit conference it's always good to talk about that in advance. In addition, the agenda for what's being planned for the day is who will be available.



Usually there's one, sometimes two, conference calls with the state and CMS and the PACE organization. In addition to that, prior to the onsite, we have asked for a list of your personnel. We then send that list back to you with people that we selected for review of your personnel file records. Usually you'll receive that within five days prior to the audit. And we ask that you pull those records and then tab the different information that we need.

In addition, the documentation that you sent to us included a roster of your participants. We review that information. It's a roster that not only describes the participants, but different characteristics about those participants. And, as part of that, we look at those characteristics and select individuals that we will be doing a medical record review of. That list is usually given to the PACE organization the first day of the audit.

So onsite audit task: First, there's the entrance conference, and that's where there's introductions of the PACE organization and the PACE team – audit team. The PACE organization usually gives us an overview of their program. Things change year to year, and we like to hear about what's happening with your program. It sets a nice stage as we go forward with the audit. We'll review the agenda for the week and then, at that point in time, if there needs to be changes, we can make those changes. And then we give a tentative date and time for our exit conference or the completion of the audit.

Almost immediately following the entrance conference there will be a tour of the PACE organization. People ask me often, "Well you came here last year. You know us. Why do we have to do a whole tour? It's time consuming." It's not only to look at the layout of the organization. It's important because it gives us our first opportunity to view not only your physical environment, which can change year to year, but also the opportunity to see the interaction between your participants and staff.

Although we may be looking at your activities room, our focus might actually be, you know, listening to the conversation that's being held between a staff member and a participant. We're constantly observing and listening to all the different things that are happening. So we get first impressions through the tour. Are your – basically a milieu of your environment, what's happening? Your participants, do they look happy? Do they look relaxed? Are they smiling? Staff, do they look harried? Do they look like they're rushing to do things? Does there appear to be enough staff in the activities room and the clinic area? So the tour is an important first observation of your organization.

And then, after the tour, the audit team actually begins their work, and we do that in a couple different ways. There was a question about being transparent, like, what actually happens with this audit process? What are you all doing in that conference room? And although we don't have the guidance right now, I'm hoping that some of the information that I'm going to give to you will be helpful. What we do is what you can do as well and what anyone can do. We do interviews, we do observations, and we do documentation and review.

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And we do formal interviews. They're planned. We talk to you and we set these up. We have planned interviews with your leadership. We talk to your staff. We talk to your participants. We talk to caregivers. And we actually even call the contractors and talk with them. We ask them all kinds of questions of how they relate to the PACE organization, and for the participants, how they think the care is going, and are their needs being met. So we have these planned interviews.

But then we also have informal interviews, and we do that of the staff and of the participants and of the caregivers. And we can ask a staff member who might just be standing and just, you know, has a minute to their time, "What happens if the fire alarm goes off?" Or we might ask another staff member, "Could you tell me the name of the lady in the blue sweater sitting, you know, over at that table?" And the appearance might be that we're just asking for a fact, you know, we might just want a simple answer.

But those simple answers tell us a great deal, because from those answers we can find out if your staff know their roles and responsibilities. We can find out about your training. Are your staff trained? Are they knowledgeable? And we also find out communication amongst your team members, is information being shared. So although it looks like we're only looking for a specific fact, there's a lot of information we glean from that information.

In addition, we conduct observations of all aspects of your operations. Again, we have planned observations, things that you're familiar with. We have would-care observations, medication pass observations, we have meal observations. We actually go and do a home visit observation. And then sometimes we actually go out to the skilled nursing facilities and nursing homes and do observations there.

But we also have informal observations of the center throughout the audit, and these are observations, for instance, we look at your reception area. Is there someone there to greet the participants when they arrive? During activities is there enough staff and supplies? Do participants look engaged or do they look bored? Is the activity something that people are enjoying? Is it cognitively appropriate? Are they coloring pages from a coloring book? During meals are all the participants served at the same time who are sitting at the same table, or are two people served, and then five minutes later when those two people are almost finished with their meal, are the other two people served?

In the clinic area, we're looking at are participants being assisted? Is privacy being afforded? Is the medical record information being secured? So there's a lot of things that we're always constantly observing, and it could just be, you see the auditor just walking around, and you think, "Oh, they only walked around for, you know, five minutes," but in that time, you'll see that we're looking always at the interaction between your staff and looking at your environment. So we do learn a lot. We're not always in that conference room.

And lastly what we do is documentation review, and that includes all that documentation that you sent to us, as well as other information that we ask for while we're on-site. I have to start with one of things that I often ask for. I might be watching somebody doing

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a task, and after they're finished, I might simply ask them, "Do you have a policy and procedure on that?" And you will be surprised how often I'm told, "Oh, no, I don't know if we have a policy and procedure about that."

And then I'll go and ask the center manager or the supervisor of the clinic if there is a policy and procedure related to wound treatments or some other task, and they'll tell me, "Oh, no, we don't have a policy about that." So then the question comes, if you don't have a policy, how does the PACE organization train your staff and ensure consistency and competency without your policies and procedures?

In addition, we look at medical records. And I'd like to talk about the medical records for a little bit today because I think there's a lot of information there that we glean. As an example, in a medical record there was note for Mrs. Jones, and this is all it said, "Participant complained of left arm pain; Tylenol given." That was the only note. Does anybody see anything missing in that note? You can shout out.

(INAUDIBLE).

Pain CL. I heard somebody say "assessment." Anybody else? I'm sorry?

(INAUDIBLE)

Was it effective? Very good. Resolution. Okay. Some of the things that could be possibly missing from that note, an assessment of the participant's arm -- was there swelling or bruising? What was the person's range of motion? Is the arm cool to touch? Were there pulses? What are the colors of the nail beds? Where exactly was the pain located in the arm? What type of pain was it, stabbing, burning, squeezing? How long had the participant had the pain? Had it moved from one spot to another? What was the level of the pain? Possibly what were the participant's vital signs? And does any other area hurt?

This pain could be cardiac in nature. It could just be tenderness because she accidentally bumped a wall. It could be that she had a fall the night before and actually has a small hairline fracture. But we don't know because an assessment really wasn't done. I say this so often, so I'm going to repeat it here, but I say it all the time for anybody who's been on an audit with me, staff do not always document all the work they do. They don't give themselves credit for all they do. And there's an old saying that "if it's not documented it's not done."

So when we looked at that note -- or when I looked at that note I'm thinking, "Okay, so there's no assessment by the nursing staff. So let me see what else is in the record," and in that record I might find a physician note, "Mrs. Jones referred by nursing for arm pain," and the physician could have done a full assessment, and along with that there might be physician orders. The physician might have ordered labs or an X-ray or an EKG or additional medication. So in doing that investigation or following through with that thread, I'm able to find where the PACE organization ensured that the person was getting care and services. I followed that thread.

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However, sometimes staff do not assess and issue or a problem and inadvertently may miss an opportunity to address important health or safety issues. I cannot tell you how many times this has occurred on an audit.

The next written in Mrs. Jones' record, "Participant hospitalized last night with mild cardiac infarction, heart attack; intubated in the emergency room, and admitted to cardiac care on ventilator support." An opportunity was missed and because there was no other documentation, there wasn't physician assessment, there wasn't physician orders, the only thing in the record was that the person's arm hurt and Tylenol was given.

Information that I'd like to give you is that if there is an issue or a problem, your staff may find it beneficial to do a couple of things. Marsha Davenport talked about this a little bit, and this is a slightly different process, but assessment, plan, implement, and evaluate. For those of us that are nursing, you've heard that before. Assessment is so important, a full assessment of whatever the issue or problem is.

Plan: What are you going to do to address that identified problem? Most important to that planning is communicating with the team, all the other individuals that are a part of that. So if your plan, and part of it is to address something to the physician, that needs to be communicated, or to the speech therapist or to the registered dietician or to whomever is in par of your IDT. And then you need to implement your interventions. And, finally, evaluate those implementations to see if they've been effective, and if not, begin the process again. And then document, document, and document. If it's not documented, it's not done.

So we talked a little bit about what we do. We do observations, interviews, and record reviews. But it's not in a vacuum. We don't do just simply those things. One can lead to another, as for this example. An observation can lead to interviews that can lead to documentation review. We were doing a meal observation at lunch in the center and, of course, there are staff delivering the meals to the participants at their tables, and we're going around asking participants how they enjoy their lunch, and we're noticing this "Mrs. Smith" is sitting at the table and she has her spaghetti in front of her, and she's slowly pouring little drips of water from her water glass onto each individual noodle, and then getting her napkin and trying to wipe the noodle off. And although there's other staff members in the room, nobody is paying particular attention to this behavior.

So as we're going along we try to indiscreetly, you know, talk to all the different participants, and we go over to her and ask her, "How's your meal?" And she goes, "Oh, it's okay." And we mention, "Well, you seem to be trying to clean off your noodles." And she mentions to us that she's allergic to tomatoes and tomato sauce. And we ask her, "Well have you mentioned that to the staff?" And she says, "Oh, yes, when I first came in seven months ago, they did this whole review and they asked me all my allergies, and I'm allergic to tomatoes and to peanuts." And so we asked her, "So what happens if you have tomato sauce?" And she goes, "Well my throat gets really scratchy and starts to close up." So there is a concern.

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So I say to her, “So have you asked the staff for something else to eat?” And she tells me, “Well it’s usually a ham and cheese sandwich, and I really can’t eat ham.” So she goes, “I clean the noodles off, or at least I try.” She says, “I’m here three times a week and at least during one of those three times, there’s some type of meal with a tomato sauce.” So we talked to the staff that are in the dining room, and they don’t know that she’s allergic to tomatoes. She’s mentioned to us that a cheese sandwich would be good. Without the ham she’d be fine. So they go off and get her a cheese sandwich.

We go back to the kitchen and talk to the dietary staff to see what system they have in place to identify people’s allergies and food preferences, and they tell us they use these little cards. And so we look at the card for this participant and actually does have food allergies, but what it says is “peanuts.” There’s no mention about tomatoes. And so then we ask the dietary staff, “Well how does this information get onto this card,” and they said, “Well it gets placed there from information that comes from the participants medical record.” So then that leads us back to the participant’s medical record.

And in looking at the registered dietician’s additional assessment, there is allergies to tomatoes and to peanuts, and then in addition to that, the physician and the nursing staff have also included that as allergies as part of their assessment. Somehow, within the system, that information did not get from the medical record to the dietary staff. So we try to connect the dots as part of our audit process. We do interviews that come from observations that then might lead to documentation and further interviews. These are some of the things that we do during our audit process to help us identify issues or problems with your systems. And hopefully it’s useful information that we give back to the PACE organization.

In addition, at the end of each day we have what we call a daily debriefing. So we come to your organization, usually we might be starting 7:00, 8:00 o’clock in the morning, and we’re there all day performing these interviews and observations and documentation review. So around 4:00 o’clock in the afternoon we have a daily debriefing usually with management staff and the IDT team and anyone else that the PACE organization would like us to be in the room, and we discuss what we’ve done during the day.

We’ll explain what we did as far as task, and then we try to talk about all the positive things that we saw within PACE organization and the good work that you do. And then we also talk about the finding or the issues or problems that we have. And the reason we do that is we want to make sure that there are no surprises. We want to give management the opportunity to understand exactly what we’re finding and then be able to give us additional information and to ask questions of us so that they fully understand and there are no surprises to them. Because at the end of the week or at the end of the audit process, what we do is we have an exit conference, and that is basically a high-level overview of the findings from the audit process. Normally we have discussed everything throughout the week, and so, again, the management is familiar with our findings and there are no surprises.

Prior to that exit conference, the team, the state administering agencies at CMS, they discuss the findings, and there’s a determination about whether or not the PACE



organization is compliant with the certain elements. So for each element we review, we determine whether or not the element is met, which means that your compliance is not met, which means that you're not in the regulations at 460 or met with no. And in some instances, although the pace organization is in compliance with the element, the team may feel that there's concerns about situations that could lead to not compliance in the future, so we make the element met and then we make recommendations or suggestions.

Within 30 days after the audit, the PACE organization will receive a document with the findings of the audit. And if there is no deficiencies, that's exactly what the report will say. If there were deficiencies, we request within 30 days a corrective action plan. That corrective action plan then comes back to CMS, and a state administering agency to be reviewed, and it's accepted. Once it's accepted, we might ask for some additional documentation as you go through correcting and implementing your corrective action plan. Once your corrective action plan has been implemented and CMS believes that the PACE organization is in compliance, then CMS will release that PACE organization from that cap, and essentially, the process is complete.

So the next question or the most important question, because we talked about what the audit process entails, the purposes, and the authority, is a question that I get asked very often. It is, "How can I have a deficiency-free audit?" And my answer is always the same. My answer is, "The emphasis should not be on the audit. Your emphasis should be on assuring that you are in compliance with the regulations, because as part of your PACE program agreement, you have committed to being in compliance with those regulations." And if you achieve compliance, then the audit process, when we come in, will be a breeze. You won't have to worry about auditors because what you can do during that audit is showcase all the wonderful things that you do as a PACE organization.

In a perfect world, PACE organizations are in compliance with the PACE regulations all the time. I know it's not a perfect world. So there are a couple things that I'd like to suggest and I hope you will find are helpful. As it was mentioned yesterday, there is a lot of information in the Code of Federal Regulations. Each element has specific requirements. I suggest that you look at those requirements. They are printed on very small font, so they may not look like a lot, but they really do entail a great deal of information.

Once you look at those regulations, figure out how you can proceduralize those regulations so that you can be in compliance. In other words develop policies and procedures and then ensure that your staff is trained about those policies and procedures and that they know their roles and responsibilities.

As Jacqueline said yesterday, she was amazed about how much time and effort it took to be a contract liaison. It's a lot of effort. If you want your staff to be successful, if you want to make sure that you're in compliance, you need to ensure that you're offering and giving your staff the resources they need. So they need to have the right equipment.

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They need to have the right supplies. They need to have the right staff and the correct training and the time that they need to get their work done. So that is very important.

You can do what we do as auditors, make observations. I know you look at your day center and your participants and your staff every single day. It's hard to take yourself back and say, "If I walked in here fresh, what would I see?" But a way in which you can do that is select a day and say, "I'm going to pretend that I'm doing an audit and I'm going to look at my environment," and then try to take that fresh approach. See if you see things in a different light. You want to talk with your contractors, with your staff, with your participants, with your caregivers on ways in which you can improve your processes.

You'd be surprised by just having conversations -- they can be informal or formal -- you can come up with ways in which you can ensure that your systems are in place and you will be in compliance. Review documentation, including your medical records. I can honestly tell you that when we have failed in the medical record, negative outcomes to participants, more often than not, the PACE organizations have been totally surprised. They were not aware of what was in the medical records. You really need to take a look at your medical records.

Often, though, I should point out it's not a person problem, it's a system problem. So if your observations, your interviews, and your documentation review indicate that you have issues or problems with your systems, again, I fall back to assess the problem. Assess whatever the system problem is. Plan your interventions. Communicate with your IDT team to come up with ways with which you can improve your processes. Implement those system changes and then evaluate what you have done and then monitor that.

Oftentimes I hear from people that are doing corrective action plans that, "Oh, we're in the middle of our corrective action plan and we found out that although we're correcting this problem, this led us to find out that there was this additional problem." So, again, assess, plan, implement, and evaluate, and hopefully some of these recommendations will help you with being in compliance with the regulations, and if you're in compliance with the regulation, the audit will be no problem.

In addition to that, I'd like to go through the different elements to give some additional comments about things that you might want to look at for each of the elements. As Jacqueline said yesterday, review your contracts. Make sure all required elements are within your contracts. If you look at 467, there is a list of things that are required in your contract. You want to make sure that you take those regulations and you compare and make sure that you're not missing any of those elements.

You want to speak with your contractor to ensure that they understand their obligation to PACE organization and participants. We do that. We call your contractors and we ask them about that, so you should also. You should be training your contractors. They should be part of your orientation. They should know what your mission is. And then speak with your contractor liaison to ensure that she or he knows what their



responsibilities are. As Jacqueline said, it's a lot of work, so it's something that you want to plan for as well to make sure that they have the resources they need.

For fiscal soundness, fiscal soundness is actually reviewed by our auditors in central office, but comments that I want to mention here is you want to be looking at your quarterly and annual financial statements. I know you send them to CMS to our central office. Look at your financial projections. Talk with your CFO to ensure adequate networking capital and adequate net worth, and you want to be reviewing your insolvency plan to ensure that there is enough funds to ensure in case of insolvency. That has been an issue for some of the audits that we have been on, so it's something that you'll want to take a look at.

Explanation of rights: Review your policies and procedures about participant rights and talk with your staff to make sure that they're knowledgeable about what participants' rights are. And then also talk to your participants and your family caregivers so that they know what their rights are, because sometimes they don't know what their rights are with the PACE organization. And then you need to make observations of your center. Look and see if your participant patient rights are actually posted. Are they easily accessible? If they're posted on the wall and there's a table in front or wheelchairs in front of them, people may not be able to get up and look at them and be able to read them. Make sure the font is big enough for older people to read. Make sure they're also in a language that people can understand. If you have participants that are not English speaking you want to make sure that that is in a language that those individuals can read.

Grievance process: For a lot of audits this is something that we have a lot of discussion. You want to review your grievance policies and procedures and ensure that staff has received training regarding these procedures. And by "staff," we mean all your staff -- your drivers, your homecare aids, your staff in the Activities Department. Everyone should be familiar with your grievance process. You'd be surprised when you take a look at your grievance logs if you're not having any grievances from a particular group of people that might be a trigger to say "Maybe we need to go back and do some additional training." Review your grievance document so ensure it contains the date received, nature of the grievance, the investigation of the grievance, resolution of the grievance, and then notification to the participant. Often we find that pieces of the grievance process are missing.

You want to talk with your staff to ensure they understand what their responsibilities are, and then in addition to looking at your grievance logs, you want to look at trends. Are we having a lot of grievances with transportation? Are people complaining that they're waiting an hour? Is it a communication problem? Are people not understanding that they're actually going to be picked up at 8:30 in the morning, or is it that you're actually having a problem with your Transportation Department being late? And then, depending on the trends that you find, you want to make sure that that, then, is taken forward to your quality assurance performance improvement.



Appeals process: Again, looking at your policies and procedures and making sure your staff are trained. In addition, you want to look at your appeal documentation to ensure it includes the dates received, documentation of the chronology of the appeal process, and a determination of the appeal, as well as notification to the participant, and then, again, you want to talk to your staff make sure that they have a full understanding of their role and responsibilities.

In additional appeal rights you want to review that letter that you sent to your participants to ensure that it explains the participants' appeal rights under Medicare and Medicare and that it's in a language that they can understand. You want to ensure that the staff who is responsible for appeals knows what their roles are in assisting participants in filing their appeal.

Enrollment process: Again, look at your enrollment policies and procedures and ensure your staff are being trained, and then follow up with them so that they can almost verbally give back what those procedures are. Review your denial of enrollment cases to ensure complete documentation of the denials and that written notification of the denial has been sent to the potential participants, to the state administering agency, as well as CMS.

For voluntary disenrollment, a PACE participant is allowed to disenroll from your PACE program if they so wish to. We hope that they do not. And you want to take a look at your policies and procedures to ensure that that policy is followed through and your staff are trained, but you also want to take a look at any of the reasons for voluntary disenrollment, and address those that are related to dissatisfaction with care or services, and see if there are some system improvements that you can make to ensure that the next person doesn't have that same issue.

Involuntary disenrollment: Again, policies and procedures are very important in ensuring that staff are trained and knowledgeable. But you want to review your involuntary disenrollment cases to ensure that there are supporting documentation for the involuntary disenrollment, whether if it's for failure to pay, disrupted or threatening behavior, out of service area, or no longer meeting the levels of care. You want to review that documentation and ensure the state administration has been informed prior to the involuntary disenrollment and that the documentation is sent forward to CMS and to the state administering agency.

Training: I think that everything that we talked about, training is part of it. You want to review your job descriptions. When you send in your application you send in job descriptions for every single staff person. You want to take a look at those because we do. And you want to look at your training records to ensure that the training is done to ensure that people are competent and have the skill sets that they need to do their jobs because we're going to look at that documentation, and then you want to speak to your staff because you want to ask them, "Do you feel that you have what you need to do your job? Do you have the training? Do you need something more?"

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Then you want to talk to your trainer, who that person that is responsible for ensuring that your staff is trained. How do they determine competency? And you want to take a look at that. You know, what is your system for determining that? And then, as important is, what happens if the trainer finds that your staff is not competent? How are you doing retraining? How are you determining that competency? What if something happens, as an organization, you find an issue that has occurred? You want to make sure that your training to the point where your staff are competent, and then you want to observe your care, not only in your center but also in the home settings to ensure that people have the skills that they need.

Oversight and direct participant care; review your orientation process for employees, as well as your contractors. Make sure everybody is on the same page. Oftentimes we find that contractors are sort of left out of that orientation process. And then you want to speak with your contractors to make sure that they have a good understanding of their roles and responsibilities. And you want to talk to the contractor liaison to make sure that the contractors are being reviewed for their competency.

In addition, we are looking at, so you should also, look at documentation regarding current licensure and certifications, criminal background checks have been performed, and that people that are doing direct care are free of communicable diseases and are up to date with their immunizations. In addition, contractors should be spoken with in a discussion about the PACE philosophy and their interactions with your IDT team because, depending on their responsibilities, they are supposed to be part of your IDT team, of your quality assurance program, so they need to be integral parts of your PACE organization.

Physical environment: You want to make observations of your center. Okay. Fire safety, do you have fire extinguishers, are they up to date; are your alarms working; doorways, do they allow easy access for participants; is there appropriate ventilation, lighting, heating, sound levels; equipment, and materials, ensure that they are properly stored for participant's safety.

In addition, review all the inspectors' reports that you receive. Someone mentioned, "We get all these audits." All those audit results you should be taking a look at and trying to implement corrective actions. It will only help when we come if you've already looked at those audit reports and made those corrections. We might also cite the same things that they have cited, and that would have helped you out.

In addition to that, review your maintenance logs. Review your emergency fire and disaster plans. Make sure your staff understands what their roles are with those plans. Ensure that your staff knows how to use your equipment, knows what to do if the equipment is broken, and they're not just putting it into a closet and not using it. If it is in the closet and it is broken, that there's some kind of signage on it so that somebody else doesn't inadvertently use it.

Again, you want to speak with your staff and your participants and caregivers because they are also part of the – you know, they live in that environment, and they can give you



good feedback on how to improve processes. They might have some very good suggestions on how to make it a safe environment for your participants.

Infection control: Review your infection control plan, you all have one. I've been to audits, and they're very thick, and they have a lot of information, but a lot of times when you ask the staff about the infection control plan, they have no idea you have one. Review your policies and procedures. Ensure that staff are familiar with your policies and procedures for infection control.

Review your infection control logs. Someone's responsible in your PACE organization for tracking infections. Often we take a look at the logs. They have a date. They might have a participant name. And then in between the log there's all this missing information. Ensure that the information is completed, including the organism of the infection, and also including any treatment and any resolution. Ensure that your process that you're doing meets or is in sync with your policies and procedures. We find that a lot of times when we ask staff -- you have this great policy and procedure sometimes and your staff is not following those procedures at all.

Then you want to observe your environment. Are you giving -- or does staff have the necessary equipment? Do they have gloves? Do they have protective personal equipment? How are they handling waste products, biohazard waste for protection, not only of themselves, or other individuals? And also, look at your hand washing, not only of your clinical staff, but of other individuals in your organization.

Transportation services: Observe transportation of the participants. You want to go out on a ride. You want to go and pick up somebody and then drop them off, because as part of that observation, you're going to see a lot of different things. You're going to hear what people are saying. You're going to see how people are secured, how they're safely transported. So you get a lot of information by actually occasionally going on a ride, either to or from the center.

Review your documentation regarding driver's license, vehicle inspections, van prevention and maintenance logs. Discuss with your transportation, their roles in case there is an emergency. Make sure that they understand what they should do. Again, if there is an emergency and you're a driver -- I mean, for a lot of people that's a crisis. You want to make sure that they're comfortable and they know what to do. And then talk with your participants. I'm sure they're going to have a lot of good suggestions about transportation and ways to improve your systems.

Dietary services: You want to review your dietary policies and procedures, especially regarding safe food delivery, emergency food supplies, nutritional adequacy of your menus, and ensuring that the participants' nutritional needs are met; that includes parental and integral nutrition, and that also includes the home environment. If someone doesn't have an operating refrigerator, sending the meals home may not be something that is going to be helpful to them. Or if they don't have the means to even heat up the meals, that, again, may not be something. So you want to look at the home environment and how it impacts on people's nutrition.

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You want to observe food handling in the kitchen. More often than not, your kitchen staff are excellent at what they do. But, again, you're not only looking at ensuring that the temperatures are correct for the food that's being distributed, you're looking at infection control issues. You're looking at your dishwasher that it's actually reaching that temperature or that the sanitation sinks are actually being tested. So you want to make sure that all the processes in the dietary department are being done according to your policies and procedures.

For service delivery, policies and procedures related to care and services, I cannot tell you how important that it. If your clinical staff performs a task, there should be some type of policy and procedure that they are following. And sometimes people say to me, "Oh, well, we have Lippincott or Mosby, and we're using those as our policies and procedures." I will tell you they are guidance. They do not include all the things that you as an organization may wish to have in your policy and procedure. They may not include assessing the person prior to the task, ensuring privacy, ensuring infection control practices. You want to make sure that your policies and procedures is a step-by-step process that any of your staff could pick up and then follow to make sure that they can do it competently.

Review your medical records to ensure that all participants' needs are being addressed. Observe the delivery of care in all settings, so that you want to make sure that you're going out to the home. You want to be having these conversations with your nursing homes. If you're finding that people are having emergency room visits, you want to be having conversations with the nursing homes to see what kind of care is being delivered, what the staff there understand. They're PACE participants and, as Dr. Davenport said yesterday, you're responsible for the care and services.

Again, you want to talk with your staff. Make sure that they're knowledgeable about your participants and about the participant's needs. And then, again, for service delivery, the person that is most important is the participant, so you want to be talking to the participants and ensuring that they feel that they're getting the care and services that they feel that they need.

Emergency care: You want to ensure policies and procedures for emergency care and that your staff are trained. You want to look at your on-call logs, we look at those, and you want to be looking at those too, to ensure appropriate emergency services are rendered. You want to ensure that staff know how to respond between an emergency and an urgent-care situation. And, again, you want to be talking to your participants so that they understand that in an emergency, they can go to the hospital and they don't have to call you first. In an urgent situation, you appreciate that call and then you can direct that care, but in a true emergency that they know that they don't have to stop and wait for that call.

Interdisciplinary team: The interdisciplinary team minutes should be reviewed because you want to be looking at coordination of care. You're responsible for 24/7 care of your participant, and the IDT team is the group that manages the care. You want to be

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looking at your medical records to ensure that participant needs are being met, and you want to ensure that pertinent information is being discussed and communicated amongst your team members so that something that happened in physical therapy yesterday is communicated to your team so that they are aware that Mrs. Jones, her gait is not as good as we expected it to be and we need to reevaluate. There could be some other kind of clinical issues going on with her. She could have a urinary tract infection. She could be dehydrated. You need to make sure that people are discussing those things.

It is really unfortunate when we come onsite and see that your Physical Therapy Department has been doing great documentation about Mrs. Smith's inability and her complaints of pain and all these things that she's having problems with, and then you go to the nursing and physician documentation and find nothing about it.

Participant assessment: You want to ensure that your medical records include the required assessments and they are completed by all the IDT team members. And you want to ensure that the IDT team members are also communicating information from those assessments and that is being reviewed. More often than not, that is being discussed in the plan of care, and that is where the IDT team is going to develop, for participants, their plan that identifies concerns or problems, includes measurable outcomes. And if a plan of care is developed and there needs to be a revision, or if the participant indicates there needs to be a revision, that also should be documented. There should be an ongoing evaluation of the care of the participant. And that plan of care should be being discussed with the participant or the family caregiver.

Quality assessment and performance improvement: Everything leads back to this, as Dr. Davenport said. You want to make sure that your quality assurance and performance improvement plan has procedures for planning, implementing, and analyzing performance improvement within your PACE organization, and you want to make sure your staff is aware of this.

Very often we'll ask staff, we ask them just random questions, "So do you know what your quality assurance and performance improvement committee is working on, or do you know what they have worked on?" And they'll at look at us sometimes and not understand exactly what a quality assurance and performance improvement committee is. So you want to make sure that staff can send ideas up to the committee and that information from the committee goes back down to your staff so that they are aware of what is actually occurring.

You want to also ensure that participants and family and caregivers are included and that they can then give information. You have usually a family caregiver group and a participant group that can make suggestions, and they should also be wrapped up into your quality assessment and performance improvement activities. Grievances, appeals, emergency room visits -- and I want to point out also here, if you have a participant who passes away, that is probably a record that you want to take a look at for the care and services and to ensure that they received all the necessary care and services prior to their death. Even if the person is on comfort care, please ensure that you review that



record. We have found some interesting issues and problems related to care for individuals.

And then, finally, medical records: Although there was a great discussion about the different formats of medical records yesterday, I want to mention again, that oftentimes it is missing information in the medical record that leads to problems, as my example where the assessment wasn't documented. Your medical records should be comprehensive, complete, and accurate. And your medical record review should not be just looking for, you know, is the dates and times there, and are there signatures there. You should be looking at the content of that record to ensure that participants receive care and services in a timely and appropriate manner.

So in summation, as a PACE organization, you're committed to being in compliance with the PACE regulations. Medicare and Medicaid, CMS, and the state administering agency, our responsibilities are to ensure that you're in compliance, and the audit process confirms that. Again, if you are in compliance, you will have no problem with the audit process. Again, assess, plan, implement, evaluate, and document, and the audit process should be a breeze.

If you have any questions, please feel free to contact me either by phone or by email, and I'd be happy to help you in any way, and I'll take any questions that you might have at this time. Any questions? The light is kind of blinding so I can't see the sights too well. Anybody? Question in the back.

(INAUDIBLE).

I'm sorry, I can't hear you.

Could you just address where waivers fall into an audit process. If a program has a waiver, does that get looked at at all during the audit process?

Well, actually, waivers are reviewed and approved by our central office staff, and prior to the audit we will check to see if you do have a waiver for a particular area, and probably the one that most often that we see are for nurse practitioners or community-based physicians. And in that we are looking at, again, the care and services and the delivery. So although we look to check to see if you have a waiver, it all goes back to participant care and services, are they getting delivery of care and services in an appropriate manner. So, and, again, it goes back to the regulation for service delivery.

Any other questions? I can't see. Any questions? Okay. Well I don't see anybody, so thank you all very much and hope to see you all soon.