Developing an Auditing and Monitoring Plan that is Scalable to a Healthcare Organization’s Resources

Sheryl Vacca, CCEP-F, CCEP-I, CHC-F, CHRC, CHPC
SVP/Chief Risk Officer
Providence St. Joseph Health
Sheryl.Vacca@providence.org

Learning Objectives:

The participant will discuss:

– Key points for consideration in developing a compliance auditing and monitoring plan

– Methods for auditing and monitoring that can be leveraged when resources are limited

– Different techniques for conducting auditing
Monitoring and Auditing

- Essential for effectiveness
  - Prevention and detection mechanism
  - Monitoring – everyone’s responsibility
  - Audits – Always independent and objective

- Monitoring & Auditing Planning
  - Leverage what is already available
  - Scalable to risks and resources
  - Range of tools, e.g., self assessments, internal audits, external audits, exit interviews, employee engagement surveys, etc.

- Outputs can be used to create and support “effectiveness” metrics and improve program

Key points for consideration in developing a compliance auditing and monitoring plan

- Do you have a culture of accountability?

- Does management have a culture of managing risks?

- What are your resources available to do the auditing and monitoring for compliance?
  - Have they been trained in audit techniques and methods?
  - Is there a resource available who can assist with training of audit techniques and help with quality assurance of audits?
Methods for auditing and monitoring that can be leveraged when resources are limited

• Data-Driven
  Your own data, used appropriately, can support compliance effectiveness or efficiencies to help identify potential risks or gaps
  – To help mitigate potential risks or provide assurance of controls
  – To help increase the effectiveness of controls
  – To improve operational efficiency and enhance targeted effort
  – To enable holistic view of activities

Tools which could be utilized:
  – Reporting mechanism trends, surveys, automation (ACL, IDEA), excel spreadsheets, etc.
  – Look at systems in place and data they are providing, e.g., vendor payment data, funds flow for cost management, internal cost transfers compared to previous years, etc.

Methods for auditing and monitoring that can be leveraged when resources are limited

• Document-Driven
  What documents do you have related to the risk area?
  – Policies, procedures, protocols, regulations, requirements, etc.
  – Current controls which have mitigation plans documented due to risks being identified
  – Business process flows which were developed to help increase the effectiveness of controls

Tools which could be utilized:
  – Check lists
  – Excel spreadsheets, automation-forensic analysis of common words or usage of key phrases
  – Process reviews
Methods for auditing and monitoring that can be leveraged when resources are limited

- **People**
  - What are your people saying about risks identified?
    - Knowledge about risk area
    - Complaints related to risk area
    - Investigations
    - Audit findings
  
  Tools which could be utilized:
    - Surveys
    - Questionnaires
    - Interviews/exit interviews
    - Focus groups

Different techniques for conducting auditing

**Concurrent:**
- Real time look at a risk area
- Is very effective in changing behavior

Tools which could be utilized:
- Surveys
- Questionnaires
- Focus groups
- Document review
- Peer to Peer reviews
Different techniques for conducting auditing

Retrospective:
- Commonly used when needing a sample across time
- Is NOT very effective in changing behavior because it is past tense
- Difficult to know how far back to go and what milestone to use

Tools which could be utilized:
- Data review
- Document review
- Artificial intelligence tools related to notes and themes

Reporting on Compliance Audit Results
- Ensure reporting of monitoring/auditing results to executives and committees with oversight responsibility for the compliance program, e.g., committees, senior leadership, board
- Document your compliance monitoring and audit efforts in a standardized way.
- Consider ways to facilitate identification of common themes across corrective actions and the need for any programmatic improvements.
  - Can be utilized to make resource allocation decisions.
- Formalize consistent processes for tracking and validating corrective actions and ensure that progress is monitored and communicated to relevant stakeholders.
  - Conducting an audit and doing nothing to remediate negative findings is a huge red flag.
- Ensure discipline and remediation occurs when need identified
In summary...

Evaluating Effectiveness of your compliance auditing and monitoring plan:

• Did you detect risk areas?
• Did your plan change according to the risk priorities of the organization? Was it dynamic?
• Did any risks reoccur?
• Did management develop and execute mitigation plans on the risk findings?
• Did management enforce and discipline at the appropriate levels of accountability?
• Impact of your executed plan on organization?

QUESTIONS???