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| <b>Document Type:</b> <sup>1</sup> | <input checked="" type="checkbox"/> Policy & Procedure | <input type="checkbox"/> Process Guideline  | Adopted:       | 1/1/2019  |
|                                    | <input type="checkbox"/> Plan                          | <input type="checkbox"/> System Description | Last Reviewed: | 4/10/2023 |
|                                    |  |   | Retired:       |           |

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Revisions: 11/07/2019, 3/23/2021

**Document Scope:** (applies to Policy & Procedure only)

- The requirements herein apply only to the GCBH BH-ASO Central Office and its functions.
  - The requirements herein apply, verbatim, to GCBH BH-ASO and its network providers<sup>2</sup>.
  - The requirements herein apply both to GCBH BH-ASO and its network providers<sup>2</sup>. Additionally, network providers must have internal documents outlining their processes for implementing the requirements, insofar as they relate to actions for which network providers are responsible.
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**PURPOSE:** To establish standards for increased quality of services for individuals and a process by which contract auditing of Greater Columbia Behavioral Health, LLC BH-ASO's (GCBH BH-ASO's) provider network is in compliance with Federal, State, and local laws.

**POLICY**

- A. In the event that fraud, abuse and/or compliance with fiscal requirements are suspect, an immediate audit is required.
  - i. GCBH BH-ASO may conduct announced and unannounced audits at any time, at the discretion of the Co-Directors and/or the Executive Committee.
- B. GCBH BH-ASO contract audit processes are provided in compliance with Federal, State and local laws, including, but not limited to:
  - i. 42 CFR Part 438, Managed Care;
  - ii. 45 CFR Parts 160 and 162, Health Insurance Reform: Policies for Electronic Transactions;
  - iii. 45 CFR Parts 160 and 164, Policies for Privacy of Individually Identifiable Health Information;
  - iv. 42 CFR Parts 2.1 and 2.2, Statutory authority for confidentiality of drug abuse patient records and Statutory authority for confidentiality of alcohol abuse patient records.
  - v. 45 CFR Part 142 Security and Electronic Signature Policies;
  - vi. Balanced Budget Act Title IV;
  - vii. GCBH BH-ASO /HCA/MCO Program Agreements;
  - viii. Washington Administrative Codes (WAC);
  - ix. Comply with all applicable required audits including authority to conduct a Facility Inspection, and the federal OMB Super Circular, 2 C.F.R. - 200.501 and 45 C.F.R. – 75.501 audits, including those required for monitoring of subcontractors receiving FBG Funds;
    - 1. If a Subcontractor is subject to an OMB Circular audit, GCBH BH-ASO shall

require a copy of the completed Single Audit and ensure corrective action is taken for any audit finding, per OMB Super Circular Requirements.

2. If a Subcontractor is not subject to OMB Super Circular, GCBH BH-ASO shall perform sub-recipient monitoring in compliance with federal requirements.
  3. Subcontractors are required to submit to GCBH BH-ASO completed Annual Independent Audits.
- x. Conduct and/or make arrangements for an annual fiscal review of each Subcontractor receiving Federal Block Grant (FBG) funds regardless of reimbursement methodology, and provide HCA with documentation of these annual fiscal reviews upon request. These reviews will ensure that:
1. Expenditures are accounted for by revenue source.
  2. No expenditures were made for items identified in the Payment and Sanctions section of Contract.
  3. Expenditures are made only for the purposes stated in Contract, and for services that were actually provided.
- xi. Washington State Medicaid 1915(b) Waiver; and
- xii. GCBH BH-ASO Contracts, Standards, Policies and Procedures.
- C. GCBH BH-ASO provides its provider network with technical assistance required to meet contract requirements. The audit also facilitates communication between GCBH BH-ASO, the Provider Network and employees.
- D. GCBH BH-ASO provides year-end summary reports in all functional areas (i.e. Administrative, Information Systems (IS), Finance, Utilization Management (UM)) to the Quality Management Oversight Committee (QMOC) for review and, as necessary, development of system wide quality improvement recommendations to the Executive Committee.

## **PROCEDURE**

### Content and Scheduling

1. Audits are performed to assess compliance with Federal, State and local laws and contractual requirements.
2. Best efforts are used to coordinate the audit process in a manner that avoids duplication.
3. Areas of review include, but are not limited to, Administration, Fiscal, IS and UM. Additional participation during an audit may include representation from the following:
  - 3.1. Agency Board members;
  - 3.2. Agency staff appropriate to the audit being conducted; and
  - 3.3. Other persons appropriate to the audit being conducted, at the request of GCBH BH-ASO.
4. With the exception an unannounced audit, a Notice is sent via mail or email to the provider of the date of the audit.

- 4.1. Provider Agencies are given the opportunity to change the audit date if necessary.
5. Additional information and/or documentation may be requested by GCBH BH-ASO before, during, and/or after the audit.
6. With the exception of desk audits, entrance and exit interviews are conducted. Representatives from the Provider Agency, including the Agency's Executive Director and senior management, are invited to attend the entrance and exit interviews. Additional Agency staff participation is at the discretion of the Agency's Executive Director.
  - 6.1. The Entrance Interview may include the following activities:
    - 6.1.1. Introductions (sign-in sheet);
    - 6.1.2. Restate purpose;
    - 6.1.3. Review agenda, if applicable; and
    - 6.1.4. Agency overview of programs and services that are provided using GCBH BH-ASO funds.
      - 6.1.4.1. The presentation/description includes location of services, hours of operation, individual/enrollee eligibility criteria, staffing patterns, and number of individuals/enrollees served.
    - 6.1.5. A tour of the Agency and/or its facilities may be conducted, upon GCBH BH-ASO request. Items covered in the tour include, but are not limited to, the following:
      - 6.1.5.1. Overall appearance and safety of the facility;
      - 6.1.5.2. Security of information systems and records area;
      - 6.1.5.3. Adequacy and/or availability of private areas for assurance of confidentiality;
      - 6.1.5.4. Multi-lingual brochures;
      - 6.1.5.5. Telecommunications Device for the Deaf (TDD) Access; and
      - 6.1.5.6. Required postings.
  - 6.2. The Exit Interview usually occurs on the last day of the on-site visit. Representatives from the Provider Agency, including the Agency's Executive Director and senior management, are invited to attend the exit interview. Additional Agency staff participation is at the discretion of the Agency's Executive Director.
    - 6.2.1. The probable findings and recommendations are then presented verbally at the Exit Interview and are indicative of what appears in the draft audit report.

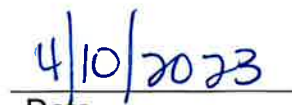
## Reports

7. The draft audit report is completed within thirty (30) calendar days of the completion of the site visit and mailed to the Provider Agency.
8. The draft audit report identifies the reviewers, dates of the review, scope of the review, method of compliance verification, recommendations, findings, and corrective action plan timeframe, if applicable.
9. The Provider Agency has ten (10) business days to respond to the draft audit report.

- 9.1. The Provider Agency may submit additional documentation they were unable to produce and/or documentation requested by the reviewers. Any additional documentation provided by the Provider Agency is reviewed and as appropriate, scores may be adjusted.
- 9.2. The Provider Agency may request face-to-face meetings between the Provider Agency and GCBH BH-ASO to further discuss the draft audit report.
10. The final audit report is completed within ten (10) business days of the draft audit report unless extended in writing by the Co-Director or their designee and is mailed to the Provider Agency..
11. If the final audit report lists any findings, a corrective action plan must be submitted by the timeframe specified in the final audit report.
  - 11.1. If the Provider Agency does not submit and/or complete the plan by the specified dates the reviewers notify the Co-Director or their designee.
  - 11.2. The Co-Director or their designee contacts the Provider Agency to discuss the actions to be taken to complete the corrective action plan.
  - 11.3. If the Provider Agency continue to decline submittal and/or completion of the corrective action plan the Co-Director notifies the Executive Committee.
    - 11.3.1. The Executive Committee makes the decision on how to proceed which may include remedial action per contract between the Provider Agency and GCBH BH-ASO.
12. After completion of the annual audit cycle, the Executive Committee is provided with summary audit reports from all functional areas (i.e. Administrative, IS, Finance, UM).
13. The GCBH BH-ASO Staff is responsible to complete system analysis of the region wide trends and develop system quality improvement recommendations, as necessary. These recommendations are forwarded to the functional areas working committee (i.e. Funding and Fiscal Committee) and the Executive Committee. The working committees review the GCBH BH-ASO Staff recommendations and provide its own recommendations to the Executive Committee. The Executive Committee reviews the recommendation of both the GCBH BH-ASO Staff and the working committees and takes action as appropriate.
14. GCBH BH-ASO audit reports are maintained by the Co-Directors or their designee.

## APPROVAL

  
\_\_\_\_\_  
Karen Richardson or Sindi Saunders, Co-Directors

  
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Date