

NC Department of Health and Human
Services

Division of Health Benefits

Medicaid Eligibility Monitoring Seminar: Part 2 Social Services Institute

**Office of Compliance and Program Integrity
August 1, 2019**

Discussion Goals:

- **Define a compliance plan**
- **Review the 7 basic elements to create a model**
- **Benefits of internal control processes**
- **Identify the three purposes of internal control processes**
- **Share internal controls to eliminate eligibility errors**

Agenda

What does a compliance plan include?

What does the Office of Inspector General advise?

Why is it important to create an internal control process?

What are internal controls designed to do?

What are some Agency's internal controls?

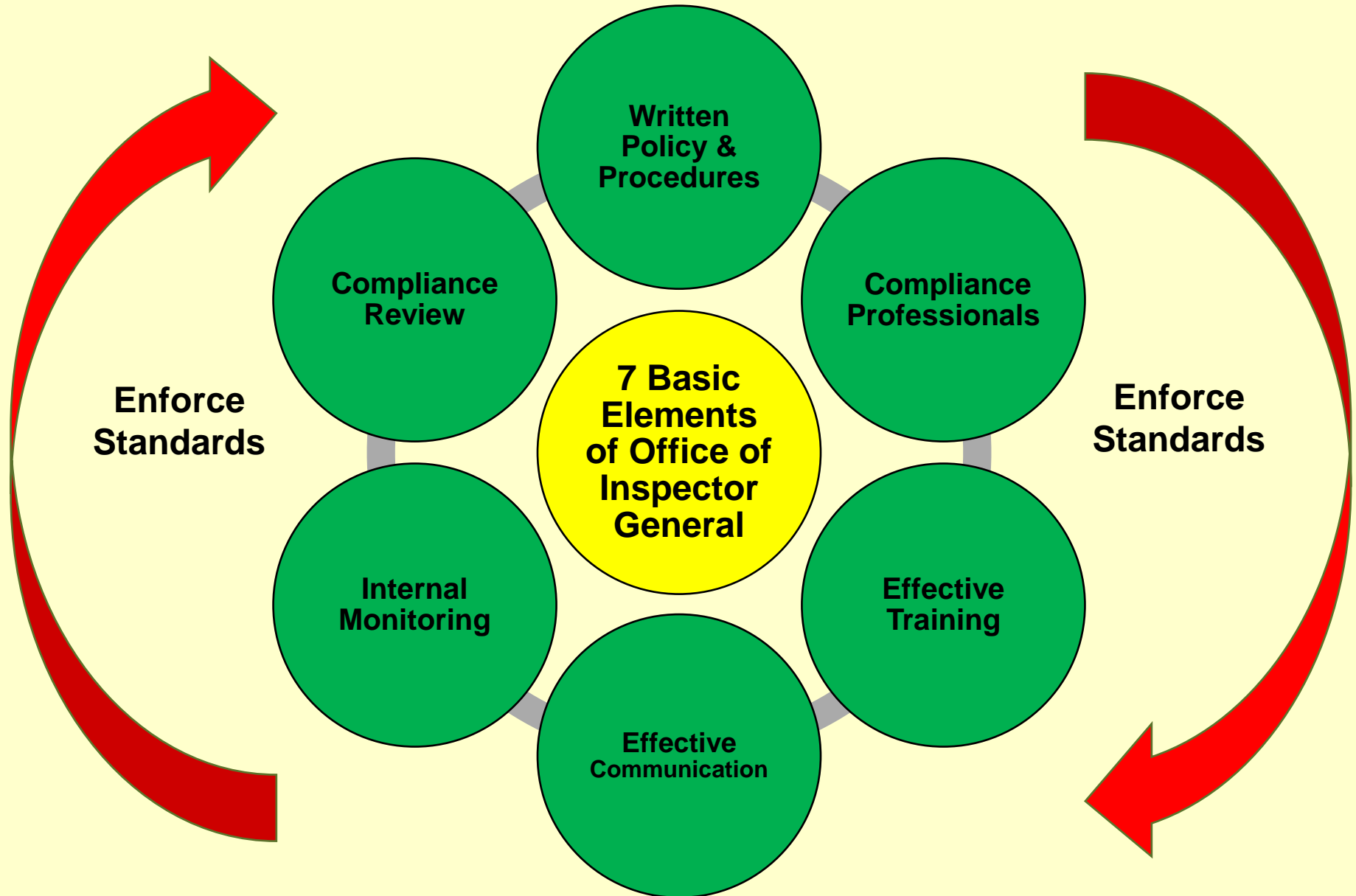
Let's talk

What is a Compliance Plan?

- **Set of internal policy and procedures an Agency puts in place to assist with compliance of the laws & regulations**
- **Strategy to enhance the Agency's operations, improve quality of daily work and reduce program risks/costs**

7 Basic Elements of an Effective Compliance Plan

7 Basic Elements from the Office of Inspector General



7 Basic Elements from the Office of Inspector General

- **Written policy and procedures – standard conduct and update periodically**
- **Compliance professionals – design with authority**
- **Effective training – education employees and make sure they understand**
- **Effective communication – way to facilitate between the compliance officer and staff**
- **Internal monitoring process – Conduct audits – this is the heart of any effective compliance program**
- **Use some kind of review to identify – 2nd party review and do something about it**
- **Enforce your standards – Take action**

(oig.hhs.gov)

Why are Internal Controls Important?

**Achieves
Effective &
Efficient
Operations**

**Minimizes &
Controls Risks**

**Identifies
Defects**

**Safeguards
Assets**

**Promotes
Accountability**

**Urges
Adherence to
Policy &
Procedures**



Risk Areas that Cause Errors/Deficiencies

- **Notices**
- **MAGI Household Composition**
- **Income**
- **SDX Exparte**
- **Timeliness**
- **Electronic Verification**
- **Failure to Use NC FAST job aids**
- **Lack of Follow Up to Case Corrections (immediately)**

Internal Control Design & Purpose

Internal Control Design Purpose

• DETECTIVE

• CORRECTIVE

• PREVENTIVE

Internal Control Design Purpose

- **Detective**: Designed to detect errors or irregularities that may have occurred
- **Corrective**: Designed to correct errors or irregularities that have been detected
- **Preventive**: Designed to keep errors or irregularities from occurring in the first place

Tips and Guidance to Detect, Correct and Prevent

- **Internal Checklists**
- **2nd Party Reviews (target/focus areas)**
- **Peer to Peer reviews**
- **Calendar of Deadlines**
- **NC FAST Learning Gateway Policy Training**
- **Monthly Effective Policy Training**
- **Equitable Distribution of Work**

Tips and Guidance (Cont'd)

- **Accountability**
- **Processes (create working documents/charts)**
- **Procedures for Uploading Documents (standard and consistent throughout agency)**
- **Team working on current deadline and another working ahead**

**What Internal Controls
Are Needed for the
Medicaid Program?**

Resources Provided by State

- **Audit Tools for 2nd Party Review**
- **2nd Party Webinar Training**
- **Automation of AVS, TWN and ROD**
- **Supervisor Hold Report in NC FAST**
- **No Touch Recerts**
- **Reports Streamlined in NC FAST**
- **IEM policy merged into the Adult and F&C Manuals**

Let's Talk

- **What internal control tools has your agency put in place to eliminate errors?**
- **Why were these procedures put in place?**
- **How are you monitoring these internal controls to determine the effectiveness?**

How Can We Help?

What tools can the State provide to your Agency to promote quality of eligibility determinations?

Future Questions

Office of Compliance and Program Integrity

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