



Liberty Healthcare Corporation and Affiliates (Liberty) Standard Operating Procedures

Title:	Contract Compliance Audit	Effective Date:	07/01/2011
Author:	Sue Nayda	Last Review Date:	07/06/2020
Location:	All Locations	Last Revision Date:	07/06/2020
Functional Area:	Liberty QualityCare®		

POLICY

At all times, Liberty will be in full compliance with all requirements and deliverables of our contracts with our customers. Contract Managers shall monitor the quality and adequacy of services for each contract. They shall require that operations are conducted in compliance with all contractual requirements and deliverables, applicable federal and state rules and regulations, and applicable policies and procedures, in order to facilitate customer retention and minimize risk to the company.

PROCEDURE

For each Liberty contract, a Master Contract Compliance Audit Tool will be developed and filed in the contract's Liberty QualityCare folder in the shared operations files. The Master Contract Compliance Audit Tool will be developed at the commencement of a new contract and updated/revised with every amendment. The tool is populated with a numbered list of verbatim text relative to the requirements and deliverables identified in the contract (long sections of text may be paraphrased). The Director of New Business Implementation will develop the initial Contract Compliance Audit Tool for all new contracts, and the Contract Manager is responsible to make sure the Master Contract Compliance Audit Tool is developed and maintained for all other contracts. It is expected that Executive/Program Directors will play a significant role in the development and implementation of the Contract Compliance Audits, as directed by the Contract Manager.

Audits for new contracts will be completed by the Director of New Business Implementation at the end of the new contract start up period. The Annual Audit Review Tool should be completed by the Director and/or Contract Manager before the end of each contract year, and clearly state the period of time being covered in the review. Compliance with each contractual requirement or deliverable will be scored as either "X" (representing that it is MET) or "O" (representing that it is NOT MET – which includes partially met). If an item is NOT APPLICABLE, "N/A" will be indicated. Compliance with each item will be verified on the audit form by confirming completed forms, policies, and/or documentation, rather than simply assuming completion or being verbally informed of compliance. The auditor should identify the documents used to determine compliance, and ideally, file a copy of them with the final audit results. For any items identified as NOT MET (O), a corrective action plan must be developed immediately, and documented on the Annual Audit Review Tool.

The Contract Compliance Annual Audit is completed when all contractual requirements and deliverables have been evaluated and all corrective actions have been implemented. The annual audit will be signed off on by the Executive/Program Director, Director of New Business Implementation (if a new contract), Contract Manager, and Chief Operations Officer (COO) and maintained in the contract management folders.

Liberty may conduct Look Back Audits to validate the results of the Contract Compliance Annual Audits. Any Look Back Audits conducted will cover the same period as the original audit. The Look Back Audit process will be coordinated by the COO and may involve corporate staff as auditors. If a Contract Compliance Annual Audit is subject to a Look Back Audit, the Look Back Audit will be documented on the Annual Audit Review Tool using the same scoring methodology, and the results compared.

Upon completion of a Look Back Audit, the Look Back Auditor, Contract Manager, and COO signatures will be obtained after their review.

Approved By:
