

## PI – MCP On-Site Audits

### Purpose:

I. The purpose of this standard operating procedure (SOP) is to establish the basic process for conducting audits for managed care plans (MCPs). The audits are necessary for verifying that the MCPs are performing the necessary procedures that align with the state contract set in place. This SOP provides guidance as to the steps required and the individuals responsible for performing a successful audit. The audits may be in-person or webinar-based, depending on availability and necessity.

### Identification of Roles:

<b>RACI Definitions</b>	
<b>RACI</b> - RACI charts are a type of responsibility assignment matrices in project management. These simple spreadsheets or tables highlight the different states of responsibility a stakeholder has over a particular task or deliverable and denotes it with the letters R, A, C, or I.	
<b>(R)</b>	Responsible
<b>(A)</b>	Accountable
<b>(C)</b>	Consulted
<b>(I)</b>	Informed

**MCP Oversight Manager and Specialist** - work collaboratively with Iowa Medicaid Program Integrity Unit and the Managed Care Reporting and Oversight Bureau to determine the three audit topics, draft and send all audit letters, draft and send the audit topic templates, review documentation, attend the audit, act as the liaisons, and answer questions. **(R, A)**

**Iowa Medicaid Program Integrity Unit** – responsible for collaborating with the MCP Oversight Manager and Specialist and the Managed Care Reporting and Oversight Bureau to determine three audit topics, assisting with communication, drafting letters, review of the documentation for contract compliance, determines corrective actions (if needed), and attends the audit. **(C, I)**

**Managed Care Reporting and Oversight Bureau** - responsible for collaborating with the MCP Oversight Manager and Specialist and the Iowa Medicaid Program Integrity Unit to determine three audit topics, assisting with communication, drafting letters, review of the

documentation for contract compliance, determines corrective actions (if needed), and attends the audit. **(C, I)**

**Iowa Medicaid Director** - responsible for signing the pre-audit letter and the final findings letters prior to sending them to the MCPs. **(C, I)**

**Performance Standards:**

The performance standards are set in the contract with the MCPs. The audit will allow for set processes or outputs to be reviewed for contractual requirement compliance.

**Path of Business Procedure:**

1. The MCP Oversight Manager and Specialist will work with the Iowa Medicaid Program Integrity Unit and the Managed Care Reporting and Oversight Bureau to determine the three audit topics.
2. The MCP Oversight Manager and Specialist will create the pre-audit letters items and the audit templates and send to Iowa Medicaid Program Integrity Unit and the Managed Care Reporting and Oversight Bureau for approval.
3. Once approved, the pre-audit letters are sent to the Iowa Medicaid Director for signature. The signed letters are sent to the MCPs along with the audit templates. If audit templates contain PHI, they will be posted to the MCPs SFTP.
4. The MCP Oversight Specialist will provide the MCPs with dates and times for the MCPs to schedule their audit interviews.
5. The Managed Care Reporting and Oversight Bureau will track any deliverables from the MCPs and send to the MCP Oversight Specialist when they have been received.
6. The MCP Oversight Specialist will schedule time to review the audit documents sent by the MCPs prior to the interview.
7. The audit occurs.
8. After the audit occurs, the MCP Oversight Manager and Specialist, Managed Care Reporting and Oversight Bureau, and the Iowa Medicaid Program Integrity Unit meet to review the audit findings. Requests for additional documentation to support the audit will be sent to the MCPs, if needed.
9. The MCP submits the additional documentation.
10. A post-audit letter (initial findings letter) is created, approved by the state, and sent to the Program Integrity Manager for signature. The letter will address the preliminary findings in detail and any action that may need to be taken. Once signed, it is sent to the MCP.
11. The MCP is allowed time to dispute the preliminary findings with any additional documentation that would support the objective being reviewed.
12. The MCP Oversight Specialist will schedule a meeting to review the additional documentation with the state.
13. The MCP Oversight Specialist will then draft the final audit findings letter, get it approved by the state, and then send it to the Director for signature.
14. Once the Director has signed it, the MCP Oversight Specialist sends it to the MCP.
15. Any corrective actions will be tracked and reviewed for at least six months.

**Forms/Reports:**

Audit Template  
Pre-Audit Letter Template  
Initial Findings Letter Template  
Final Findings Letter Template

Audit information stored here: <\\dhsime\PI\MCO\On-Site Audit Information>

**Interfaces:**

Microsoft Office

**Attachments:**

Audit Template  
Pre-Audit Letter Template  
Initial Findings Letter Template  
Final Findings Letter Template



Audit Template.xlsx



Pre-Audit Letter  
Template.docx



Initial Findings Letter  
Template.docx



Final Findings Letter  
Template.docx