

Checklist Guide to Performing an Audit

An Overview of What You Will Learn

The Auditing for Compliance course includes how to perform a compliance audit in a 4 step process:

- **Plan**
- **Execute**
- **Report**
- **Corrective Action**

This guide is provided to you in the Introduction to give you an overview of what you will learn and to help improve how your audits are conducted, provide structure and help you remember all the details to be addressed with each phase of the audit process.

We thank you for choosing the American Institute of Healthcare Compliance (AIHC) as your training and certification organization!

The information in this document is for you and your organization to use and is not to be sold or used for personal gain.

P – Planning Phase

Determining Audit Type	<input type="checkbox"/> Coding and Documentation <input type="checkbox"/> Process <input type="checkbox"/> System	<input type="checkbox"/> Compliance Audit? <input type="checkbox"/> Performance Audit?	<input type="checkbox"/> 1 st Party <input type="checkbox"/> 2 nd Party <input type="checkbox"/> 3 rd Party	<input type="checkbox"/> Internal <input type="checkbox"/> External	Have you verified that there is an established system or process to audit? <input type="checkbox"/> Yes <input type="checkbox"/> No – why:
Terms for Accepting the Audit	Are you available to perform the audit? <input type="checkbox"/> Yes <input type="checkbox"/> No	Is there any conflict of interest? <input type="checkbox"/> Yes <input type="checkbox"/> No – why:	Are you competent in the area to be audited? <input type="checkbox"/> Yes <input type="checkbox"/> No – why:	Do you have the full support of upper management? <input type="checkbox"/> Yes <input type="checkbox"/> No – why:	Will you have access to all applicable records and personnel? <input type="checkbox"/> Yes <input type="checkbox"/> No – why:
Identify (describe the audit)	<input type="checkbox"/> When: <input type="checkbox"/> Who: <input type="checkbox"/> What: <input type="checkbox"/> Where: <input type="checkbox"/> Why:		Are communication arrangements agreed upon (audit times, areas to be audited, and standards to be audited against)? <input type="checkbox"/> Yes <input type="checkbox"/> No – why:		
Prepare	<u>Audit Plan Documentation:</u> <input type="checkbox"/> Purpose <input type="checkbox"/> Scope <input type="checkbox"/> Standards to determine non-conformance <input type="checkbox"/> Team (titles of professionals - do not use names) <input type="checkbox"/> Time – deadlines <input type="checkbox"/> Audit Objectives/Goals (baseline audit, monitoring audit, or other) <input type="checkbox"/> Requirements <input type="checkbox"/> Develop Checklist (Gap Analysis or other method to determine non-conformance)		<u>Data Collection Plan:</u> <input type="checkbox"/> Type of Data Required: <input type="checkbox"/> Sample Size Universe – how sample was determined, statistically significant or not, random sampling, etc.:	<u>Sampling Plan:</u> <input type="checkbox"/> Identify parameters, range of possible values, and required resolutions <input type="checkbox"/> How and when samples will be taken <input type="checkbox"/> Select sample size <input type="checkbox"/> How will data be collected and store? <input type="checkbox"/> Have you assigned roles and responsibilities for your team?	

E – Execute Phase

Attorney-Client Privilege	<p>Have you evaluated if the audit should be performed under attorney-client privilege?</p> <p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p><i>Remember, when utilizing services for audits related to self-disclosure or when engaging with outside consultants to perform internal audits, consider engaging these services under attorney-client privilege.</i></p>	
Execution Activity Checklist	<p><input type="checkbox"/> Organize and document the Audit Standards and Criteria</p> <p><input type="checkbox"/> Schedule and conduct the opening meeting</p> <ul style="list-style-type: none"> <input type="checkbox"/> Perform daily or routine briefings <input type="checkbox"/> Establish frequency of team meetings <p><input type="checkbox"/> Collect relevant data and information</p> <p><input type="checkbox"/> Verify the information and measure compliance</p> <p><input type="checkbox"/> Record non-conformance</p>	
Set Priorities	<p><input type="checkbox"/> Identify key result areas</p> <p><input type="checkbox"/> List priorities and the time limit for each (think about utilizing the Pareto Principle)</p>	
Evaluate Audit Documents	<p><input type="checkbox"/> Desk Audit (examination of documents away from the place of action)</p> <p><input type="checkbox"/> On-site audit</p> <p><input type="checkbox"/> Flowcharts</p> <p><input type="checkbox"/> Policies</p> <p><input type="checkbox"/> Procedures</p>	<p><u>Strategies:</u></p> <p><input type="checkbox"/> Department</p> <p><input type="checkbox"/> Element</p> <p><input type="checkbox"/> Process (trace)</p>
Perform the Audit	<p><input type="checkbox"/> Check Documents and Records</p> <p><input type="checkbox"/> Interviews (ask open-ended questions)</p> <p><input type="checkbox"/> Physical Evidence</p> <p><input type="checkbox"/> Observations</p>	
Document Information and Observations	<p><input type="checkbox"/> Use a Fishbone Diagram to analyze cause and effect</p> <p><input type="checkbox"/> Conduct a Gap Analysis (utilize Gap Analysis forms on your course page)</p>	
Recording Non-conformances	<p><input type="checkbox"/> Where was the non-conformity found?</p> <p><input type="checkbox"/> Have you documented the exact observation of the facts surrounding the finding? Yes No</p> <p><input type="checkbox"/> What is the reason why the facts constitute non-conformity?</p> <p><input type="checkbox"/> What sufficient references do you have?</p>	

R – Reporting Phase

Reporting Activity Checklist	<input type="checkbox"/> Audit Team Meeting <ul style="list-style-type: none"> ○ Verify results ○ Verbally share verified results ○ Consult with an attorney before drafting the report of findings if self-disclosure is a possibility ○ Do not exaggerate 	<input type="checkbox"/> Drafting the formal Audit Report or Report of Findings <ul style="list-style-type: none"> ○ Never make assumptions be positive! ○ Start report with an overview ○ Provide an executive summary ○ Use appropriate formulas and make sure calculations are accurate ○ Do not compare one physician to the results of an entire clinic 	
Analyze Data Appropriately	Have you mixed or matched reporting errors? <ul style="list-style-type: none"> <input type="checkbox"/> Yes (go back and fix) <input type="checkbox"/> No 	Is your statistical analysis qualitative or quantitative? <ul style="list-style-type: none"> <input type="checkbox"/> Qualitative <input type="checkbox"/> Quantitative 	Did you complete the math exercises? <ul style="list-style-type: none"> <input type="checkbox"/> Yes <input type="checkbox"/> No
Relationships & Statistical Significance	Have you established a correlation between two or more groups of data? <ul style="list-style-type: none"> <input type="checkbox"/> Yes <input type="checkbox"/> No 		
Statistical Analysis (Cause & Effect)	Are you creating a flowchart relevant to your topic? <ul style="list-style-type: none"> <input type="checkbox"/> Yes <input type="checkbox"/> No 	Have you traced the process forwards and backwards? <ul style="list-style-type: none"> <input type="checkbox"/> Yes <input type="checkbox"/> No 	
Charts & Graphs	Did you select the correct chart or graph to illustrate your findings? <ul style="list-style-type: none"> <input type="checkbox"/> Yes <input type="checkbox"/> No 		
Benchmarks	Did you use benchmarking information to analyze where improvements are needed? <ul style="list-style-type: none"> <input type="checkbox"/> Yes <input type="checkbox"/> No 		
Executive Summary – what to include in your Report	Are the following items included in your Report of Findings? <i>Remember to word your statements objectively!</i> <ul style="list-style-type: none"> <input type="checkbox"/> Report audit number or identification <input type="checkbox"/> The department or function audited <input type="checkbox"/> The audit's scope and objective <input type="checkbox"/> The duration of the audit and the date(s) it was conducted <input type="checkbox"/> The standard(s) against which the auditee was audited <input type="checkbox"/> A detailing of the non-conformities detected <input type="checkbox"/> Areas or functions that were acceptable and/or exceptional <input type="checkbox"/> The effectiveness of the system, process, etc., as reported by the Lead Auditor <input type="checkbox"/> Recommendations for corrective actions, training/retraining or follow up monitoring <input type="checkbox"/> Include completed Fishbone Diagram 		

C – Corrective Action Phase

Corrective Action Activity Checklist	<input type="checkbox"/> Identify the non-conformity (<i>generally stated in the Report of Findings</i>) <input type="checkbox"/> Conduct Root Cause Analysis (<i>to identify the underlying cause(s)</i>) <input type="checkbox"/> Issue a Corrective Action Request with timetables and assigned responsible associates (<i>assign accountability to have systems corrected, conduct training</i>) <input type="checkbox"/> Evaluate corrective measures taken (<i>benchmark against previous performance, typically measuring against the Baseline Audit or the most current audit findings</i>) <input type="checkbox"/> Maintain accurate records to verify the corrective action has been completed <input type="checkbox"/> “Close-out” completed corrective action requests		
Root Cause Analysis (RCA)	Are at least one of the five basic root causes identified? <input type="checkbox"/> Putting budget before quality <input type="checkbox"/> Putting schedules before quality <input type="checkbox"/> Putting politics before quality <input type="checkbox"/> Arrogance <input type="checkbox"/> Lack of understanding of knowledge, research, and education.	Does your Root Cause Analysis (RCA) focus on systems and processes, not individual performance? <input type="checkbox"/> Yes <input type="checkbox"/> No	Did you use the RCA Triage and Triggering Questions to see the “bigger” picture? <input type="checkbox"/> Yes <input type="checkbox"/> No
Safety Assessment Code (SAC)	Did you use the SAC Matrix to determine the severity and probability? <i>Include this in your final assignment.</i> <input type="checkbox"/> Yes <input type="checkbox"/> No		Is your chosen topic a Sentinel Event? <input type="checkbox"/> Yes <input type="checkbox"/> No
Event Flow Diagramming	Did you incorporate all three steps of the event flow diagramming process? <div style="text-align: center;">Yes No</div> <input type="checkbox"/> Initial <input type="checkbox"/> Intermediate <input type="checkbox"/> Final		
Cause & Effect Diagramming	Did you incorporate all four steps of the cause & effect diagramming process? <div style="text-align: center;">Yes No</div> <input type="checkbox"/> ID Problem <input type="checkbox"/> Brainstorm Causes <input type="checkbox"/> Complete Diagram <input type="checkbox"/> Causal Statements Have you developed root cause/contributing factor statements as a result of your cause & effect diagram? <div style="text-align: center;">Yes No</div>		

C – Corrective Action Phase

Audits Related to Overpayments	<p>Are your audit results related to potential overpayments?</p> <p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>	<p>If yes, is the overpayment subject to CMS or OIG Protocol?</p> <p><input type="checkbox"/> CMS (Stark Law)</p> <p><input type="checkbox"/> OIG</p>
Corrective Action Plan (CAP)	<p>Does your Corrective Action Plan (CAP) address:</p> <p><input type="checkbox"/> Determination of the root cause(s)</p> <p><input type="checkbox"/> Description of the proposed corrective action to address the root cause(s)</p> <p><input type="checkbox"/> Application of any preventive action to avoid future recurrence of the problem or related issue</p> <p><input type="checkbox"/> Date the action is expected to be completed using timelines based on significance of findings</p> <p><input type="checkbox"/> Current status of the action items</p>	
Plan-Do-Check-Act (PDCA) Cycle	<p>Have you verified that recommendations in the CAP are being implemented and maintained?</p> <p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>Are the recommendations “Mandatory” or “Optional”?</p> <p><input type="checkbox"/> Mandatory</p> <p><input type="checkbox"/> Optional</p> <p><i>Remember, auditing health care business systems is a continual process.</i></p>	