PROCEDURE STATEMENT:
Health Quest Systems, Inc. and its affiliates ("HQ") will conduct ongoing auditing and monitoring of identified risk areas related to compliance. It is the responsibility of the entire management team to ensure that ongoing auditing and monitoring is properly executed, documented, and evidenced.

PROCEDURE:

1. The Chief Compliance Officer (CCO) will recommend and facilitate auditing and monitoring of identified risk areas related to compliance with laws and regulations, as well as organizational policies, procedures, and standards of conduct. (Risk areas may be identified through the regular course of business, external alerts, or internal reporting channels).

2. The HQ Office of Compliance, Internal Audit & Privacy (OCIAP) will conduct internal and/or compliance reviews at each HQ Affiliate based upon risk areas identified and included in the Audit & Compliance annual Work Plan.

3. Auditors will prepare an engagement letter for each review detailing the objective, scope, timing and deliverables. The engagement letter will be addressed to the area under review with a copy to the appropriate Affiliate Senior Leadership (Note: All engagement letters should include the Affiliate President). The engagement letter will be distributed in no less than five (5) business days in advance of the opening meeting, if one is considered necessary.

4. At the beginning of an internal and/or compliance review, an opening meeting will be held with the management of the area being reviewed, if one is considered necessary. As a matter of professional courtesy, the Affiliate President will be invited to the meeting and can attend based upon his/her discretion.
5. The Corporate Compliance staff member assigned to the review will be responsible for preparing an audit work program. The auditor program will be reviewed by the Senior Compliance Officer and/or the Deputy Compliance Officer prior to execution.

6. For any potential issues during the review, the auditor will bring them to the attention of department management for resolution, if possible, during the review.

7. At the conclusion of the review, a closing meeting will be held with the same individuals that attended the opening meeting, if considered necessary. A written draft report will be provided to all responsible parties no less than ten (10) business days in advance of the meeting for preparation of management responses to any identified findings and for discussion at the meeting. The draft report will contain, at a minimum, audit observation, risk of observation, recommendation and, a section for management response. The goal of this meeting is to agree with the factual accuracy of the findings and, start the process of obtaining management responses (Note: The draft report should be reviewed prior to the meeting by the Senior Compliance Officer and/or the Deputy Compliance Officer).

8. All management identified in the compliance audit / review / risk assessment are responsible for developing formal written responses, including any process changes, education or other action plans necessary to address the recommendation(s) made by the auditor. Responses should include a description of the corrective action to be taken, estimated implementation date, and the name of the person responsible for the corrective action.

9. Management responses are to be provided to the appropriate Corporate Compliance staff within (10) business days of receiving the draft report, unless a request for extension is approved by the OCIAP. Requests for extensions should not be routine but should be reserved for large-scale or complex issues that warrant additional time to review/respond. A request for extension may only be made after a good-faith and reasonable effort was made to review the findings and provide an appropriate response. In those cases where the department fails to provide a response or request a reasonable extension within the initial 10 days, the audit will be forwarded to the Senior Vice President for the relevant department indicating "no management response was provided".

10. Once management responses have been provided and reviewed, the auditor/ reviewer presents the draft report to his/her team for review. Management responses are reviewed and discussed, findings are modified as appropriate, and a final findings risk is assigned.
11. The final report is distributed to all required parties, which may include:

a. Primary Management Contact  
b. The Director of the Primary Management Contact  
c. The VP of the Primary Management Contact  
d. The President of the entity audited  
e. The CEO (at his discretion) of HQ

REFERENCES:
HQ 5.1.01 Auditing and Monitoring for Compliance Policy
Nuvance Health Internal Audit Charter

POLICY HISTORY:
Supersedes: 10/19/2018
Original Implementation Date: 9/9/2008
Date Reviewed: 10/28/2019
Date Revised: 9/27/2017, 10/19/2018, 10/28/2019

APPROVAL:

[Signature]
Procedure Owner

[Signature]
Date