



Origination 5/10/2023
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Next Review 5/9/2024

Owner Eva Legall: Senior Director Compliance & Internal Audits
Area Compliance
Applicability VillageCare Corporate Services

Compliance & Internal Audit Policy

PURPOSE:

To establish a system of internal auditing that evaluates whether established controls, goals and other corrective actions are being satisfied.

POLICY:

VillageCare utilizes internal auditing to verify that the operational and business practices engaged in by officers, directors, employees, volunteers, trainees, contractors and agents of the organization ("collectively referred to as members of the organization") follow the various organizational policies and procedures and applicable federal, state and local laws and regulations, including, without limitation, the requirements of the Medicare and Medicaid programs and the Internal Revenue Code (collectively referred to as "Applicable Rules").

PROCEDURE:

1. The Compliance, Audit and Regulatory department through its Internal Audit function identifies potential risk areas through the performance of an organization-wide risk assessment to assist in determining where to focus auditing through the development of the annual internal audit workplan.
2. The extent and frequency of the organization's internal audit and monitoring activities varies according to several factors, including but not limited to, the results of annual risk assessments, prior audit results, new regulatory requirements and changes in operational and business practices.
3. The Chief Compliance Officer also functions as the Chief Internal Auditor and oversees the activities of the Internal Audit Director. The Internal Audit function is authorized by the Internal

Audit Charter.

4. The Internal Audit Director is responsible for completing the annual internal audit plan projects under the direction of the Chief Compliance Officer/Chief Internal Auditor.
5. Internal Audit and Compliance Analysts perform audits from the annual workplan approved by the Audit Committee of the Board, to monitor key compliance with policies and procedures, rules, and regulations.
6. Results of audits are quantified and reported to the Chief Compliance Officer for reporting to management.
7. Results that do not meet established targets and/or reveal unusual trends or patterns must be reviewed by management of the respective business area/function for corrective action.
8. Corrective actions or recommended improvement plans will also be used to document any root-causes and include steps/processes needed to resolve or correct problems identified.
9. Corrective Actions are required to be returned within 15 business days from receipt of findings report.
10. Audit reports are issued containing findings and recommendations of the area audited. A summary of internal audit activity which includes findings, recommendations and corrective action is provided to the President and Chief Executive Officer, the Compliance Committee and the Audit Committee of the Board of Directors on a quarterly basis.
11. Compliance will then perform a follow-up review to confirm that the actions that were put in place are working as intended.

RESPONSIBILITY:

VillageCare's Chief Compliance/ Chief Auditor has general responsibility for the implementation of this policy.

RELATED POLICIES, PROCEDURES AND REGULATIONS

Internal Audit Charter

Compliance Scorecard Monitoring policy

Approval Signatures

Step Description	Approver	Date
Final Approval	Emma Devito: President & CEO	5/10/2023
Compliance Officer	Dara Quinn: Chief Compliance Officer	5/9/2023
	Eva Legall: Senior Director Compliance & Internal Audits	5/9/2023