



# MONITORING, COMPLIANCE AND AUDIT FACTSHEET

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## MONITORING, COMPLIANCE AND AUDIT FACTSHEET

### INTRODUCTION

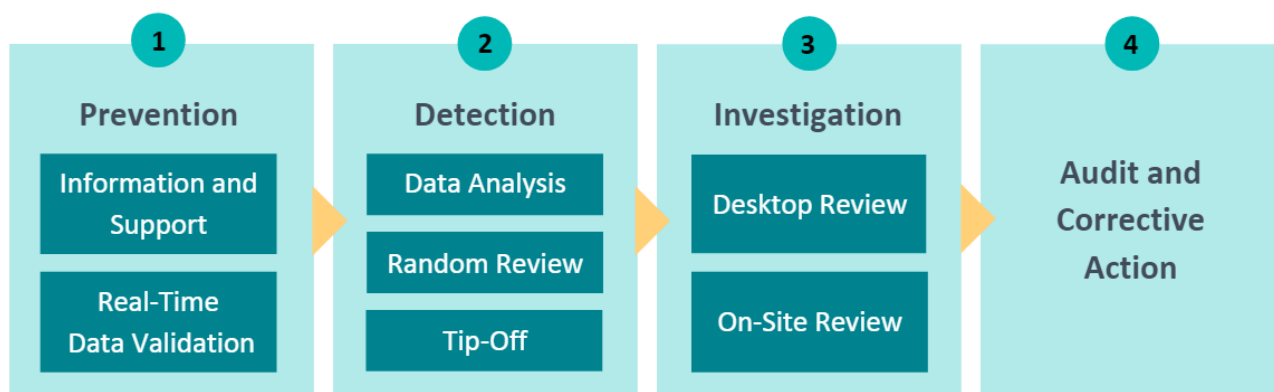
The Pharmacy Programs Administrator (PPA) is required, under its contract with the Department of Health, Disability and Ageing (the Department), to undertake monitoring and compliance activities in relation to programs by the Department. These activities inform and support audit activity undertaken by the Department and assist the Department and PPA to maintain compliance with *The Public Governance, Performance and Accountability Act 2013*.

The purpose of the PPA and Department's monitoring, compliance and audit activities is to ensure that Service Providers in receipt of Program funds:

- Register, claim and deliver services in relation to each Program in accordance with the Program Rules; and
- Comply with the PPA General Terms and Conditions.

The PPA and Department's monitoring, compliance and audit approach is illustrated in the following diagram and is based upon four elements; Prevention, Detection, Investigation and Audit & Corrective Action.

**Figure 1: Compliance, Monitoring and Audit Approach**



The PPA General Terms and Conditions provide for the monitoring, compliance and audit approach described in this factsheet.

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### Prevention

Information and  
Support

Real-Time  
Data Validation

## PREVENTION

The PPA aims to prevent inaccurate, unsubstantiated or ineligible claims via two broad approaches including:

1. Information and Support
2. Real-Time Data Validation.

Further information is provided below.

### Information and Support

Providing comprehensive and up-to-date information and support is the primary means to ensure that:

- The Program Rules are understood by Service Providers
- Services are delivered in accordance with the Program Rules; and
- Claiming is appropriate and in accordance with the Program Rules.

Information and Support is available via two key channels, as follows:

- PPA Website – the PPA website provides accurate and up-to-date information regarding each Program, including the Program Rules and other related information such as eligibility, payment and claiming information
- PPA Support Centre – the PPA Support Centre is available from 9am to 8pm (Australian Eastern Time) and provides both telephone and email support to Service Providers and Registered Users. The PPA Support Centre is available to answer questions in relation to the Programs and Program Rules, including clarifying and further explaining Program arrangements set out on the website.

It is recommended that Service Providers and Registered Users are proactive in ensuring they and their services/claims meet all Program eligibility requirements. They can do this by reviewing relevant Program Rules and checking all documentation is in order.

### Real-Time Data Validation

The front-line technique to ensure accurate claims is the real-time validation of data entered into the PPA Portal. Data is checked and validated automatically by the Portal as it is entered and if issues/errors are identified these are flagged to the User for immediate attention. The Portal will not accept the submission of data that does not pass validation requirements and all issues must therefore be resolved by the User prior to submission.

Validation checks encompass both the:

- Accuracy of data, including formats
- Eligibility of services for claiming and compliance with Program Rules.

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### DETECTION

The PPA has three methods for detecting claims which may be inaccurate, unsubstantiated or ineligible as follows:

1. Data Review and Analysis
2. Random Review
3. Tip-Off.

Details are provided below.

### Data Analysis

The PPA undertakes a range of periodic data analysis activities to identify either:

- Potentially inaccurate, unsubstantiated or ineligible (i.e. not in accordance with Program Rules) claims
- Service Providers that represent a high-risk, in terms of ineligible claims based upon their claiming patterns/behaviour.

A range of data analysis mechanisms are employed, with specific analyses for each Program. Data analysis processes include cross-matching against other available government datasets.

### Random Review

The PPA randomly selects claims for further review. Where claims are selected for review the relevant Service Provider is contacted and required to provide evidence, including documents or other records (as required by relevant Program Rules), demonstrating that:

- The service associated with the claim was provided
- All Program Rules were met in relation to the service/claim – e.g. patient eligibility checked, patient consent recorded and documented, GP referral received.

Documents and records required to be provided will vary depending upon the Program and specific details associated with the claim.

### Tip-Off

The PPA, via the Support Centre, accepts tip-offs from individuals, including members of the public, who believe that a particular Service Provider:

- Has made one or more potentially inaccurate or unsubstantiated claims; or
- Is delivering services in a manner which is not in accordance with the Program Rules and is claiming in respect of these services (i.e. has made ineligible claims).

The PPA makes decisions about whether to initiate an investigation in relation to a tip-off based on a range of factors, including the nature and level of evidence provided with the tip-off.

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### Investigation

Desktop Review

On-Site Review

## INVESTIGATION

The PPA employs two approaches to investigating potentially inaccurate, unsubstantiated or ineligible claims, as follows:

1. Desktop Review
2. On-Site Review.

Details are provided below.

### Desktop Review

Desktop Reviews may be undertaken where a potential issue has been identified via either Data Analysis, Random Review or Tip-Off.

Desktop Reviews involve review of data and information available to the PPA, along with additional specified documentation, records or evidence requested from the Service Provider as part of the Desktop Review process.

A Desktop Review may be undertaken in relation to a Service Provider for multiple claims and/or Programs.

### On-Site Review

On-Site Review may be undertaken where a potential issue has been identified via either Data Analysis, Random Review, Tip-Off or where further investigation is required following a Desktop Review.

On-Site Review involves a visit to a Service Provider's premises from the PPA's compliance team in order to:

- Observe the premises and operating arrangements
- Review specific documentation, records and other evidence; and
- Interview Service Provider staff.

An On-Site Review may be undertaken in relation to a Service Provider for multiple claims and/or Programs.

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### Audit and Corrective Action

## AUDIT AND CORRECTIVE ACTION

In circumstances where inaccurate, unsubstantiated or ineligible claims are identified, the PPA may refer the Service Provider and all evidence to the Department for consideration. Corrective action to be taken will be based upon a range of factors, including but not limited to the nature, scale and value of any inaccurate/inappropriate claiming activity as well as whether the identified issue is a first, or repeat occurrence.

A range of corrective actions may be pursued, including but not limited to one or more of the following:

- Issue a caution or warning
- The implementation of enhanced monitoring activities in relation to the Service Provider
- Require the repayment of all or part of the inaccurate or unsubstantiated claims
- Suspend or cancel the Service Providers' registration for one, multiple or all Programs
- Review of all government funds provided to the service provider (e.g. PBS)
- Referral of pharmacist(s) to AHPRA for investigation
- Referral to law enforcement agencies, as appropriate
- Any other action provided for under the *National Health Act 1953* (Cth).