



To view the Annual Audit and Cost Report Update on the Myers and Stauffer website please use the link [http://www.mslc.com/uploadedFiles/Connecticut/CR/ALTCFM November 18 2014 Annual Conference.pdf](http://www.mslc.com/uploadedFiles/Connecticut/CR/ALTCFM%20November%2018%202014%20Annual%20Conference.pdf)

OVERVIEW OF THE LTC AUDIT PROCESS

TIMELINE OF EVENTS

May, June and July: Facilities selected for the field engagement are notified of selection and an initial request list is sent. All facilities selected will be contacted to schedule a mutually convenient time for the field visit.

July through June: Field work is performed for facilities selected.

REQUIRED INFORMATION

To make the process more efficient, we require information in advance of the field visit. This is helpful for the following reasons:

- Providers have more time to gather information
- Our accountants can perform work in advance
- The field work focus is on key areas of reimbursement
- Fewer outstanding items at the end of the field visit
- Engagements can be finalized closer to the field work date

FIELD ENGAGEMENT SCHEDULING

If your facility is selected for a field engagement:

- Myers and Stauffer will contact you via phone or email
- Field work is generally conducted at the facility, management company or home office (where records and knowledgeable personnel are located)
- We will schedule a mutually convenient date

REQUESTS FOR INFORMATION

Initial Written Request:

- Will confirm the field visit date and place
- Initial request includes information that is common to all providers such as WTB, general ledger, payroll tax returns, etc.
- Provider has 30 days to submit all items listed on the initial request
- Provider may use secure FTP account, email or CD to submit



REQUESTS FOR INFORMATION

Facility-specific Request:

- After reviewing information received in response to the initial request, we will send a facility-specific information request
- Normally the facility-specific information request is sent approximately two to three weeks prior to the field visit
- You can streamline the process by (a) promptly responding to the initial information request, and (b) sending the facility specific information requested in advance of the field visit

FIELD WORK PLANNING

In charge accountant will contact the provider one week in advance of the field visit to confirm the following:

- Field visit date, location and primary contact
- Knowledgeable personnel and records will be available
- Number of field work days and space needed
- Entrance and post field meeting dates

DURING THE FIELD VISIT

We will hold an entrance conference including Myers and Stauffer staff as well as provider personnel to discuss:

- (a) Protocol related to documents (scanned, paper, original, etc.)
- (b) Information requested (where located, problem areas, clarification)
- (c) Additional requests not in other requests (items that come to light during the field visit)
- (d) Interactions with the provider (one primary contact or several)
- (e) Management representations
- (f) Internal control questionnaire

The focus of the field visit will be to:

- Gather additional documentation
- Gain an understanding of complex issues
- Discuss unclear areas
- Confirm information requested but not received



Our team uses the following hierarchy to evaluate appropriate reporting:

1. State regulations
2. CMS federal regulations
3. Generally Accepted Accounting Principles

Some issues are not clearly covered in the above resources. In these instances, we will consider relevant case studies.

We will hold a post-field meeting to accomplish the following:

- Clarify and discuss key and/or complex issues
- Discuss outstanding items which must be submitted within 10 business days
- Audit process and time-line
- Myers and Stauffer contact information
- Obtain a signed copy of management representations

AFTER THE FIELD VISIT

We will provide a list of outstanding items that must be submitted within 10 business days. Information outstanding subsequent to the 10 day period may result in an adjustment. We do not anticipate a follow up information request. A follow up request may be necessary in some cases.

PROVIDER REVIEW AND COMMENT

Provider will receive the draft report including proposed adjustments and has thirty days to review and respond in writing:

- I agree with the draft
or...
- I disagree with the draft

If you disagree with the findings and/or adjustments, submit support for your position.

Subsequent to the 30 day review period, an exit conference with the provider will be held via phone or in person.