

# **The Role of Internal Audit in Health Care Compliance**

Pharma Congress

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# Audit/Compliance Interaction



# Annual Audit Plan

- Areas at risk identified
  - Educational grants
  - Speakers' programs
  - Samples
  - Medicaid and contract rebates
  - Clinical grants
  - Other promotional activities
- Greater risk weighting assigned
- Areas audited more frequently

# What Do We Look For?

- Awareness of the laws by appropriate employees
- Procedures in place to ensure compliance with laws
- Test of transactions to help ensure laws are actually being complied with
- Work closely with Legal to resolve “grey” areas identified through audits

# Role of Internal Audit

- Work with Legal and Pharmaceuticals Division to ensure procedures put in place are appropriate and auditable
- Train audit staff on the appropriate laws
- Investigate potential violations of laws

# Audit Workprograms

- Compliance approach to workprograms:
  - Educational Grants
  - Speakers Programs

# Educational Grants

- Ensure avoidance with anti-kickback statutes
- Nature and purpose of the grant
- Monies spent in the proper manner
- Monies left on the table

# Speakers Programs

- Review the content of programs selected for audit
- Review of attendees and costs – should be modest
- Review of accompanying activities