

DCO OPERATIONS	Advantage Dental From DentaQuest		
	<i>Policy and Procedure</i>		
	Policy Name:	Development and Execution of Compliance CAP	Policy ID: PLANCG-74
	Approved By:	Advantage Dental Services, LLC Compliance Committee	Last Revision Date: 07/01/2025
	States:	Oregon	Last Review Date: 07/30/2025
	Application:	Medicaid	Effective Date: 07/31/2025

PURPOSE

As the prompt response to compliance issues is a requirement of an effective compliance program, this policy outlines the process to correct actual or potential performance issues related to regulatory compliance or ethical conduct, to reduce risk of recurrence, and to promote a culture of continuous improvement.

POLICY

It is the Dental Care Organization (DCO) policy to take prompt action to identify, understand and correct the root cause(s) of specific issue(s) on noncompliance and reduce the likelihood of reoccurrence. Through routine monitoring, auditing, and oversight, the Head of Risk Management, Ethics & Compliance (Compliance Officer) or his/her designee may identify instances of non-compliant activity for which remediation is required. The Compliance Officer may develop and impose a Corrective Action Plan on the department where the incident of non-compliance was detected. Corrective Actions shall be developed to address effectively the particular instance or issue of noncompliance effectively, and should reflect the nature, severity and degree of risk associated with the issue(s) addressed.

REFERENCES

42 C.F.R. §422.503(b)(4)(vi)(G)

42 C.F.R. §438.608(a)(1)(vii)

Medicare Managed Care Manual, Chapter 21

DEFINITIONS

DCO Personnel mean officers, employees, independent contractors, Board members and subcontractors (downstream entities).

PROCEDURE

I. Corrective Action Plan

A. **Basis for Corrective Action:** The basis for corrective action may derive from compliance reviews, consultants' reports, audits, and any other substantiated sources of noncompliant practices in any department by any person(s).

1. **Internal:** where Compliance identifies issues of non-compliance it will inform the Responsible Department and trigger the development of a Corrective Action Plan
2. **External:** Where a client or oversight authority notifies a DCO employee that it intends to impose a corrective action on the company, the employee will notify Compliance immediately. If the DCO has been audited by an external regulatory or oversight organization, any findings and/or corrective actions will be actively addressed, and where applicable, used to improve quality and compliance measures, and documented policies and procedures.

B. **Elements:** Any violation of noncompliance must be documented, and must:

1. Clearly indicate the specific problem(s) to be corrected;
 2. Identify, document and address the root cause(s) of the issue;
 3. Define the action(s) to be implemented for remediation, including adequate training and education to support the correction;
 4. Be tied to specific, measurable criteria for tracking effectiveness and completion;
 5. Specify a timeframe for improvement, evaluation and closure;
 6. Include a statement that the failure of an individual(s) who is subject to a Corrective Action Plan to adhere to the plan shall be grounds for further corrective action that may include disciplinary procedures and/or actions.
- C. **Root Cause Analysis:** For each identified area of non-compliance, Compliance may require the Responsible Department to undertake a root cause analysis (RCA) as the basis of any response to identified incidents of noncompliance
1. The RCA must go beyond a statement of human error and detail the systemic or educational deficiencies that resulted in the deficiency.
 2. While the root cause may be found to include human error, all efforts should be extended to determine the existence of system error, negligence, reckless disregard of Company policies or procedures, and applicable laws and regulations, or willful misconduct.
 3. To the extent that the Responsible Department disagrees with the CAP, they will be given the opportunity to respond, provided it has a detailed and documented rationale for the basis for its dispute.
- D. **Identification of Remediation Activities:** For each component of performance identified as part of the root cause, the Responsible Department shall develop sufficient detailed and documented remediation activities.
1. Activities should be tailored to address the particular misconduct, problem or deficiency identified, and will include timeframes for completion and/or specific achievements.
 2. If an issue or instance of noncompliance is the result of more than one significant, identifiable cause, the corrective action must adequately address each one. Examples include, but are not limited to:
 - a) Employee performance;
 - b) Process or work flow;
 - c) Departmental procedure;
 - d) Company policy;
 - e) Equipment;
 - f) Training and/or education

II. Monitoring and Validation

- A. **Verification:** Within 90 days after the remedial action is completed, a follow-up audit of the corrective action implementation to determine whether the Corrective Action Plan is being followed and is effective.
- B. **On-going Monitoring:** To the extent required either by Compliance or by the Client, the Responsible Department will document the scope of any ongoing monitoring necessary to ensure the effectiveness of all remediation actions.

III. Record Retention

Documentation will be filed and maintained in accordance with the Record Retention Schedule. The Compliance Department or other assigned business units will record the accumulated evidence (e.g., print screens, attendance sheets, policies and procedures reviewed during the audit, etc.) and the results of the audit, monitoring or validation test and procedures performed including

RCA, CAP, and documentation of violations relative to regulatory requirements and/or policies and procedures in the central tracking system.

To the extent that the deficiency is attributable to the actions of a specific individual, the Corrective Action will be forwarded to Human Resources.

IV. Other Consequences

Whenever there is an issue with the timeframes established for the delivering of documentation such as supporting documents, RCA, CAPs; or issues related to any other aspect of the audit or monitoring processes, these instances are escalated promptly to the Compliance Officer, Compliance Committee, or their designee. Also, extensions of the required timeframe are escalated, evaluated, and granted by the Responsible Department.

If a root cause analysis shows that the source of the problem was a reckless disregard of Company or facility policies or applicable laws and regulations or willful misconduct, the Compliance Corrective Action policy shall yield to all appropriate provisions of the applicable Human Resources corrective action plans or policies.

Revision History

Date:	Description
8/14/2017	Updates based on annual review.
2/27/2018	Conversion to revised policy and procedure format and naming convention.
11/12/2018	Corporate Compliance Committee approval
10/29/2019	Operational updates
11/25/2019	Annual Review updates
11/10/2020	DCO Compliance Committee approval
10/5/2021	Updates based on Annual Review
12/31/2022	Updates based on Annual Review
07/01/2025	