Audit Guide

Medical Expert Audit Guide

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Owner: MedCo

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1. Introduction

MedCo Registration Solutions' ('MedCo') IT portal facilitates the sourcing of medical reports in soft tissue injury claims under the 'Pre-Action Protocol for Low Value Personal Injury Claims in Road Traffic Accidents' in England and Wales. It allows registered medical experts ('MEs'), Medical Reporting Organisations ('MROs') and commissioners of medical reports to provide or commission medico-legal reports for RTA soft tissue injury claims.

The MoJ's policy aims which underpin the creation of MedCo are to drive up operational standards and improve the quality of the initial medical evidence used in support of whiplash claims.

There are two types of medical experts on MedCo: Indirect Medical Experts ('IMEs') and Direct Medical Experts ('DMEs'), who can register to accept instructions to complete a relevant medico-legal report.

A large part of MedCo's role is to ensure the independence and quality of medical reports in personal injury claims for whiplash and this includes maintaining the quality and value of training for MEs through the accreditation process. MedCo has therefore instituted an audit programme against the IME and DME User Agreements, and the MedCo Rules, applicable to:

- All existing IMEs; and
- All existing DMEs.

This Audit Guide is published on the MedCo website and distributed by the MedCo audit team to MEs when notice has been given that an audit has been scheduled and prior to the first on-site visit.

The purpose of the Audit Guide is to ensure that the nature of the audit and the audit process is understood by the auditee and that all the documents that the auditee needs for the audit can be readied in advance to ensure that the audit can run as smoothly as possible.

The ME being audited should review this document and prepare for the audit based on the guidance provided.

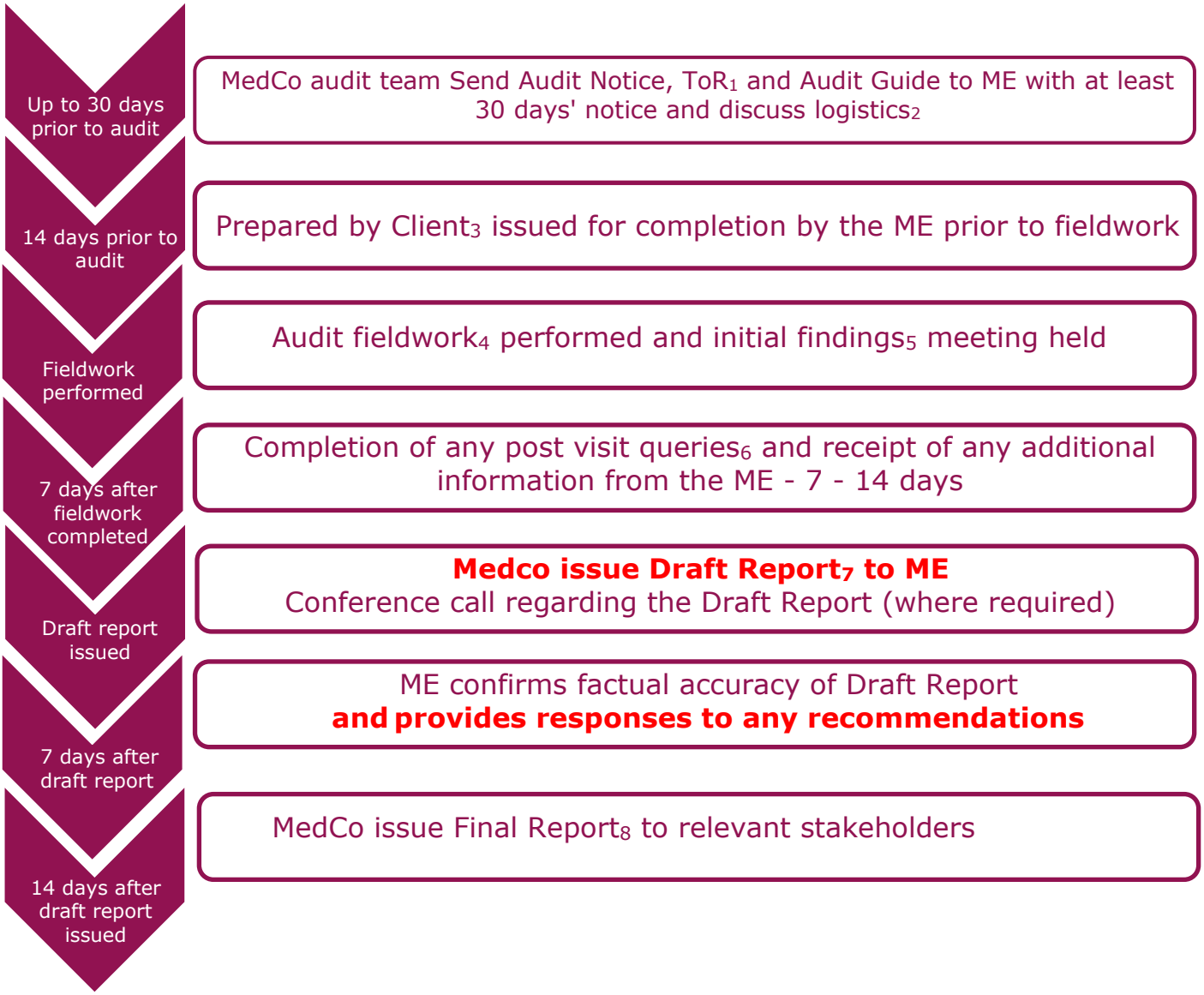
MedCo may update the Audit Guide from time to time and whilst this document outlines the process as far as possible, there will inevitably be some circumstances where the process varies slightly, or the illustrative timelines vary significantly due to the progress of other audits, changes in the MedCo audit team's priorities (at MedCo's discretion) or unforeseen circumstances. Where any of these is the case the MedCo audit team will endeavour to keep auditees informed.

2. Summary of Audit Process & Timelines

Please note that where an ME does not co-operate with the process set out below, MedCo reserves the right to suspend the ME in accordance with the applicable User Agreement(s), until such a time as they do co-operate.

2.1 Audit Process

An overview of the key stages in the audit process is shown in the diagram below, with indicative timelines that exclude any time during which the MedCo audit team is awaiting information from the ME and numbered notes that provide further details on certain documents / terms. MEs should particularly note that the audit may be curtailed at any point should the ME fail to co-operate with the audit process (see sections 3 and 4 on Audit Approach and Audit Evidence).



[1] Terms of Reference ('ToR'): This includes the timing and key contacts for the audit. The TOR, and Audit Guide are provided to the ME after issue of the 30 days' Audit Notice but before the on-site visit.

[2] Discussion to agree logistics:

- The MedCo audit team issues the ME with at least 30 days' notice of an audit and requests that a t a range of convenient dates for an audit be provided by the ME in the following 5 days, to take place no later than 60 days thereafter. The MedCo audit team will endeavour to accommodate one of those dates;
- The audit should take place at a location where the ME has access to sufficient administrative and case data to adequately respond to any queries the MedCo audit team may raise during the on-site visit;
- Requests to arrange a date outside the range stated in the Audit Notice will only be considered in very limited circumstances; and
- Failure to provide prospective on-site visit dates without good reason having been provided is likely to be considered indicative of the ME's inability to adhere to the applicable User Agreement(s) and the MedCo Rules.

[3] Prepared by Client ('PBC'): A document requesting:

- background details, information and documentation from the ME ahead of the audit to enable the MedCo audit team to undertake the audit; and
- whether the ME has any financial links as per the MOJ's 'Revised Statement on Financial Links.' Any potential connections or relationships that could be seen to compromise the ME's ability to operate independently, and the nature of them, should be listed.
- The ME must complete and return this information to the MedCo audit team prior to the visit. Failure to provide the requisite information and documentation may lead to the MedCo audit team being unable to undertake the audit and constitute a failure to co-operate with the audit process, which will be reported to MedCo.

[4] Audit Fieldwork: The MedCo audit team will follow the approach set out at section 3 'Audit Approach' and conduct at least one on-site visit during our audit fieldwork, the number of visits and duration is dependent upon the evidence (see section 4 'Audit Evidence') provided by the ME.

[5] Initial Findings meeting: A findings meeting may be offered at the end of the on-site visit, if appropriate, e.g., the auditor has gained enough information to make some conclusions, where the auditor will share details of the audit findings as at that point in time with the auditee. This meeting will not constitute the sum total of all audit findings, as there may be outstanding queries to be resolved and further queries may arise once the work performed to date has been subjected to review.

[6] Post visit queries: The 1-week timescale envisages the ME properly preparing their evidence so that by the end of the on-site visit only a small number of queries remain outstanding - see section 4 'Audit Evidence', in particular the heading on timescales for providing evidence.

[7] Draft and [8] Final Report: MEs will have one week in which to comment on the factual accuracy of the draft audit report and provide responses to any recommendations made (see section 5 'Audit Reporting'), after which time it can be issued in final form – more details are provided at section 5 'Audit Reporting'.

2.2 Re-Audit Process

Where a re-audit of the ME is required, (see Section 7 'Post-Audit'), it will follow the standard audit process above, except that:

- The Audit Notice is served via the decision letter from MedCo;
- Where the re-audit results from the suspension of a ME, prior to the re-audit being conducted, at the discretion of the MedCo audit team and dependent on the time since the original audit, the ME may have to provide a PBC document as part of the initial pre-audit checks; and
- The scope of the re-audit depends upon the circumstances giving rise to it.

2.3 'Short notice' audits ('SNAs')

SNAs are a mechanism to ensure that MedCo's system of compliance is not undermined by any MEs attempting to game the system or lower their standards in between audits. With the notice provisions of the standard audits, it is possible for materially non-compliant MEs to anticipate them and attempt to cover their tracks. However, SNAs can expose such practices and these types of audits function as both a deterrent and an enforcement tool.

SNAs are initiated at the request of MedCo, based upon one or more of the following (not an exhaustive list):

- a known or suspected material breach of the ME's obligations under the applicable User Agreement(s) e.g. a DME who will not accept instructions to complete a relevant medico-legal report direct from an Authorised User;
- Failing to disclose material information about its compliance to MedCo or the MedCo audit team e.g. a ME is not acting as a DME but rather is receiving instructions that have been filtered through an Administrative Agency;
- Providing evidence to MedCo or the MedCo auditors that is inaccurate, misleading or not authentic;
- Undermining the operation of the MedCo Portal by acting upon a third party's instructions and/or bypassing or facilitating the bypassing of the MedCo Portal for MedCo-type work; and
- Failing to adhere to the database rules.

The information used to initiate SNAs can come from multiple sources including (not an exhaustive list):

- The Expert Audit and Peer Review Committee (EAPR), where issues have arisen with performance, behaviour etc.
- MedCo Enquiries, having received specific, credible and verifiable complaints against MEs from Users, MROs, other MEs, claimants, administrative agencies, regulators and members of the public;
- The MedCo audit team's assessment of the authenticity of the evidence provided by a ME for its audit;
- Analysis of the cumulative information gained from all the ME audits to date;
- Analysis of MedCo MI across the system i.e. Users, MROs, other MEs and experts;
- A ME's track record of actions or inactions; and
- Any other individual or body corporate exerting direct or indirect control over the ME.

It is for MedCo to consider the information and to decide based on the information that they have seen whether a SNA should be triggered.

SNAs do not follow the standard audit process or any of the above variations of it, but operate as follows:

· Physical visits will only take place between 10am – 4pm on business days. A visit may be as short as 30 minutes or as long as 6 hours, depending upon the circumstances of the SNA.

- The MedCo audit team will send an email to the ME:
  - confirming that a SNA is to be conducted;
  - stating the objective(s) of the SNA;
  - confirming the name(s) of the auditor(s) who will conduct the audit; and
  - asking them to make the MedCo audit team aware of their planned whereabouts on a prescribed date within the next 5 days, where the on-site visit will take place. Where the ME has appointments scheduled for that day, the MedCo audit team shall be prepared to conduct the audit in between and after such appointments so as not to unreasonably disrupt or obstruct the ME's existing commitments to patients.

- If in any doubt, the ME should urgently contact the MedCo audit team (see section 9) and ask to speak to the audit management team for confirmation*.
- The audit approach provisions in section 3 of this guide will apply. However, given the nature of a SNA:
- The way in which they are deployed may be quite different from that conducted previously.
- Testing is likely to have a narrower focus but be more in-depth.
- The audit evidence provisions in section 4 of this guide will apply.
- A SNA may be conducted in conjunction with a standard audit, should the MedCo audit team have reasonable suspicions as to the authenticity of the ME or the evidence provided by it during the audit. In such instances, MedCo has pre-authorised the MedCo audit team to conduct a SNA.
- The MedCo audit team will report back to MedCo in the format that it considers appropriate for the circumstances of the SNA (e.g., formal report, verbal update, email, memo or as part of a general audit update paper). Where the MedCo audit team produce any form of formal report, a draft version will be provided to the ME for comment in the same manner as for a standard audit report.

As SNAs are designed primarily to investigate suspected breaches of the applicable User Agreement(s), there is an inherent motivation for a ME to delay, defer or otherwise obstruct a SNA, which is why the consequences for this are severe, as set out in the applicable User Agreement(s). Therefore, to prevent any misunderstandings:

- As long as a ME is undertaking DME or IME work, it cannot delay or defer a SNA.
- If access to the ME's premises is denied completely or withheld for an unnecessary amount of time to a bona fide (see security check above*) member of the MedCo audit team, for whatever reason, it will constitute a material lack of co-operation.
- Timing is critical to the ME's co-operation with the SNA process. Evidence available or unavailable on the day of the SNA has materially more value than any provided subsequent to it.
- SNAs may be conducted as isolated audits or as part of a co-ordinated action i.e., multiple SNAs conducted simultaneously in multiple locations on multiple MEs.

2.4 Forensic Audit

An audit can be undertaken as a forensic audit. The MedCo audit team will undertake an audit on a forensic basis if directed to do so by MedCo. The following situations are examples when MedCo is likely to direct the MedCo audit team to undertake a forensic audit:

- Concerns as to the veracity of statements / assertions made to MedCo;
- Reservations as to the authenticity of evidence provided to MedCo by the ME, including during the audit process;
- Lack of co-operation with MedCo's processes (including actions or lack of actions that interfere with the audit process as set out in this guide); and
- Evidence of seemingly unethical behaviour.

The decision whether to undertake a forensic audit will be made by MedCo. Where an audit is conducted on a forensic basis, it will follow the usual audit process, but this may be varied to deal with specific issues that are identified by MedCo or to accommodate the use of external auditors. In addition, the process may involve, but is not limited to, the following more detailed elements:

- The audit may be conducted as an extended on-site visit;
- Official identification documents and other HR records may be requested for any members of staff including members of staff who have left the organisation in the 12 months prior to the audit;
- Details of all related parties that the ME has a commercial relationship with or which are otherwise involved with its day-to-day operations may be requested;
- The ME and any other members of staff may be interviewed at least once;
- The audit may use computer assisted audit techniques, for which a complete set of the ME's MedCo case data and expert data for the previous 12 months will be required from all systems utilised in that period, in electronic format, to enable analysis and comparison;
- The system log detailing all system administrator, configuration or equivalent changes to the system and its data may be reviewed for the period under review;
- Full bank statements for all ME bank accounts and other financial records may be requested; and
- Third party verification may be performed in relation to instructing parties and suppliers (including software, administration and accountancy suppliers). Permission will be sought from the ME for the MedCo audit team to communicate with third parties.

The onus is on the ME to provide evidence of its compliance with the applicable User Agreement(s) and the MedCo Rules. If an audit is conducted on a forensic basis and the information requested is not made available to the auditors or is inaccurate, incomplete, or misleading it may lead to further action being taken against that ME including suspension and/or removal from the system.

3. Audit Approach

For clarity, the audit is an assessment of a ME's compliance against the applicable User Agreement(s) and the MedCo Rules i.e., MedCo must determine whether the ME is compliant with the applicable User Agreement(s) and the MedCo Rules or not. Whilst MedCo do wish to have co-operative relationships with MEs, the audit itself is not an iterative or collaborative process whereby the MedCo audit team assists each ME to a position of compliance with the applicable User Agreement(s) and the MedCo Rules. It is ultimately for each ME to demonstrate its compliance to MedCo's satisfaction using its own resources and own advisors; any other interpretation is inconsistent with the function of audit.

The MedCo audit team is not authorised to provide advice to assist MEs in complying with the applicable User Agreement(s) and the MedCo Rules in any scenario, prior to MedCo's audit outcome decision being communicated to them. Thereafter, the MedCo audit team may be authorised to provide further, clarification only, information to the ME, if requested, as to what it still needs to consider to substantiate that it has fully addressed the recommendations raised in the audit report.

MEs should have any relevant resources (systems, data, staff, and documents) available during the on-site audit visit(s) and thereafter to promptly address any outstanding queries.

The MedCo audit team will:

- Evaluate the evidence provided by the ME through appropriate audit techniques, including interviews, documentation reviews (including contractual arrangements with key suppliers / third parties), system walkthroughs, sample testing, data analysis (including computer assisted audit techniques) and third-party verification, from source to the end result;

- Assess the MEs' evidence for consistency with:
  - Its own observations and analysis of the ME;
  - The MI available to the MedCo audit team from the MedCo Portal; and
  - Wider industry approaches to compliance with the applicable User Agreement(s) and the MedCo Rules based on the MedCo audit team's cumulative knowledge gained through previous ME audits;

- Consider actions such as those below (not exhaustive) as obstructing the audit process, the MedCo audit team, and this will be stated in the final audit report and/or any subsequent reports (see section 7 'Post-Audit'):
  - Withholding access to ME's premises, any relevant staff or records, including through arranging for any relevant records e.g., bank accounts/payments to be off the premises during a planned audit visit;
  - Delaying and/or deferring either the audit process or requests for information/evidence without a reasonable explanation. A pattern of delays or deferrals across one or successive audits will be presumed to be a lack of co-operation. The onus will be on the ME to demonstrate to the contrary;
  - Providing materially inaccurate, incomplete or misleading information (see section 4 'Audit Evidence' point 3 'Information Disclosure'), which may become known either during the audit e.g. conflicting accounts for the same process/activity or after the audit e.g. failing to mention a financial link to another expert, MRO, user, administrative agency etc. that

only come to light during the audit of that other expert, MRO, user, administrative agency etc.;
- Seeking to influence auditor objectivity e.g., via persistent and inappropriate behaviour or other unprofessional conduct;
- Attempting to direct the auditors' testing e.g., pre-selecting transactions for auditors to assess;
- Wasting auditor time e.g., presenting volumes of irrelevant documentation as evidence; and
- Presenting evidence with material irregularities e.g., documents printed on the headed notepaper of another expert, administrative agency, or MRO; or individual transaction details on the ME's system that differ from those on the MedCo Portal when they have the same MedCo reference number.

4. Audit Evidence

This section provides guidance to MEs on preparing their evidence to put themselves in the best position they can to demonstrate that they comply with the applicable User Agreement(s) and the MedCo Rules.

1) **Automation -** MEs' records may range from fully manual to fully automated. The nature of the systems has no bearing on the outcome of the audit, as long as the ME can:
   - Provide the required evidence; and
   - Demonstrate that they understand how their system works (see below) and that it is fit-for-purpose.

2) **Documented Policies and Procedures** - MEs may not have fully documented how they work. The lack of written documentation will have no bearing on the outcome of the audit, as long as the ME can articulate and demonstrate how they work and show that their methods are fit-for-purpose.

3) **Information Disclosure -** Disclosure of information that is, or could be, material to the audit should be clearly, explicitly, and fairly communicated to the MedCo audit team in good time. Where the ME discloses such information through inappropriate communication methods (e.g., below), it will not be considered to have been disclosed and may also amount to a breach of the Ethics Policy in the applicable User Agreement(s) (in terms of not co-operating with the audit process):
- Through implication, as a throwaway comment or inappropriate timing e.g., as meetings end;
- Through inaccurate, misleading, or distracting statements;
- Through partial or total omission;
- Through illegibility or other communication barriers to understanding the information;
- In large documents with the key clauses buried in them and no indication of this; and
- By swamping the auditors with irrelevant documentation that then obscures relevant documents.

4) **Time to provide evidence:**
- As the onus is on the ME to provide the evidence, if it fails to produce it within the time periods set out in the standard audit process or not to the appropriate standard, it will be considered as not having provided it;

- Where new information received suggests that an aspect previously considered compliant might not be, the auditors may extend the timescales of the audit process set out in Section 2 'Summary of Audit Process & Timelines', at their discretion, in order to evaluate this as appropriate; and
- No new evidence on issues raised in the draft audit report will be considered once it has been issued – that is an absolute cut-off. Evidence relating to actions taken by the ME to close issues highlighted in the draft audit report will however be considered – see Section 5 'Audit Reporting'.

5) **Resolving Material Inconsistencies / Irregularities** – Where there are concerns about material breaches of the applicable User Agreement(s) or the MedCo Rules the MedCo audit team will consider whether these can be resolved during the audit or whether a forensic audit (as set out in Section 2 'Summary of Audit Process and Timelines') is required.

The MedCo audit team will try to resolve such concerns during the audit wherever possible e.g., by using unconventional but relevant sources of evidence, but only should a ME choose to provide it and only if it is provided in an auditable form. Examples (not exhaustive) include:

- Official identification documents, to dispel doubts as to a person's identity; and
- Corporate social media accounts for Facebook, LinkedIn, and Twitter etc. to dispel doubts that the ME is not acting as a ME but rather is receiving instructions that have been filtered through an Administrative Agency.

Under no circumstances will evidence derived from personal social media accounts be considered.

5. Audit Reporting

At the end of the audit fieldwork a draft report will be produced that sets out the extent of compliance by exception, with any recommendations outlining what the ME should do to address any issues raised:

- No new evidence on issues raised in the observations (recommendations section of the draft audit report) will be considered once the draft audit report has been issued – that is an absolute cut-off.
- Individual recommendations are RAG rated based on the level of severity attached to the issues at the time that they were first identified by the MedCo audit team. Any actions taken by the ME to subsequently address these issues will not change these RAG ratings, but the ME can choose to include these actions in the final audit report by incorporating them into the ME's responses for the relevant recommendations.
- Evidence relating to actions taken by the ME to address issues highlighted in the draft audit report will however be considered and, if sufficient evidence of implementation is provided prior to the audit report being finalised, the recommendation will be marked in the report as "closed–implemented":
  - MEs are not expected or required to have any recommendations with a "closed-implemented" status at the time the final report is issued. In certain cases, this may not be possible as on-site visits may be required to assess implementation (see section 7 'Post-Audit'); and
  - Where a ME has multiple recommendations raised, the timeframe between draft and final reports does not represent an opportunity for a ME to effectively attempt to have the audit re-performed.
- If the ME asserts that it has taken action but no or insufficient evidence has been provided, the recommendation will remain open.

The ME will be asked to confirm the factual accuracy of the report and provide responses to each recommendation i.e., whether the recommendation is accepted, and if so, what action the ME proposes to take / has taken, by when and the person responsible. The ME will have one week to provide this, with no extensions save in exceptional circumstances. As requested by MedCo, where any ME's responses indicate disagreement, the MedCo audit team will re-check the evidence provided during the audit against the basis provided for the ME's disagreement and the MedCo audit team may add comments to the final audit report accordingly. The report will then be finalised and issued to MedCo and the ME.

Each report will be RAG rated (see table below), at MedCo's request, to reflect the MedCo audit team's opinion on the ME's degree of compliance. MedCo then reaches its own opinion based on the information in the final audit report. MedCo enforces its own rules to ensure that no-one that has a conflict of interests sits on the relevant MedCo Committee(s) or has access to any of the individual ME audit reports or results.

Audit Report RAG Ratings	
Fully compliant:	The available evidence indicates that all relevant criteria are being met.
Substantially compliant:	Most evidence required to indicate compliance is available, with some minor additional actions needed to demonstrate full compliance.
Partially compliant:	Lack of key evidence in several areas indicates that the relevant criteria have not been met.
Substantially non-compliant:	Significant lack of key evidence indicates minimal or non-compliance with most or all relevant criteria.

The MedCo audit team will seek open communication with the ME throughout the audit. However, to avoid undue delay, the MedCo audit team reserves the right to issue draft reports as final (with accompanying explanatory notes) where the overall audit rating is RED or AMBER and where:

- Appropriate co-operation from the respective ME, in the opinion of the MedCo audit team, has not been forthcoming or timely; or
- There is disagreement, such that an "agree to disagree" version of the report is issued.

The audit report will not make any comment on what action should or should not be taken by MedCo where a ME may not be compliant. Such actions are a matter for MedCo to determine.

6. Audit Outcome

In the context of the objective of each audit (including SNAs), MedCo interprets the RAG ratings produced by the MedCo audit team prima facie as follows:

- Overall report ratings: GREEN – pass, RED – fail and AMBER – referred i.e. it is unclear if pass or fail.
- Individual recommendation ratings: GREEN – minor, RED – fundamental and AMBER – significant.

MedCo may decide to RAG rate individual recommendations or the overall report differently to the MedCo audit team for the following reasons:

- Based upon the evidence set out in the report, in its opinion an issue may be more or less significant than the MedCo audit team considered it to be; and
- It evaluates the RAG ratings at the time it considers the final audit report and therefore the ME's responses to each recommendation could influence MedCo's view as to whether the original RAG ratings are still applicable at the time it makes its decision.

MedCo considers the following aspects of a ME's response to be important (not exhaustive):

- Acceptance by the ME that breaches of the applicable User Agreement(s) and/or MedCo Rules have occurred and that it agrees to address them;
- The ME has set out clear, credible and achievable actions it will take to address the breaches;
- The ME has set a realistic timescale by which it expects the outstanding actions to be completed that reflects the importance of compliance with the applicable User Agreement(s) and/or MedCo Rules; and
- Where applicable, the response makes clear which actions (if any) have been completed and whether evidence of completion has been provided to the MedCo audit team.

MedCo makes its decision on the ME's status based on the information contained in the final audit report, which includes the ME's responses. Once MedCo has considered these and reached a decision, that will be communicated by letter to the ME (the Decision letter – see Section 7 'Post-Audit').

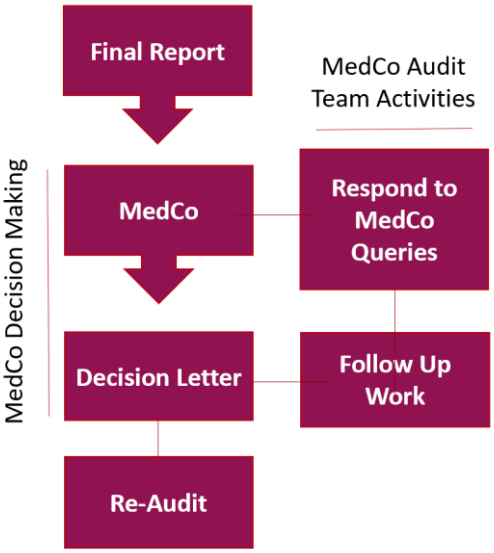
There are various decisions that MedCo may make. These include (but are not limited to):

- Concluding that the audit is successful and notifying the ME;
- Concluding that the audit is successful but that the ME should be notified of further steps or actions that are required e.g., completion of audit recommendations by specific dates;
- Determining that the audit is unsuccessful and suspending a ME's access to the MedCo Database, either entirely, or for a defined period;
- Requiring that after a defined period of suspension a ME should undergo re-audit; and
- Determining that the audit is so unsuccessful that they should find that the Agreement between the parties be terminated.

MedCo's Policies Document sets out its policies on suspension and termination.

Please note that reference to MedCo in this document, including actions taken and decision made by MedCo, can mean actions taken and decisions made by the relevant MedCo Committee(s) e.g., the MedCo Audit Committee, or the EAPR Committee.

7. Post-Audit



The following post audit report stages outline the role of the MedCo audit team:

1) **Respond to MedCo Queries** - MedCo audit team representative(s) present the ME audit reports to MedCo:
- Clarify any points in the audit reports;
- Raise relevant matters in MedCo discussions to prevent them being overlooked;
- Highlight comparative issues on other ME audits;
- Comment on ME co-operation with the audit process; and
- Explain the rationale for the audit ratings.

The MedCo audit team do not:
- Comment on any matters that are not in the audit reports; or
- Recommend what course of action MedCo should take.

2) **Decision Letter** – The MedCo audit team takes its instructions, for each ME on any follow-up work required (e.g., on open recommendations) and/or rights to re-audit, from MedCo. MedCo's decision and any next steps required will be set out in detail in the Decision Letter sent to the ME.

3) **Recommendations Follow-Up Work** – Unless a ME is suspended, the MedCo audit team will follow-up with MEs to ascertain the extent to which open recommendations have been implemented. This will be done in line with MEs' specified completion dates and any deadlines set by MedCo, as set out in the Decision Letter. The onus and responsibility are on the ME to submit evidence of implementation and not for the MedCo audit team to chase for it. The level of evidence required to close a recommendation depends upon the RAG rating for each individual recommendation e.g.:
    a. Green rated: A statement from the ME that it has addressed the point may be sufficient;
    b. Amber rated: Evidence of implementation is required, including the supporting data; and
    c. Red rated: As amber-rated, except that the extent of change might be so significant that an on-site visit is required. This will depend upon the circumstances of each recommendation.

The MedCo audit team will inform MedCo at periodic intervals of the MEs' progress in addressing its recommendations on an exception basis. Unless MEs receive confirmation that specific audit recommendations are closed, they should be considered open.

Where a ME has multiple audit recommendations outstanding by their stated due dates, the MedCo audit team may request updated responses from the ME to accompany the MedCo audit team's status summary for MedCo.

4) **All Follow-Up Work (except Recommendations)** – On an exception basis, MedCo may instruct further work to be completed by the MedCo audit team at any point in the audit process once the final report has been issued, including prior to issuing the Decision Letter. The need for any further work, together with its nature and scope, is at the discretion of MedCo and is specific to the individual ME's circumstances. Examples include where:

- A ME has committed in its final audit report to implementing its recommendations and has subsequently provided evidence of this, which includes sufficient ambiguities that the MedCo audit team and/or MedCo is uncertain whether the recommendations can be closed or not;
- A ME asserts repeatedly that the MedCo audit team has ignored evidence, used the wrong data or misinterpreted the data. Upon re-assessment of the disputed evidence/data, the implications of any errors that are material to the assessment on either side are, if the ME is proved:
  - Correct, the MedCo audit team will revise its final audit report accordingly; or
  - Incorrect, the ME's assertions will be dismissed by MedCo, which may also query the ME on its understanding and ability to meet the evidence requirements for the audit.
- In the opinion of the MedCo audit team and/or MedCo, a ME is believed to have either withheld material information or made materially incomplete, inaccurate or misleading statements in its responses to recommendations. Such facts may only arise after the final audit report has been issued e.g., during the audit of another expert, administrative agency, MRO etc. with which it has more connections than it disclosed.

The MedCo audit team will report back to MedCo in the format that it considers appropriate for the query raised (e.g., formal report, verbal update, email, memo or as part of a general audit update paper to MedCo). Where the MedCo audit team produce any additional formal reports post the final audit report that introduce any significant new information to that in the final audit report, a draft version will be provided to the ME for comment in the same manner as the ME was able to comment on the draft audit report.

5) **Re-Audit** – In circumstances where a ME accepts MedCo's offer of a re-audit, it must notify Medco Enquiries of this and not the MedCo audit team. Once received, the MedCo audit team will schedule the re-audit for the next available time slot, subject to any minimum waiting periods set out in the Decision Letter. Should the ME subsequently wish to defer the re-audit, it may do so at any time up until the re-audit commences.

8. Escalation Process

The basis for any escalation of an audit decision by a ME is to disagree with the decision taken by MedCo. That decision will be taken in accordance with the applicable User Agreement(s). The decision will be taken based on the information in the final audit report. Any progress made by the ME since the audit is irrelevant to the escalation.

A representative of the MedCo audit team may be an attendee at stage 1 or stage 2 escalation meetings at the request of the MedCo representative who will be meeting with the ME.

The role of the audit attendee is to assist in clarifying:

- Any factual matters about the evidence used in the audit, should the ME query details;
- How the applicable User Agreement(s) and the MedCo Rules were interpreted for the audit report, should the ME query their application;
- How objectively the audit process was conducted, should the ME query this;
- Whether evidence provided by the ME with their responses to the draft audit report was sufficient for any open recommendations in the final audit report to have been stated as "closed-implemented" instead;
- The validity and significance of any "new" evidence introduced by the ME at the escalation meetings i.e., that evidence existed at the time of audit but which:
  - Had not previously been provided to the auditors during the audit process;
  - Related to the data and processes in place at the point in time when the audit occurred; and
- The appropriateness of any ME assertions that have not been substantiated by evidence.

During the escalation process, the MedCo representative may request follow-up work be performed by the MedCo audit team. Such requests follow the same process as that set out in section 7 'Post-Audit', sub-section point 3 'Recommendations Follow-Up Work' and point 4 'All Follow-Up Work (except Recommendations)'.

If, during an escalation meeting on an audit decision, a ME sets out details of the improvements they have made since the final audit report was issued, then MedCo may take this as evidence that the ME was not compliant with the applicable User Agreement(s) and/or the MedCo Rules at the time of audit and therefore the decision made by MedCo was correct at the time that it was made.

9. Contact Us

Any queries about MedCo generally, or decisions about your audit outcome and applying for a re-audit, or registration on the MedCo Portal and becoming accredited should be directed to enquiries@medco.org.uk.