

Compliance

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Areas of Compliance

- Medicare rules and regulations
- HIPAA
 - Patient privacy
 - Security of data
- Patient Identity Protection (FACTA)
 - Red-flag rules

Plan Relevance

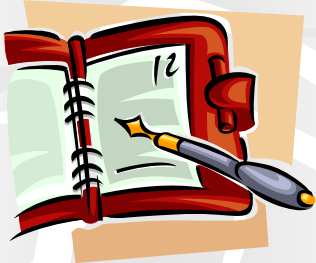
- The Compliance Plan is similar to guidance for HIPAA and FACTA
- All three should be included in the service’s policies, procedures and culture

What Are the Compliance Plan Objectives?

“Compliance efforts are designed to establish a culture that promotes prevention, detection and resolution of instances of conduct that do not conform to Federal and State law, and Federal, State and private payor health care program requirement.”

--The OIG’s Compliance Program Guidance for Third-Party Medical Billing Companies

The Plan Formalizes the Objectives



Compliance Plan Benefits

- Effective internal controls
- Improved documentation
- Improved collaboration
- React quickly & effectively to concerns
- More efficient communication
- Demonstration of commitment
- Accurate assessment
- Identification and prevention of problems

Compliance Plan Benefits

- Centralized information distribution
- Encouragement of reporting
- Prompt, thorough investigation
- Improved relationship with payers
- Early detection reducing penalties
- Operational enhancements

7 Compliance Program Elements

- 1) Written standards of conduct, policies and procedures
- 2) Chief compliance officer and committee
- 3) Regular, effective education
- 4) Process to receive complaints and protect anonymity

7 Compliance Program Elements

- 5) System to respond to allegations and enforcement of disciplinary action
- 6) Use of audits and/or other risk evaluation techniques to monitor compliance
- 7) Investigation and correction of problems

Standards of Conduct

- Code of conduct
 - Organizational commitment to compliance
 - Mission, goals, and ethical principles
 - Promote integrity and professionalism
 - Reflect commitment to high quality, accurate, timely, and valid health care data submission

Policies for Risk Areas

- Billing for items or services not actually documented
- Unbundling
- Upcoding
- Inappropriate balance billing
- Inadequate resolution of overpayments
- Lack of integrity in computer systems
- Computer software that encourages improper data entry

Policies for Risk Areas

- Failure to maintain confidentiality
- Misuse of provider identification numbers
- Duplicate billing
- Failure to properly use modifiers
- Billing company incentives that violate anti-kickback statute
- Routine waiver of copayments and billing third-party insurance only

Policies for Risk Areas

- Discounts and professional courtesies
- Internal coding practices
- “Assumptions” coding
- Coding without proper documentation
- Billing for services provided by unqualified or unlicensed personnel
- Availability of all necessary documentation at the time of coding
- Employment of sanction individuals

Claims Submission

- Written policies for:
 - Documentation prior to billing
 - Documentation supports claims
 - Diagnosis and procedures based on medical record
 - No financial incentives to improperly upcode claims

Claims Submission

- Written policies for:
 - Pre- and post-submission of claim reviews
 - Accurately represent services provided
 - Conform to coverage criteria

Credit Balances

- Timely identification and resolution
- Written policies
- Designated individual
- Monthly review by manager

Integrity of Data System

- Regular back-ups
- Complete and accurate audit trail
- Mechanism to prevent contamination from outside parties
- Protection from unauthorized access

Retention of Records

- Policies for:
 - Creation
 - Distribution
 - Retention
 - Storage
 - Retrieval
 - Destruction

Performance Plan & Compliance

- Factor in evaluating employees
- Managers...
 - Discuss with supervised employees and contractors
 - Inform employees of conditions of employment
 - Disclose disciplinary actions
- Managers will be sanctioned

Compliance Officer

- Reports to governing body
- Responsibilities
 - Oversees and monitors program
 - Regular reports
 - Revises program
 - Insures employees understand standards of conduct

Compliance Officer

- Responsibilities (continued)
 - Develops educational programs
 - Ensures that employees are not sanctioned
 - Coordinates internal review and monitoring activities
 - Investigates matters relating to compliances

Compliance Officer

- Responsibilities (continued)
 - Develops policies to encourage reporting of improprieties
 - Continue the momentum of the program
- Must have authority to access all records
- Full authority to stop claims processing

Compliance Committee

- Support compliance officer
- Assist in developing policies and procedures
- Analyze environment
- Develop standards of conduct
- Monitor program performance

Training and Education

- Initial training in compliance
 - Statutes, rules and regulations
 - Payor policies
 - Standards of conduct
 - Risk areas
 - Coding and billing training
- Continuing education

Other Program Components

- Access to compliance officer
- Reporting of concerns
- Anonymity of reporters
- Enforcing standards through discipline
- Background check of new employees

Auditing and Monitoring

- Internal and external audits
 - Kickback arrangements
 - Coding practices
 - Claim submission
 - Reimbursement
 - Marketing
- Minimum of annual reviews

Auditing and Monitoring

- Techniques
 - On-site visits
 - Testing billing, coding, field staff knowledge
 - Unannounced mock surveys, audits, and investigations
 - Examination of complaint logs
 - Checking personnel records

Auditing and Monitoring

- Techniques (continued)
 - Interviews
 - Questionnaires
 - Documentation review
 - Trend analyses
 - Random account audits

Investigation and Resolution

- Detect problems
- Investigate allegations
- Take corrective action
 - Disciplinary action
 - Policy and procedure changes
 - Training
- Report violations

Evaluating the Plan

- Are components in place?
- Is the plan producing the desired results?
- Do audits show improvement?
- Are discovered problems linked with appropriate action?
- Are the people committed to compliance?

Evaluating the Plan

- Are inappropriate claims still being filed?
- Is there a culture of ethical behavior?
- Is the program supported at all levels?
- Could the organization withstand an audit?

Conclusion

- Compliance plans are mandatory
- An ineffective plan is worse than not having one at all
- Performance of the plan must be monitored
- A comprehensive compliance plan may mitigate penalties and sanctions if problems are discovered