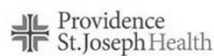
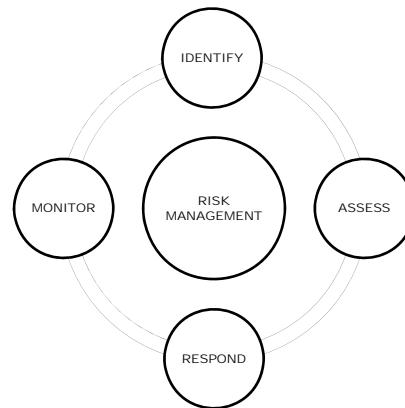


# Developing a Compliance Work Plan for Large Medical Groups

Tom Loughrey, MBA, CHC  
System Director of Compliance



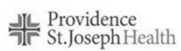
Lori Laubach, CHC  
Partner, Regulatory Compliance



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2

## Agenda

- Set the stage
- Goals of work plan
- How to establish a work plan
  - Risk Assessment
  - Sources
- Building the work plan
- Get buy in



3

## One of the Seven Elements

- Auditing and Monitoring
  - Ongoing evaluation process
    - Standards and Procedures
    - Claims submission



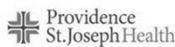
<https://oig.hhs.gov/authorities/docs/physician.pdf>



4

## Goals of a Work Plan

- Manages Risk
- Supports demonstrating an effective the Compliance Plan
- Budgeting
- Board buy-in and endorsement
- Creates an audit plan and priorities
- Establishes a Calendar



5

## Who Cares About Your Work Plan?



- The Board
- Physicians
- Employees
- Health plans
- Affiliated entities (IPAs, ACOs, etc)
- Hospitals
- Patients
- Your liability insurance carrier
- Regulators (federal and state)



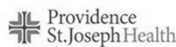
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Office of  
*Inspector*  
General

## AHLA AND OIG compliance Guidance for Boards

- Does the compliance program address the significant risks of the organization?
- How were those risks determined and how are new compliance risks identified and incorporated into the program?
- How is the Board kept apprised of significant regulatory and industry developments affecting the organization's risk?
- How is the compliance program structured to address such risks?

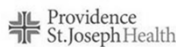


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So Who Is Involved?  
**Everyone is! To  
varying degrees of  
course.**

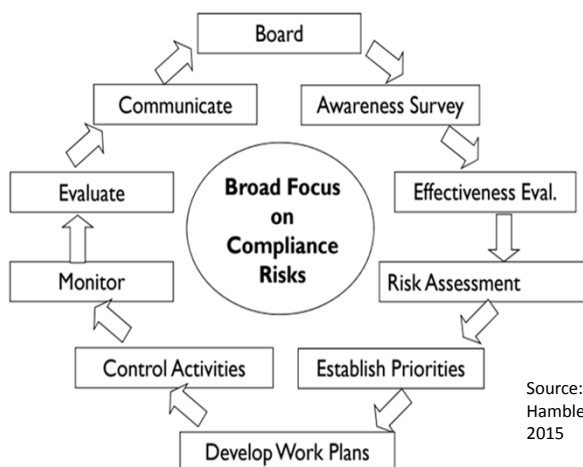


Source: Margaret  
Hambleton April 2015



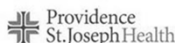
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## The Work Plan Development Process



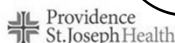
Source: Margaret Hambleton April 2015

[http://www.hcca-info.org/Portals/0/PDFs/Resources/Conference\\_Handouts/Compliance\\_Institute/2015/201print2.pdf](http://www.hcca-info.org/Portals/0/PDFs/Resources/Conference_Handouts/Compliance_Institute/2015/201print2.pdf)



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## MANAGING RISKS IS A CONTINUOUS PROCESS



10




**Identify**

## IDENTIFY COMPLIANCE RISKS – WHAT?

- Start with your organization's strategies and key initiatives
- Draw on your experience
- Consider regulations, policies, procedures
- Evaluate the OIG work plan, audits and enforcement activity
- Consult requirements of other federal and state agencies OCR, OHRP, FDA, OSHA
- Review auditing and monitoring results, prior risk assessments, reports

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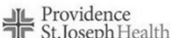

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**Identify**

## IDENTIFY COMPLIANCE RISKS – HOW?

- Evaluate how data mining, predictive analytics and cross-jurisdictional intelligence might impact you
- Consult your colleagues
- Benchmark with peers
- Survey employees, key stakeholders, vendors
- Conduct individual interviews
- Convene focus groups and brainstorming sessions
- Convene content groups

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12




**Identify**

## Awareness Survey

- Helps address structural elements of your compliance program
- Companion to Effectiveness Evaluation
- Provides helpful information about dissemination of your program to staff

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**Identify**

## Other Sources of Risks

- The OIG Work Plan is just a starting point – search for your specialty in other federal reports and keep current in your reading  
<http://oig.hhs.gov/newsroom/whats-new/>
- Keep in touch with your specialty societies that follow regulatory changes
- Search your Contractor website and newsletters for updates and changes in your contractor policy

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**Identify**



**REPORT FRAUD**

U.S. Department of Health & Human Services

**Office of Inspector General**  
U.S. Department of Health & Human Services

Home • FAQs • FOIA

About OIG Reports & Publications Fraud Compliance Recovery Act Oversight

Home > Reports & Publications

**Reports & Publications**

Reports and Publication by Type


- Office of Audit Services
- Office of Evaluation and Inspections
- Health Care Fraud and Abuse Control Program Report
- Semiannual Reports to Congress
- Medicaid Integrity Reports
- Top Management & Performance Challenges
- Compendum of Priority Recommendations
- Strategic Plan
- Work Plan
- Portfolio and Other Reports
- Freedom of Information Act (FOIA)
- Federal Register Notices
- Regulatory Authorities
- OIG Budget
- Recovery Act Oversight Reports
- Recovery Act-related Audit and Inspection Reports

**OIG Website**

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**Identify**



Español | A A | Print About Us | Glossary | CMS.gov | Medicare.gov | MyMedicare.gov Login

**Medicare.gov** | Physician Compare

The Official U.S. Government Site for Medicare

Physician Compare Home About Physician Compare About the data Resources Help

Physician Compare Home Share

Find physicians and other health care professionals Find group practices Search another way

A field with an asterisk (\*) is required.

\* Location \* What are you searching for? ⓘ

ZIP code/City, State/Address/Landmark Doctor last name or specialty or medical condition Search

Additional search options >

<https://www.medicare.gov/physiciancompare/search.html>

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# Identify

## Public Data from Private Sources

ProPublica data – see what public information is available for your practice

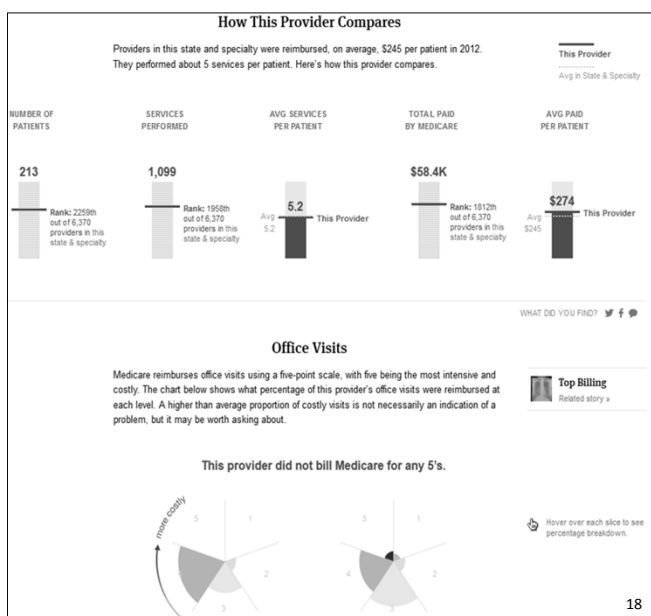
<https://projects.propublica.org/docdollars/doctors/pid/90173>



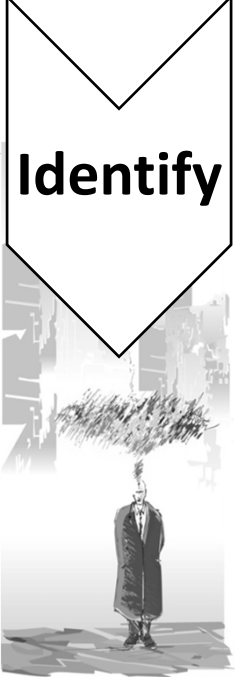
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# Identify

<http://projects.propublica.org/treatment/>





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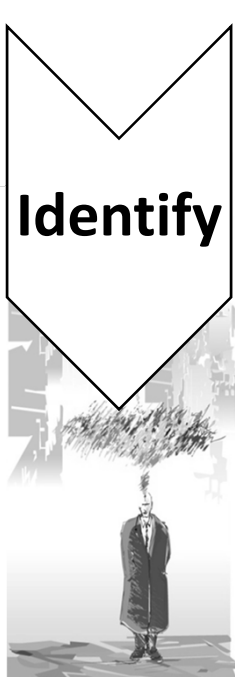


Identify

## IDENTIFY COMPLIANCE RISKS - **ASK**

- What is changing?
- What is new?
- What's gone wrong in the past?
- What can go wrong in the future?
- Where are you most vulnerable?
- Where is the greatest exposure?
- What keeps you up at night?





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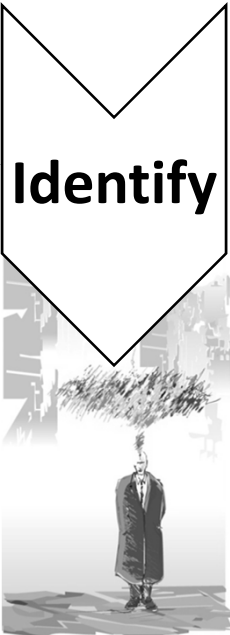


Identify

## Examples of Potential Risks



- High volume providers with high levels of coding
- Exclusion checks – missing documentation
- Required training for Medicare Part C/D plans
- Advance Beneficiary Notice (ABN) documentation
- “Incident-to” billing – supervision requirement and appropriate mid-level provider
- Hotline investigation and resolution

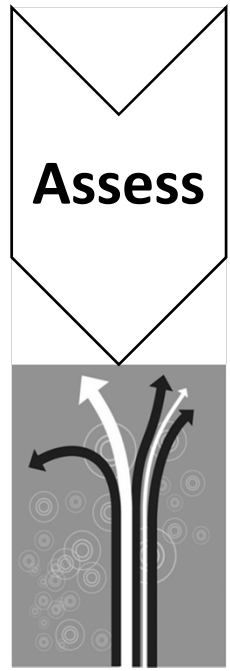


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## Examples of Potential Risks

- High volume of Medicare credit balances (possible false claims liability)
- Unresolved Conflict of Interest issues
- Regulatory issues for non-discrimination notices
- Additional Documentation Requests (ADRs)
- Place of Service Issues (POS)





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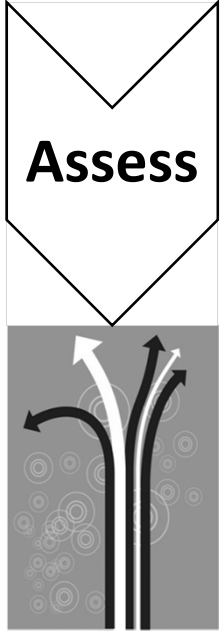


## ASSESS AND PRIORITIZE IDENTIFIED COMPLIANCE RISKS

- Evaluate risks on the **likelihood** that an adverse event will occur
- Types
  - Experimental
  - Commercial
  - Ranking
    - Rank risks - High, Medium, Low
    - Rank risks quantitatively – example below

ILLUSTRATIVE LIKELIHOOD SCALE		
Rating	Descriptor	Definition
3	Frequent	▪ > 50% chance of occurrence
2	Possible	▪ > 10% up to 50% chance of occurrence
1	Unlikely	▪ < 10% chance of occurrence





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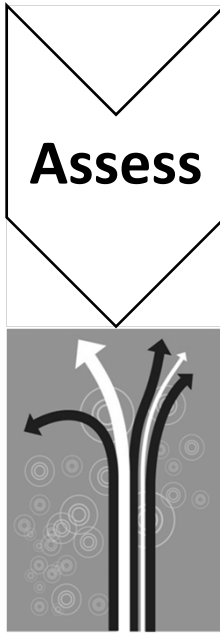


## ASSESS AND PRIORITIZE IDENTIFIED COMPLIANCE RISKS

Quantify the **magnitude** of the impact on your organization if the event did occur



ILLUSTRATIVE IMPACT SCALE		
Rating	Descriptor	Definition
3	Major	<ul style="list-style-type: none"> <li>Financial loss of &gt; \$1 million</li> <li>Significant prosecution, fines or litigation</li> <li>Corporate integrity agreement, federal exclusion</li> <li>Game-changing loss of market share, loss of major donor support</li> <li>Multiple senior leaders leave</li> </ul>
2	Moderate	<ul style="list-style-type: none"> <li>Financial loss &gt; \$500 thousand to \$1 million</li> <li>Prosecution, fines or litigation</li> <li>Report to regulator with immediate correction to be implemented</li> <li>Loss of market share and donor support</li> <li>Major staff morale problems and increased turnover</li> </ul>
1	Minor	<ul style="list-style-type: none"> <li>Financial loss of &lt; \$500 Thousand</li> <li>Fines or refunds required</li> <li>Reportable incident to regulator with no follow up required</li> <li>Little impact on market share or donor support</li> <li>General staff morale problems and turnover</li> </ul>

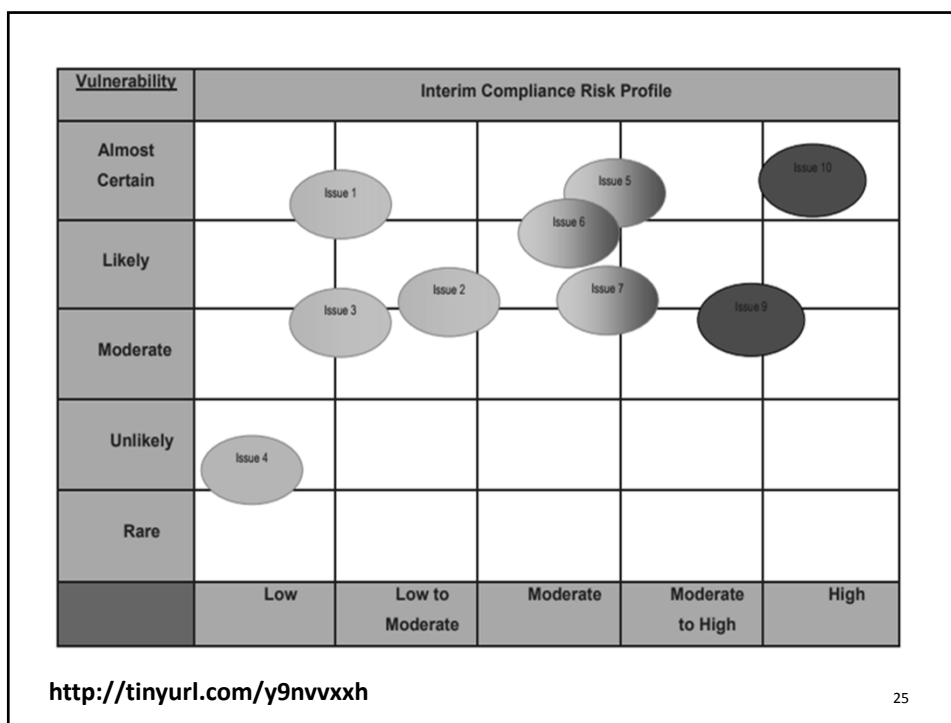


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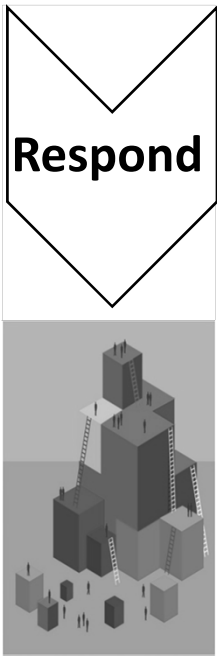


## Incorporating the Risk Assessment

- Risks identified and prioritized
  - High risk is costly to the practice with a high likelihood of occurrence (Impact and vulnerability)
- Controls
  - Policies and procedures
  - Education and training
  - Audits
  - Quality assessment
  - Management approvals
  - Other





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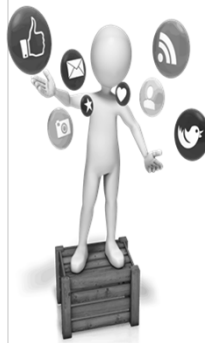
## RESPOND TO RISKS

- Transfer
- Avoid
- Reduce
- Accept
- Monitor
- Audit

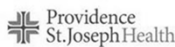
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## Monitor



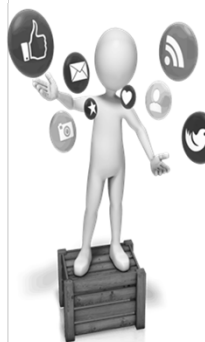
### The Audit Plan – A Key Element of the Annual Work Plan

- Internal v. External audits
  - A matter of cost and available resources
  - Advantages and Disadvantages to both
- Ongoing versus Risk
- Audit plans typically show current status
  - Repeat audits may show trends and reflect efforts of corrective action plans
- Audit design is critical
  - What do you really want to know? Will the results be actionable and reflect the degree of risk?



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## Monitor



### Audits: Internal vs External

- Compliance plans typically mandate audits to test compliance
- Most often the quantity and quality of audits depends on resources
- Audit planning starts with budget planning
- Largest practices may have internal audit teams but many practices will need some audit support from external sources
- Good articles on Internal vs External
  - <https://www.linkedin.com/pulse/8-differences-between-internal-external-audit-david-lewis/>
  - <http://www.beckersasc.com/asc-coding-billing-and-collections/10-reasons-you-should-consider-external-audits.html>
  - [https://www.aan.com/uploadedFiles/Website\\_Library\\_Assets/Documents/3.Practice\\_Management/1.Reimbursement/1.Billing\\_and\\_Coding/7\\_Audits\\_RAC/internal.pdf](https://www.aan.com/uploadedFiles/Website_Library_Assets/Documents/3.Practice_Management/1.Reimbursement/1.Billing_and_Coding/7_Audits_RAC/internal.pdf)



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## Monitor



### Building the Work Plan

- Not the same as the compliance plan
- The work plan implements elements of the compliance plan
- Ability to track back to the compliance plan for authority and relevance
- The work plan should be reviewed and approved by the compliance committee

## Monitor




### Work Plan Elements

Definable goal

*By 12/31/18 all providers will meet 90% billing accuracy goals based on CMS Guidelines*



- S – Specific
- M – Measurable
- A – Attainable
- R – Relevant
- T – Time-Based
- Milestones/Scheduling
- Resources
- Tracking




**Monitor**

## Other examples

- All senior management and physician leaders will complete COI surveys including reviews
- All policies and procedures will be reviewed no less than annually
- Physician recruitment agreements will be reviewed and approved by senior management prior to implementation
- All employees and physicians shall complete CMS required training prior to year end



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**Monitor**

## Other examples

- All employees and contractors will have monthly verification against exclusion lists per Medicare Part C sponsor agreements
- Perform audit of I-9 forms by mid-year
- Perform audit of ABN forms on file by end of Q1
- Verify current status of all off-shore vendors annually

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## Monitor



## Awareness Survey

*Keep it Short and Simple*

- Consider multiple deployment methods
- Typical areas of inquiry
  - Do employees know who the Compliance Officer and Compliance Staff are?
  - Do employees know how to find the Standards of Conduct and Compliance Policies?
  - Do employees know how to report Compliance concerns?
  - Do employees trust that if they report a concern it will be addressed?
  - Do employees think their co-workers, supervisor, and organization leaders act with



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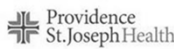
## Monitor



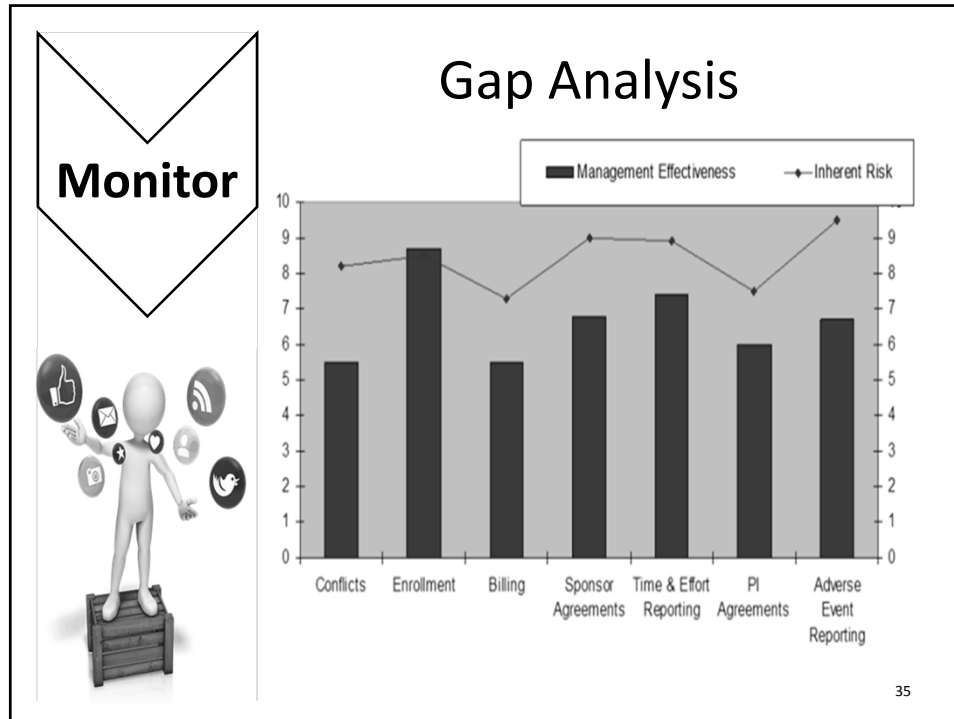
## Effectiveness

What do you measure?

- Eight elements
  1. Authority
  2. Policy and Procedures (including Standards of Conduct)
  3. Training and Education
  4. Reporting
  5. Auditing and Monitoring
  6. Response and Prevention
  7. Enforcement
  8. Risk Assessment and Work Plan Development



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## Stakeholder Engagement

- Include key stakeholders in Effectiveness Evaluation and Risk Assessment process
- Alignment with operational priorities and strategy
- Consider burden and benefit
- Use your experts
- Communicate Plan and Progress
  - Governing Body
  - Executive Leaders
  - Compliance Committees
  - Departments helping you or doing the work




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## Questions?



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## Thank you!

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