

Self-Audits: Are You Looking at the Right Data?

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Today's Topics:

Planning the work: How do we decide where to audit?

Leveraging your resources: What do we really need?

Process and methodology: How much is too much?

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The Importance of a Self Audit

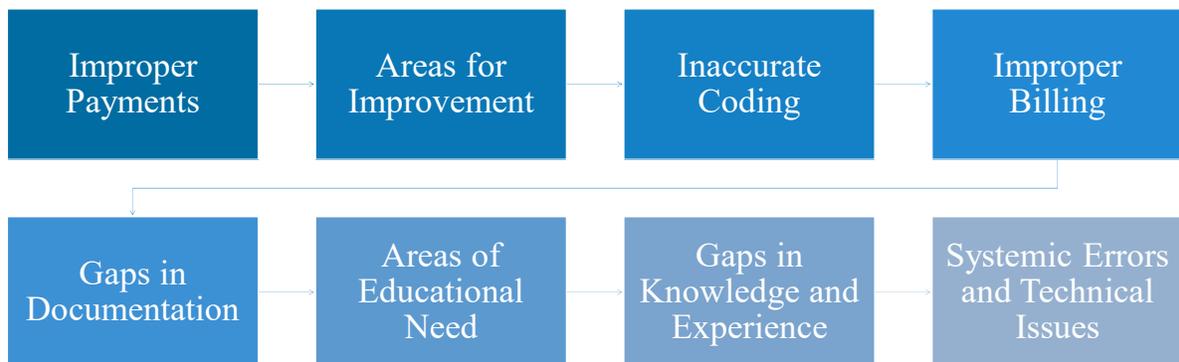


- There are many good reasons to perform self-auditing. CMS defines a self audit as an audit, examination, review, or other inspection performed by and within a physician's or other health care professional's business.
- CMS also promotes the self audit as an ideal approach to assessing, correcting, and maintaining controls to promote compliance with applicable laws, rules, and regulations.
- The Office of Inspector General (OIG) lists internal monitoring and auditing as one of the seven elements of an effective compliance program.
- Auditing provides opportunities to make remediations and change practices before minor errors become major issues.

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What a Self Audit Can Identify



Centers for Medicare and Medicaid Services. Self Audit Snapshot. <https://www.cms.gov/Medicare-Medicaid-Coordination/Fraud-Prevention/Medicaid-Integrity-Education/Downloads/ebulletins-self-audit.pdf>

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The Benefits of a Self Audit

- Reduce the odds of improper payments.
- Reduce the potential for fraud, waste and abuse.
- Reduce errors and mistakes.
- Allow for education and training to correct identified concerns.
- Improve documentation.
- Lower the risk from an external audit.
- Risk identification and management.

OIG. Compliance Program for Individual and Small Physician Group Practices. <https://oig.hhs.gov/authorities/docs/physician.pdf>

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Planning the work: How do we decide where to audit?

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Where to Start the Audit Process



Risk Assessment



CMS Reports (Comparative Billing, Improper Payment Rates, PEPPER, etc.)



Risk Identification



Industry Reports and Areas of Interest



The OIG Work Plan



OIG Reports and Findings

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Consider the Risks...

Existence

Does a risk exist?

Will the audit provide meaningful impact to the organization?

Which compliance risks pose the greatest threat to the organization?

Significance

Does the risk matter?

Understand the difference between compliance versus operational or business risk.

Prioritize low, medium and high risks.

Materiality

How much does the risk matter?

What is the impact to the organization?

Are there other issues impacted by the risk?

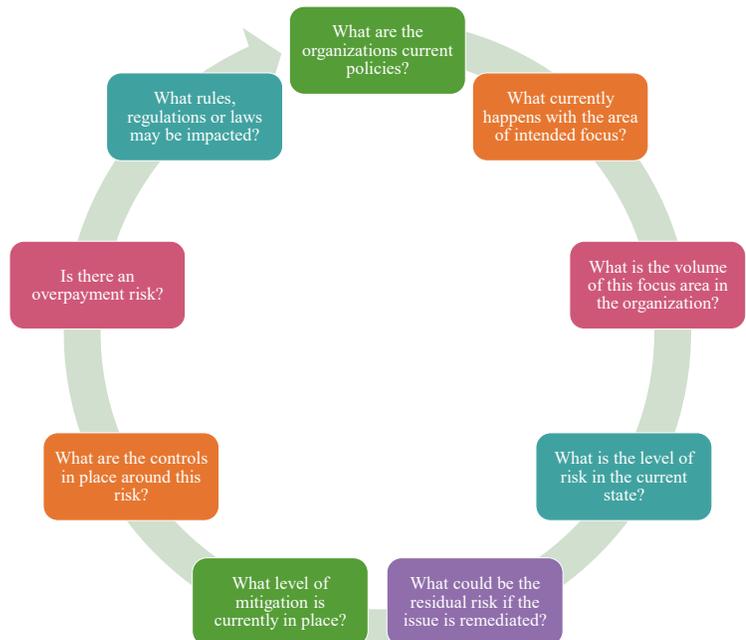
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Narrow the Focus

- Coding
- Billing
- Documentation (billing)
- Provider Documentation (clinical)
- Payments
- Provider Status
- Consents and registration documents
- Business Agreements
- Privacy
- Conflicts of Interest
- Exclusion Checks



Understand the Current State



Consider the Criteria of the Audit

- Unless performing a baseline audit for an overall accuracy result, try to keep the audit testing attributes narrowed to the key attributes required.
- Determine the time frame – concurrent or retrospective?
- Having too broad of an audit scope may cause the organization to lose sight of the purpose.
- Having too few audit testing attributes may narrow the scope too much and prevent the sampling from being significant enough to yield results.
- Shape the focus chosen and sketch out the specific result desired.
- List out the specific testing attributes required to audit.
- Determine the sample sizing. There is no official standard, the OIG makes a recommendation of 5 or more records per federal payor or 5 – 10 per physician. For larger practices, the recommendation is that a larger sample will provide more accuracy in determining the error rate. There is no set number, but generally 40 to 60 for an initial sample is considered acceptable.
- Define what the accuracy rate of the audit will be based on.
- Define what will be considered passing, and what will be considered insufficient.
- Keep in mind industry standards for audit scoring and frequency.

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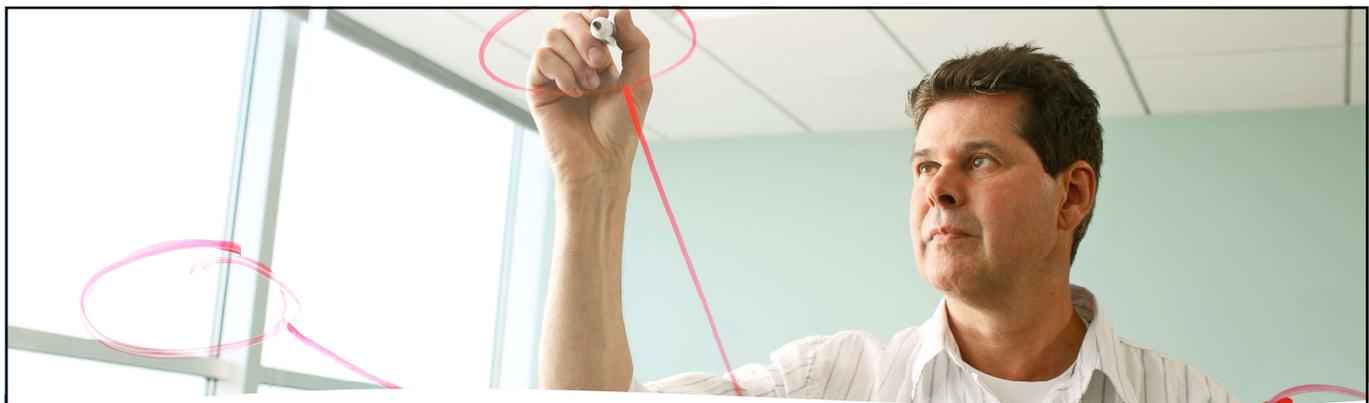
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The Answer is in the Data

- If there is still uncertainty around the area intended for self-audit, perform some initial homework to get comfortable with the data.
- List out the specific testing attributes required to pull an effective sample for auditing and run the reporting to determine if adequate volumes exist.
- If there is too little or too much data, consider refining filters to only those necessary to obtain a valid sample.
- If there is still too little data to provide a meaningful sample, review the risk chart again, and consider whether the value of the audit is worth the resources required.

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Potential Red Flags

Numeric values that do not make sense, are overinflated or low.

Duplicative claims, coding and charges.

Lack of contracts or agreements.

Contracts with potential conflicts.

Missing consents.

Lack of recent exclusion checks.

Multiple records for the same patient.

Missing data, gaps in the records, lack of information.

Too many zeros.

Excessive number of corrections, adjustments or edits to a claim



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Leveraging your resources: What do we really need?

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Location Matters

Can the Audit be performed via Desktop Audit?

- Are the records electronic?
- Does the staff have access to the EMR, policy data base, documentation, billing documents, clearing house, etc.?
- Will the remote aspect impact the outcomes?
- Where are the documents housed?

Will someone need to travel to a physical location for the Audit?

- Are the records on paper?
- Does the onsite staff have the space and ability to house the auditing staff during the audit?
- Can the records be scanned to the audit team?
- Is there a budget allocated for travel?

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Accountability and Roles

Determine who is accountable for specific responsibilities. Ensure that the right team members are engaged in the work and understand the responsibilities.

Ensure that collaboration between business partners takes place to receive the appropriate information necessary to perform the audit.

Consider the credentials and training of the staff. Are the appropriate individuals engaged in the appropriate work?

Is there enough staff to cover the work?

Is there a contractor budget if needed?

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Technology and Data Needs

It is critical to ensure proper access is in place prior to beginning an audit. Failing to do so can result in delays and inaccurate results.

Start with verifying or requesting access to these systems for all involved audit staff:

- The medical record system/electronic medical record system.
- Billing and payment records.
- Coding records.
- Clinical documentation.
- Demographic and consent records.
- Policy management systems.
- Reporting systems and data bases.
- Reporting tools or the access to request reporting.
- Auditing Tools and tracking tools.
- Repositories for contracts and agreements.



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Support Communication

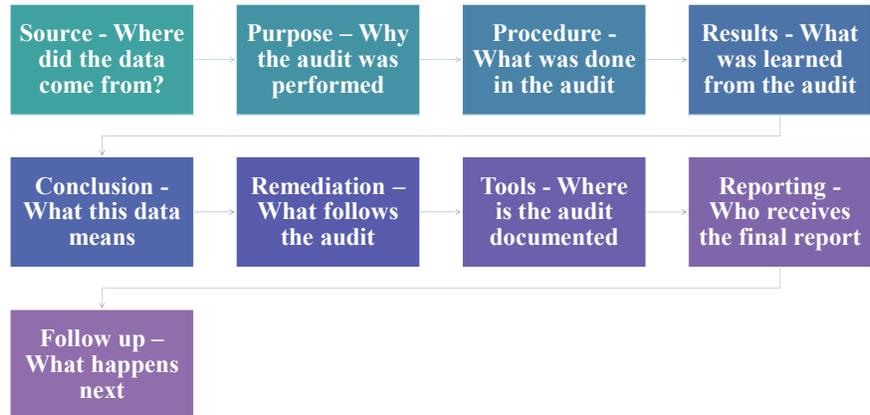
- The support of leadership is one of the most valuable resources to have.
- Communication is key. Engage stakeholders, leadership, business partners and other teams early in the process to avoid miscommunications or duplicating efforts with another team.
- Provide routine updates about the status of the audit, initial findings, and projected completion dates to ensure communication is consistent.
- Communicate when there is an issue, a delay in the process, or a barrier to be resolved.



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Resources to Document The Audit: Follow the W's



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Process and methodology: How much is too much?

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How Much is Too Much?

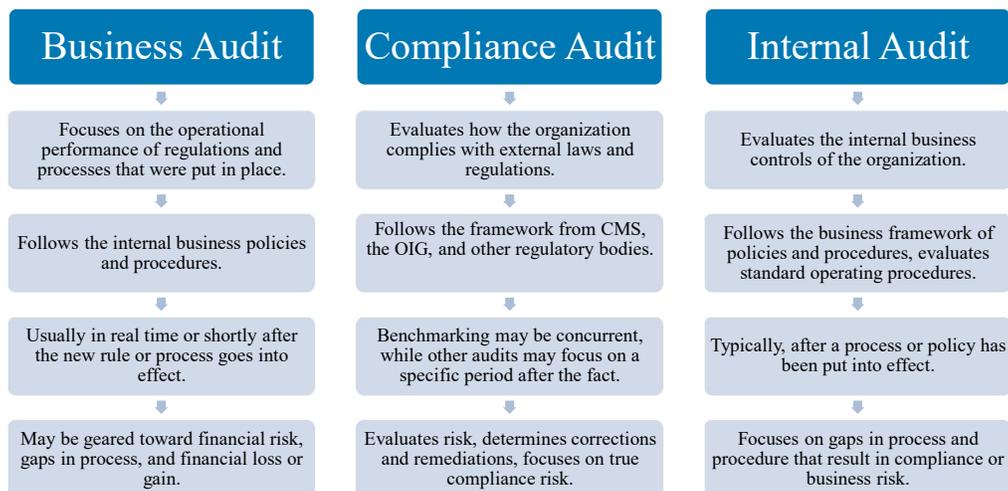
With anything, there is always a point when self-auditing may become too much of a good thing. Simple rules to incorporate into the audit planning:

- Don't take on more work than the resources allow for.
- Know when to stop and seek guidance from leadership.
- Know when to involve legal if needed.
- Focus on the right data.
- Stay in the Compliance lane.

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Compliance Audit versus Business Audit and Internal Audit



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Strike the Right Balance

- There is rarely a need to do a 100% self-audit unless the volume is very small, the resources are significant, or the government had instructed it.
- Otherwise, ensure the sample size is appropriate for the audit and the risk level.
- Stick to the key testing attributes.
- Keep the scope narrow and specific, when possible.
- If other issues are identified outside the scope of the audit, consider breaking into a new audit or review. Adding on new testing attributes may add delays and confusion to the intent of the audit.
- Ensure the appropriate number of resources and time is allocated to the audit.
- Take on only audits that are meaningful and prevent compliance risk.

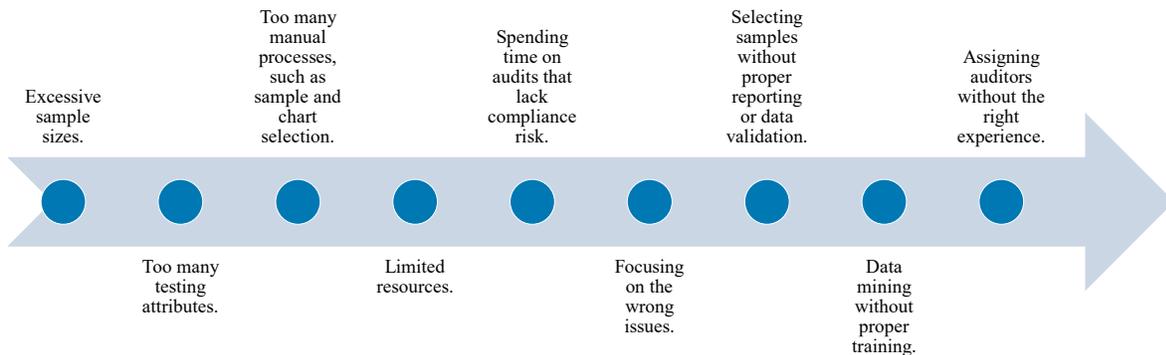


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Processes and Methodologies that Lead to Exhaustion



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Future Audit Planning



OIG. Compliance Program for Individual and Small Physician Group Practices. <https://oig.hhs.gov/authorities/docs/physician.pdf>

Final Thoughts, Questions?

Helpful Links and References

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THANK YOU!

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