3 Keys to Rock
Your Audit and Monitor Plan

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Disclaimer

> This presentation is not meant to offer medical, legal, accounting, regulatory, compliance or reimbursement advice.

> All sample documents provided are for informational purposes and should be reviewed and revised for your specific application.

> You should consult with your own experts when developing **programs** and policies.

> Opinions offered during this presentation are our own and not a representation of our employers or HCCA.
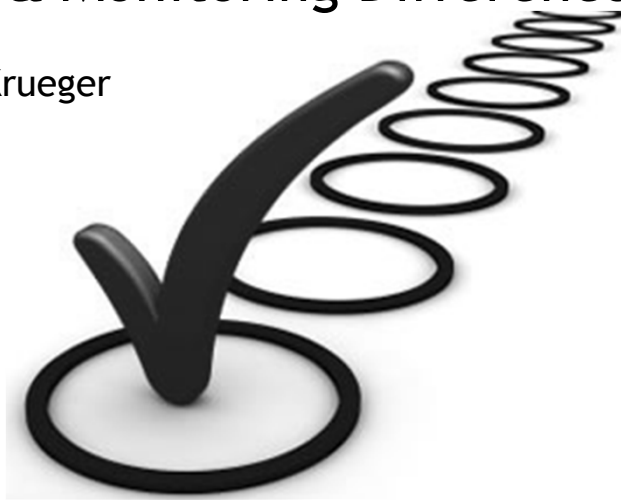
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See Wifi address on flip chart

Objectives, Getting to know you, Audit & Monitoring Differences

➢ Ruth Krueger

During this training we will be…

> Reviewing the importance of pre-audit preparation and decisions – including what to audit and what to monitor

> Covering tips on the value of collaboration, clarity of accountability, what to do with incidental findings and more

> Providing sample tools and the 3 key concepts that will help you get the job done

Where do you work?

> Healthcare system
> Hospital/Clinic
> Post Acute Care
> Industry
> Consultant
> Government
> Other

What is your role?

- Compliance Office
- Legal Counsel
- Internal Audit
- Vendor/Consultant
- Other

How long in your role?

- <1 year
- 1-5 years
- 6-10 years
- >10 years

Are you currently involved in the auditing or monitoring processes at your organization?
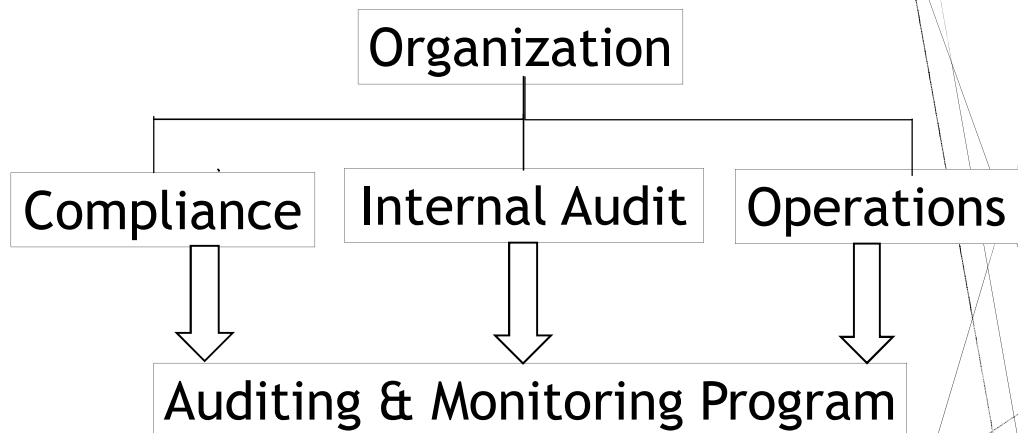
> Yes
> No
> NA

Across your organization, are the auditing and monitoring processes well defined & coordinated?

> Not at all
> Somewhat
> Absolutely
> I have no idea
> NA

Introduce yourself to your neighbor and share 1 expectation for this session…….

Identify Other Areas for Discussion

Organization

Compliance   Internal Audit   Operations

Auditing & Monitoring Program

OIG says………..

> "Monitoring and auditing provide early identification of program or operational weaknesses and may substantially reduce exposure to government or whistleblower claims. Although many assessment techniques are available, one effective tool is the performance of regular, periodic compliance audits by internal or external auditors."

http://oig.hhs.gov/compliance/compliance-guidance/docs/Health_Care_Directors_Compliance_Duties.pdf

Effective Compliance & Ethics Program

> Federal Sentencing Guidelines
>> Auditing & Monitoring
>>> Is there really a difference?

https://www.ussc.gov/guidelines/2015-guidelines-manual/2015-chapter-8

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Auditing vs Monitoring

Auditing
▶ Testing Output/Transactions/Items generated

Monitoring
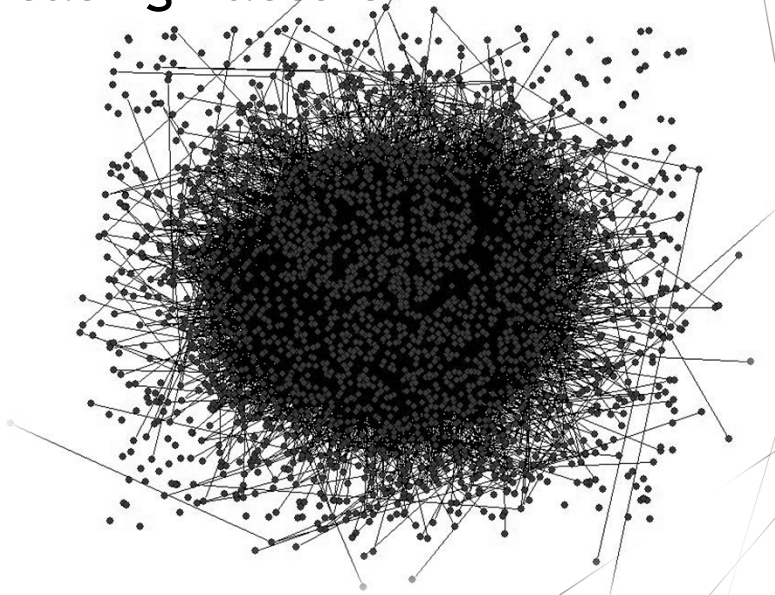▶ Analyze the flow/control of the business process

A&M is the backbone of your organizational risk assessment

What makes an effective A&M program?

Complicating Factors

Would you call this an Audit or a Monitor?

➢ Wound Clinic Director reviews real time all physician documentation to support skin substitute application.
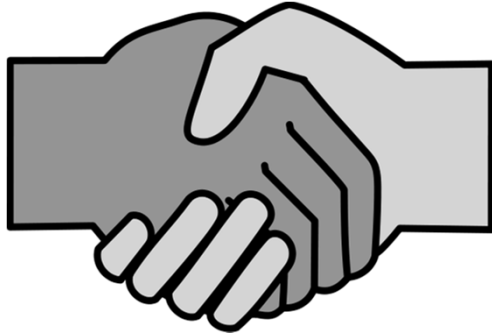
Audit or Monitor?

> Hospital Pharmacists monthly review of high risk drugs for J code CDM build, documentation of waste, smallest vial used, & units billed.

Audit or Monitor?

> Compliance Specialist reviews documentation to support infusion and injection codes billed.

Focus, Guidance, Collaboration, Accountability

➢ Cindy Matson

Where should we focus?

Identify risk areas

- ➢ OIG Compliance Guidance
- ➢ OIG Workplan
- ➢ DOJ activities
- ➢ CMS contractor activities
- ➢ Headlines
- ➢ Leadership input

Other considerations for risk areas

- ➢ New services or service lines
- ➢ New regulations
- ➢ Coding, billing or documentation changes
- ➢ Quality data accuracy and reporting
- ➢ Cyber security
- ➢ Human trafficking
- ➢ Data protection practices beyond HIPAA

Auditing & monitoring your compliance program

- ➢ Written policies & procedures
- ➢ CCO & compliance committees (oversight)
- ➢ Training & Education
- ➢ Open communication
- ➢ Well published disciplinary guidelines
- ➢ Auditing & monitoring
- ➢ Corrective action

Audit your auditing & monitoring program?

Risk assessment process

- ➢ Prioritization
- ➢ Risk Ranking Criteria
  - o Impact & Vulnerability

What does effective auditing and monitoring look like?

Evaluation of Corporate Compliance Programs
US DOJ, Criminal Division, Fraud Section

- ➢ Internal Audit
- ➢ Control Testing
- ➢ Evolving Updates

https://www.justice.gov/criminal-fraud/page/file/937501/download

Measuring Compliance Program Effectiveness: A Resource Guide
HCCA-OIG Compliance Effectiveness Roundtable

- ➢ Auditing and Monitoring Work Plan
- ➢ Audit Process
- ➢ Corrective Action Plan
- ➢ Auditors

https://oig.hhs.gov/compliance/101/files/HCCA-OIG-Resource-Guide.pdf

Collaborate

➢ Do not silo
➢ Take time to get input and inform
➢ Consider other initiatives and activities

Accountability

➢ What went right?
➢ What went wrong?
  o Root cause analysis
➢ Who owns "the fix?"
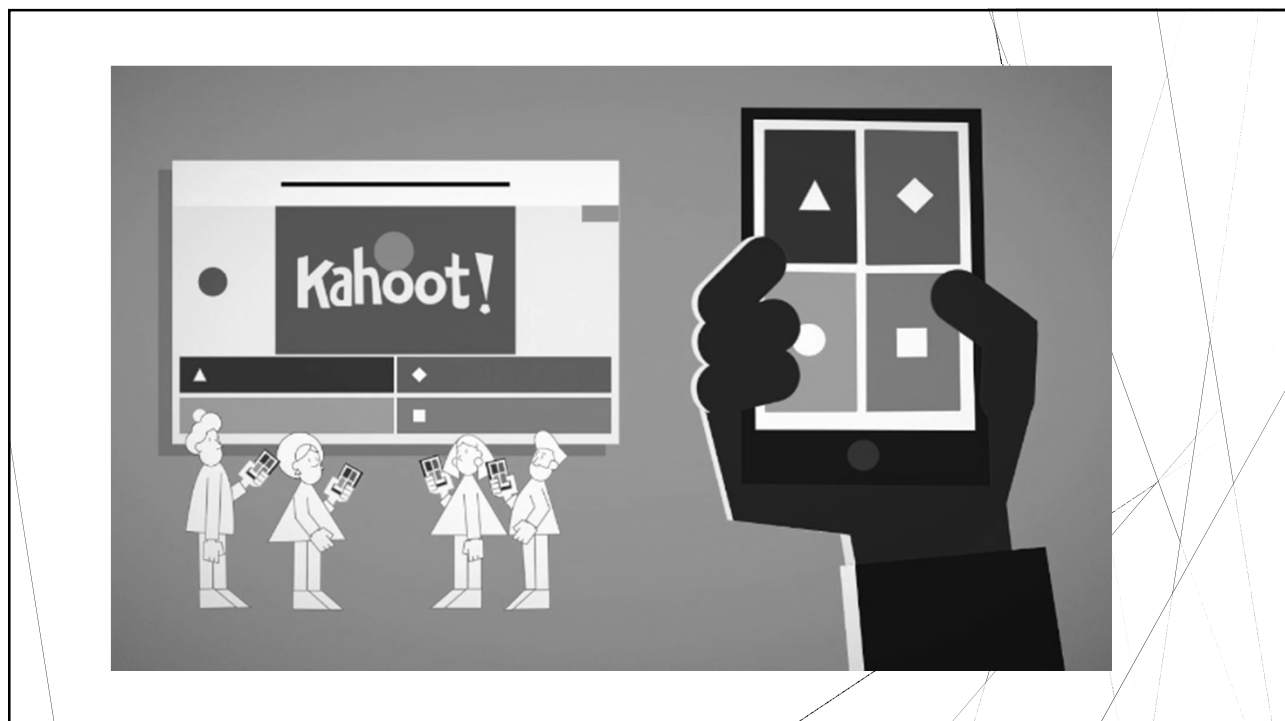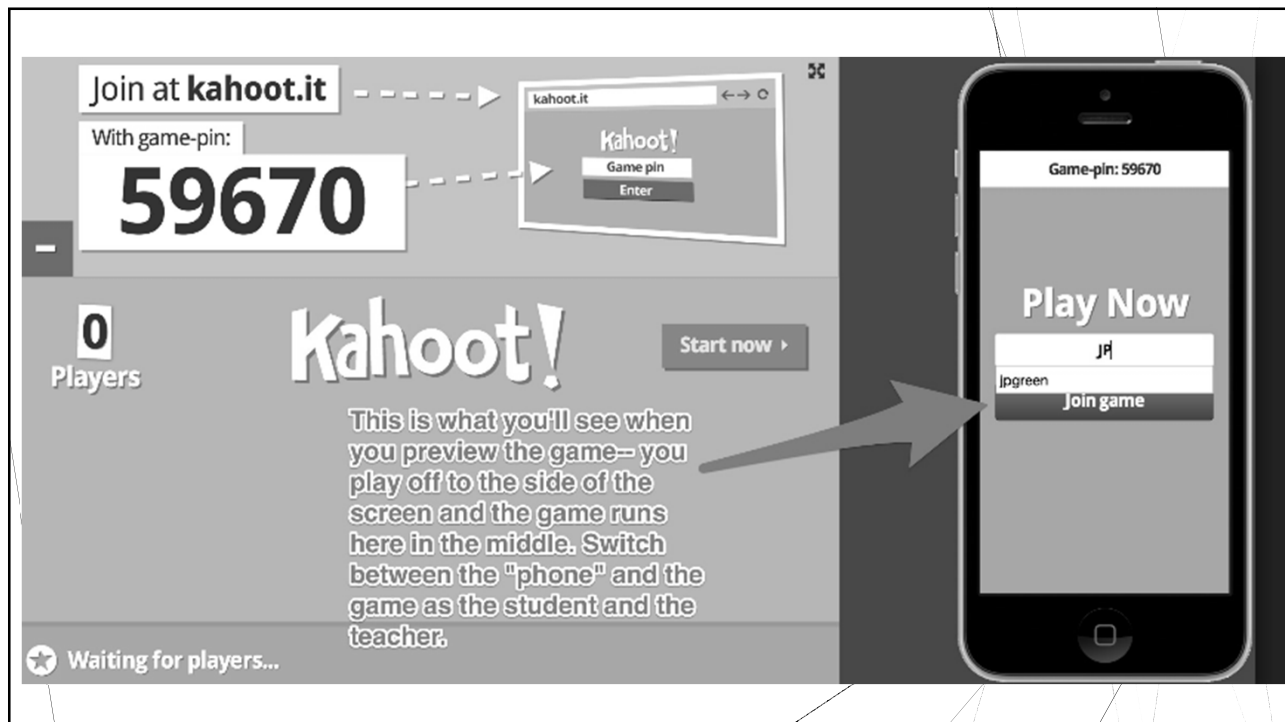➢ Create a team mentality for ultimate buy-in

Other Considerations

- Attorney client privilege
- Internal vs. External
- Audit vs. monitor
- Billing – patient EOBs and payment
- Where else might a problem exist?

Welcome Back!
Time for some fun!   Kahoot!

- Connect to Aria WiFi
- HCCA Password:
- Use your cell phone or mobile device and go to Kahoot.it
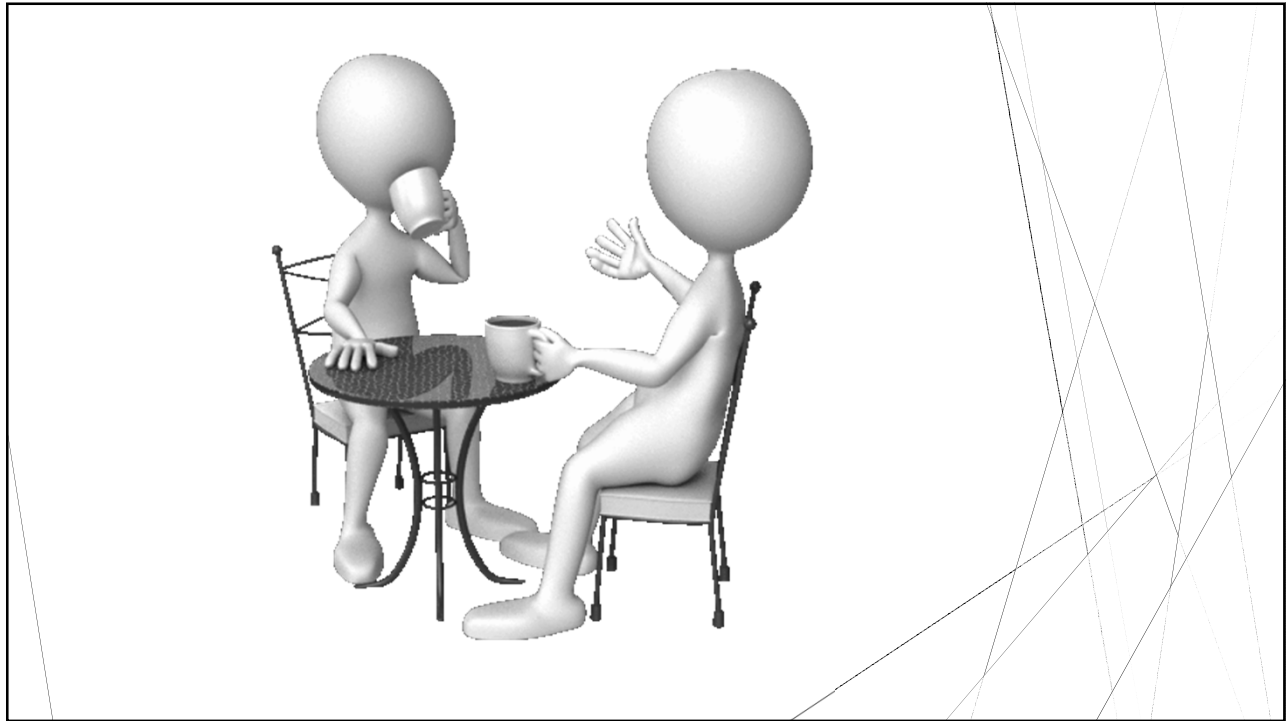
Preparation, Sample Tools, Corrective Action,

➢ Mary Jo Henne

Alone we are smart.
Together we are brilliant.
Steven Anderson

Group Activity

Scenario:

Last year, CMS mandated that claims for discarded drugs must be submitted using the JW modifier. Your facility implemented processes to ensure documentation supports drug wastage and JW modifier is billed appropriately. You have decided to conduct an audit to validate that documentation supports billing with JW modifier.

Describe general steps you would take for:

<u>Preparing</u>   <u>Auditing</u>   <u>Reporting</u>

Benefits of Audit Prep Work

Preparation

➢ Keys to auditing success
  o Consistency
  o Efficiency
  o Reduce errors

Preparation: Audit Planning-Background

- ➢ Describe issue
- ➢ Determine if attorney/client privilege needed
- ➢ Assign lead auditor
- ➢ Identify prior audits (internal/external)
- ➢ Research
- ➢ Operational input

Preparation – Scope & Methodology

- ➢ Determine audit focus
- ➢ Request data sources/query
- ➢ Prepare audit tool
- ➢ Internal sources for audit

Conducting Audit

➢ Initiate Audit Summary
➢ Validate data
➢ Test internal controls

Incidental Findings

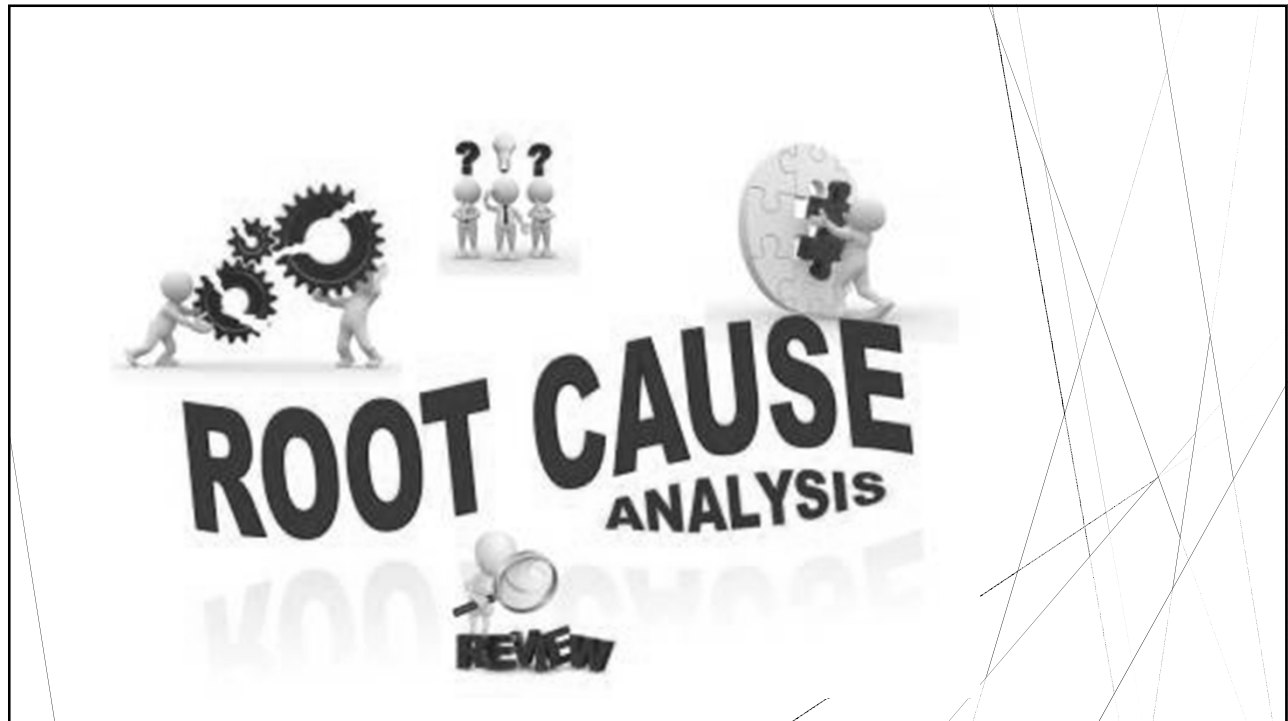> Addressing issues/concerns outside scope of audit

Probably not the best approach

Corrective Action Plan (CAP)

➢ Findings

➢ Corrective action requested

➢ Person responsible

➢ Due date

➢ Validation of completion

➢ Root Cause Analysis

Finding the Root Cause

1. Identify: Who should be on team?
2. Define: What is the problem?

***Remember: stick to the facts and no finger pointing

Finding the Root Cause (cont)

3. Analyze: what were contributing factors

- o Individual actions
- o Social factors
- o Systemic inadequacies or barriers

Finding the Root Cause (cont)

4. Prevent: What will be done?

5. Monitor: Was action plan effective?

Audit Reporting

➢ Report

 ○ What to include?

 ○ One report or multiple reports?

 ○ Who is your intended audience?

Thinking differently together

Group Activity

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What additional steps would you include?

Preparing   Auditing   Reporting

Monitoring

Monitoring

➢ What is focus of the monitor?

➢ Who will conduct monitor?

➢ How long will the monitor take place?

➢ Who are the recipients of results?

➢ Where will results of the monitor be stored?

Stories are the best teachers....

More stories……..

Closing questions or comments?

Thank you for your attention. Enjoy the rest of the conference....

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Ruth.Krueger@sanfordhealth.org