Assessing the Effectiveness of Your Program

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Johns Hopkins Health System

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Johns Hopkins Health System
Compliance Officer or CORF Operator ??????

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Presentation Objectives

• Brief Background on Our Respective Institutions
• Defining Effectiveness
• Assessing Effectiveness
• Questions and Answers

ABOVE ALL ELSE ➔ Keep it Interactive!!!
STRAUB CLINIC & HOSPITAL
Demographics

• Affiliate of Hawaii Pacific Health
• 159 Bed Acute Care Hospital
  – 3 Bed Burn Unit
  – 16 Bed Intensive Care Unit
  – 32 Bed Telemetry Unit
  – 108 Medical-Surgical Beds
  – Emergency Department
  – 5 Operating Rooms
More Demographics

- 160 Employed Physicians
- 9 Satellite Clinics
- Main Specialty Clinic
- % Medicare: 44%
- Annual Clinic Visits: 630,200
- Annual Admissions: 6,000
STRAUB CLINIC & HOSPITAL
Compliance Resources

• Compliance Officer-1.0 FTE
• Coding Auditing Staff
  – 5 FTE for Professional Coding
  – 2 FTE for DRG Coding
• Coding Staff
  – 10 FTE Physician Liaisons
STRAUB CLINIC & HOSPITAL Compliance Program

• Implemented January 1996 Using the OIG Model Compliance Plan for Hospitals
• Settlement of $2.4M with 5-Year CIA, August 1998
• CIA Revised in 2000
• Compliance Program Assessed Annually
Johns Hopkins Health System
Demographics

• Three Acute Care Hospitals – Two Academic and One Community
• Just Under 1,500 Licensed Beds
• Providing Over 20 Clinical Specialties
• More than 3,300 Affiliated Physicians
• Over 14,700 Employees
• Home Care, DME, Primary Care Sites, Risk-Based Contracting Orgs, TPA, etc.
Johns Hopkins Health System
More Demographics

- 890,200 Outpatient Visits Annually
- 73,900 Annual Discharges
- 25% of Gross Revenue from Medicare
- 18% of Gross Revenue from Medicaid
- Maryland is an All-Payer State and Holds a Waiver Exempting Maryland Hospitals from PPS Reimbursement
Johns Hopkins Health System
Compliance Resources

• Compliance Officer – 1.0 FTE
• Billing Compliance Officer – 1.0 FTE
• Coding and Reimbursement Specialist – 1.0 FTE
• Compliance Auditors RN – 3.0 FTEs
• Compliance Auditor – 1.0 FTE
Johns Hopkins Health System Compliance Program

- Began Implementing End of 1998
- Still Implementing
- Program Completely Voluntary
- Coordinate with Johns Hopkins University
Compliance Program Defined

A compliance program is a formalized set of business practices that are designed to prevent, detect and respond to business conduct that is inconsistent with Federal, State and local laws and/or company values.
Defining Effective

Webster’s defines “effective” as producing a decided, decisive, or desired result.

U.S. Sentencing Guidelines defines an “effective [compliance] program” as a “program that has been reasonably designed, implemented, and enforced so that it generally will be effective in preventing and detecting criminal conduct” (§8A1.2(k)).
OIG Elements Necessary for Effective Program

- Written Policies and Procedures
- Formal Structure and Appropriate Oversight
- Training and Education
- Lines of Communication

- Enforcement of Standards
- Auditing and Monitoring
- Appropriate Response to Allegations
# Written Policies and Procedures

<table>
<thead>
<tr>
<th>Activity</th>
<th>Measure of Effectiveness</th>
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<tbody>
<tr>
<td>In Collaboration with Subject Matter Stakeholders, Draft Various Compliance-Related Policies &amp; Procedures (e.g. Standards of Conduct) for Appropriate Approval and Implementation</td>
<td>DOCUMENTATION – Written Policies &amp; Procedures with Executive Management Approval and Sponsorship</td>
</tr>
<tr>
<td>Communicate Policies &amp; Procedures to all Employees within the Organization Who have a Need to Know</td>
<td>DOCUMENTATION – Post Policies &amp; Procedures on Organizational Web Site; Where Appropriate, Mass Mail Policies to all Affected Employees</td>
</tr>
<tr>
<td>Affirm Employee Understanding of Policies &amp; Procedures</td>
<td>DOCUMENTATION – Hold Training Sessions, Document Attendance and Content, Employees Sign Documents Indicating Receipt and Agreement to Abide</td>
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## Formal Structure & Oversight

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<tr>
<td>Highest Level of MGT Responsible for Compliance Program Oversight (Board, Board Committee, CEO)</td>
<td>DOCUMENTATION – Plan Document, Regular Summary Reports in Minutes</td>
</tr>
<tr>
<td>Compliance Officer has Appropriate Authority and Experience</td>
<td>DOCUMENTATION – Plan Document, Resume, Documentation of Disciplinary Activities, Correspondence with Management</td>
</tr>
<tr>
<td>The Compliance Function is Adequately Funded</td>
<td>Benchmarking – HCCA Annual Survey of Health Care Compliance Officers</td>
</tr>
<tr>
<td>Active and Broadly Constituted Compliance Committee</td>
<td>DOCUMENTATION – Plan Document, Membership Roster &amp; Participation, Meeting Minutes</td>
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## Training & Education

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<tr>
<td>Develop and Implement an Annual Compliance Training Plan</td>
<td>DOCUMENTATION – Publish Reports to Management Showing Actual Versus Planned Training for a Given Time Period</td>
</tr>
<tr>
<td>Tailor Training Methods to Meet the Needs of the Department and its Employees.</td>
<td>DOCUMENTATION – Compare Participation % (# Actually Trained/ # that should have been Trained) of Various Training Methods; Survey Employees</td>
</tr>
<tr>
<td>Collaborate with Departmental Management in Designing the Training Content and Materials</td>
<td>DOCUMENTATION – Maintain Training Materials, Attendance Sign-In Sheets, Employee Evaluation Forms, etc.; Make Compliance Training a Part of Employee Annual Evaluation</td>
</tr>
<tr>
<td>Objectively Assess Employee Understanding of Subject Matter</td>
<td>DOCUMENTATION – Administer and Grade Written Quizzes or Tests; Ideally Give Pre-Training and Post-Training Tests and Compare Results, Pre &amp; Post-Training Audit Results Trend</td>
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## Lines of Communication

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<td>Various Reporting Mechanisms Offered to Employees (hotline, e-mail, drop box, fax, face-to-face, etc)</td>
<td>DOCUMENTATION – Publicity Materials, Training Programs,</td>
</tr>
<tr>
<td>Employee Awareness of Reporting Mechanisms</td>
<td>DOCUMENTATION – Publicity Program, Training Programs, Employee Surveys, Call Volume after Publicity</td>
</tr>
<tr>
<td>Requests for Information, Compliance Clarification, etc.</td>
<td>DOCUMENTATION – Log of Questions and Answers</td>
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# Enforcement of Standards

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<tr>
<td>Existence of Disciplinary Policy and Guidelines</td>
<td>DOCUMENTATION – Code of Conduct, HR Policies and Procedures</td>
</tr>
<tr>
<td>Employee Awareness</td>
<td>DOCUMENTATION - Training Programs (Mgrs &amp; EEs), Employee Surveys</td>
</tr>
<tr>
<td>Enforcement</td>
<td>DOCUMENTATION – Disciplinary Reports / Disciplinary Log, Minutes of Disciplinary Committees, Correspondence with External Authorities, Annual Performance Evaluations</td>
</tr>
<tr>
<td>Background Checks - OIG/GSA Screening</td>
<td>DOCUMENTATION – Proof of Checks for New Employees/Contractors, Proof of Checks for Active EEs, Disposition of Identified Exclusions, Policy Requiring Disclosure by EEs</td>
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# Auditing & Monitoring

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<tr>
<td>Identify Departments or Processes within the Organization that Represent the Greatest Potential Compliance Risk</td>
<td>DOCUMENTATION – Perform a Benchmarking Analysis of Major Functions (e.g. Patient Registration and Billing) to Determine Potential Weaknesses in Internal Controls</td>
</tr>
<tr>
<td>Develop and Implement an Annual Compliance Audit Plan</td>
<td>DOCUMENTATION - Publish Reports Showing Actual Versus Planned Audits for a Given Time Period</td>
</tr>
<tr>
<td>Conduct Audits as Planned</td>
<td>DOCUMENTATION – Document the Audit Program, Maintain Audit Work Papers, Issue Written Audit Reports, Establish Error Rates, Correspondence Returning Overpayments</td>
</tr>
<tr>
<td>Conduct Follow-Up Audits Where Appropriate</td>
<td>DOCUMENTATION - Confirming Corrective Actions Taken and that it had the Desired Results, Trend Analysis</td>
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## Appropriate Response to Allegations

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<td>Mechanism to Respond to all Identified Problems</td>
<td>DOCUMENTATION – Formal Policy Requiring Investigation, Corrective Action and Reporting</td>
</tr>
<tr>
<td>Compliance with Policy</td>
<td>DOCUMENTATION – Report Log with Resolution, Report with Corrective Actions, Minutes of Board and Compliance Oversight Committee, Correspondence with Payers or Government Agencies</td>
</tr>
<tr>
<td>Follow-Up Reviews</td>
<td>DOCUMENTATION – Written Reports, Trend Analysis, Evaluation of Corrective Actions</td>
</tr>
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“Effective” Ideal

Ideally an effective compliance program is a program that transcends policies and procedures and is part of the routine fabric of operations.