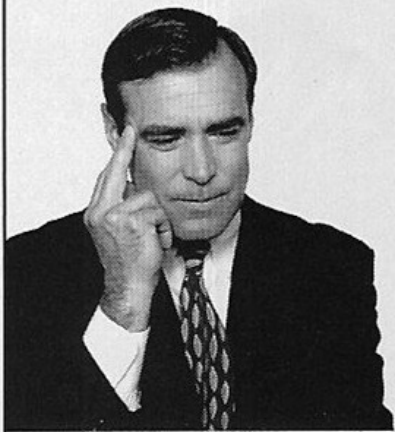# Assessing the Effectiveness of Your Program

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Compliance Officer

Straub Clinic and Hospital

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Billing Compliance Officer

Johns Hopkins Health System

James E. Young

Chief Compliance Officer

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

STRAUB CLINIC & HOSPITAL
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

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

Formal Structure & Oversight

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

Training & Education

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

Lines of Communication

Activity	Measure of Effectiveness
Various Reporting Mechanisms Offered to Employees (hotline, e-mail, drop box, fax, face-to-face, etc)	DOCUMENTATION – Publicity Materials, Training Programs,
Employee Awareness of Reporting Mechanisms	DOCUMENTATION – Publicity Program, Training Programs, Employee Surveys, Call Volume after Publicity
Use of Reporting Mechanisms	DOCUMENTATION – Report Log Recording all Reports from all Mechanisms, Non-Retaliation and Anonymity Policy, Policy Requiring Reporting of Incidents, Annual Performance Evaluation
Requests for Information, Compliance Clarification, etc.	DOCUMENTATION – Log of Questions and Answers

Enforcement of Standards

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

Auditing & Monitoring

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

Appropriate Response to Allegations

Activity	Measure of Effectiveness
Mechanism to Respond to all Identified Problems	DOCUMENTATION – Formal Policy Requiring Investigation, Corrective Action and Reporting
Compliance with Policy	DOCUMENTATION – Report Log with Resolution, Report with Corrective Actions, Minutes of Board and Compliance Oversight Committee, Correspondence with Payers or Government Agencies
Follow-Up Reviews	DOCUMENTATION – Written Reports, Trend Analysis, Evaluation of Corrective Actions

"Effective" Ideal

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