

Maximizing Your Return on Investment with HIPAA Compliance:

Using HIPAA to Drive Process
Improvement

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Objectives

- Define the key elements of an on-going HIPAA compliance and implementation plan
- Use HIPAA compliance as an organizational driver for standardization and key process improvement opportunities
- Document cost savings and identify revenue enhancement opportunities through implementation of HIPAA requirements



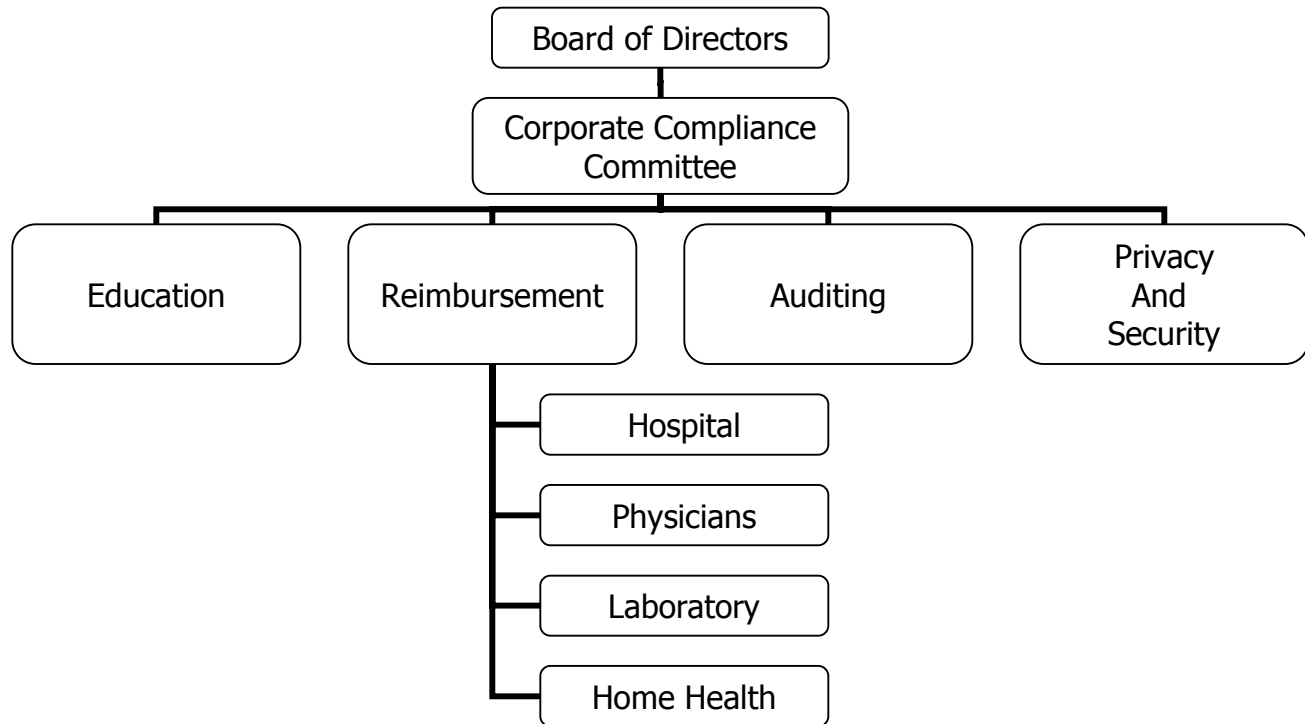
Organization Overview

- 8 Hospitals
 - 1,213 licensed beds
 - 36,844 annual discharges
 - 400,682 outpatient visits
- Medical Group
 - 352,548 patient visits
- Home Care Agency
 - 12,491 clients
- Medical Staff
 - 839 active admitters
- Employees
 - 6,500





Committee Structure





Concepts

- Compliance –
 - Any person who believes a covered entity has not complied with the requirements of the rule may file a complaint with HHS.
 - HHS may then investigate the complaint, including review of pertinent policies, procedures and practices of the covered entity and circumstances underlying any alleged acts or omissions concerning compliance.



Concepts

- Compliance –
 - Secretary of DHHS may conduct compliance reviews to determine whether CEs are complying with applicable requirements of the regulations.
- In the December 27th notice published in the *Federal Register*, the Office of Civil Rights estimates it will receive 22,000 privacy complaints annually.



Concepts

- Compliance –
 - If an investigation or compliance review indicates a failure to comply, the Secretary will inform the CE and the complainant in writing and attempt to resolve the matter by informal means.
 - If the Secretary finds the CE is not in compliance and determines that the matter can not be resolved informally, written findings of noncompliance will be issues to the CE and the complainant.



Concepts

- Compliance –

- HHS may also conduct “compliance reviews” of covered entities. To facilitate this process, the final rule requires each covered entity to keep records and submit compliance reports to HHS upon request to enable it to ascertain whether that entity has complied or is complying with the applicable parts of the final rule.



Documentation

- Personnel Designations
- Training
- Complaints and Disposition
- Sanctions
- Policies and Procedures
- Retention – 6 years
- Minutes/Project Plans



Concepts

- Process Improvement
 - “Quality is a never ending quest and continuous process improvement (CPI) is a never ending effort to discover and eliminate the main cause of problems. It accomplishes this by using small-steps improvements, rather than implementing one huge improvement. The Japanese have term for this called “kaizen” which involves everyone, from the hourly workers to top-management.



Concepts

- Process Improvement
 - CPI means making things better. It is simply looking at how we can do our work better.
 - We seek to learn what causes things to happen and then use this knowledge to:
 - Reduce variation.
 - Remove activities that have no value to the organization.
 - Improve customer satisfaction.



Concepts

- Effectively managing business performance may seem at times to be a daunting task. Nevertheless, it is a process that is critical to the success of any organization. In fact, a recent market study conducted by PriceWaterhouseCoopers and The Economist indicated that 92% of respondents state they have a critical or important need to improve the way they manage performance.



Concepts

- What is the relationship between compliance and performance improvement?
 - An effective compliance program:
 - Emphasizes organizational ethics;
 - Is mission focused and driven;
 - Adheres to the law and regulations, but also uses values to guide decision-making



Two Views of HIPAA

- Compliance Mind Set

- One more regulatory barrier;
- Objective to just be compliant;
- Internal headache

- PI Mind Set

- Catalyst for change;
- Strategically driven;
- Opportunity to standardize and drive best practice



Key Elements of Compliance

- Written policies and procedures
- Oversight
- Regular, effective training and education
- Complaint process
- Sanctions
- Monitoring and Auditing
- Response and Prevention



Key Elements of Compliance

- Written policies and procedures
 - Code of Conduct
 - Keep It Simple
 - Outline specific legal duty



Key Elements of Compliance

- Oversight
 - Designation of privacy/security official
 - Steering/Oversight Committee
 - Other Committees
 - Board of Directors



Key Elements of Compliance

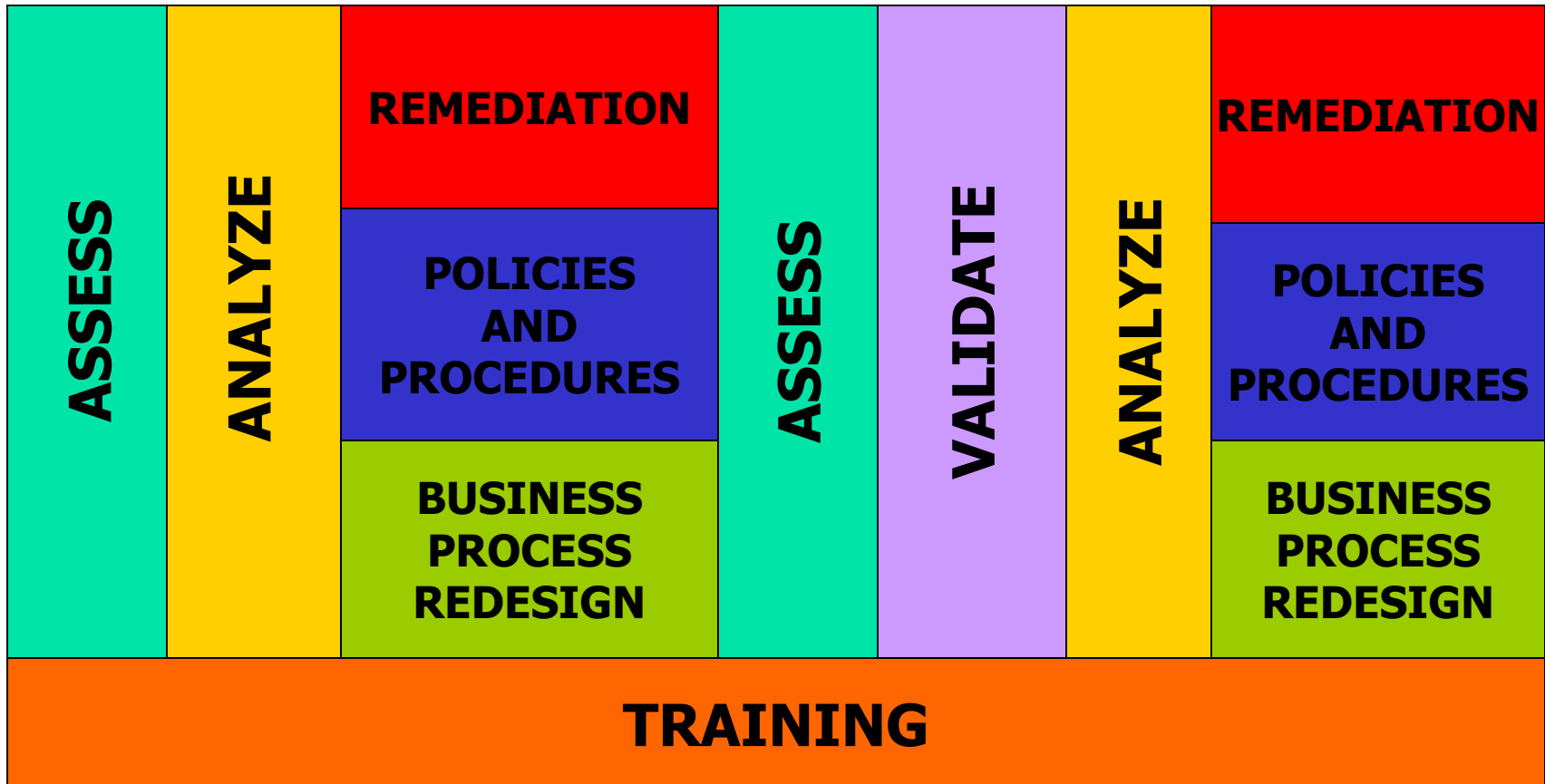
- Regular, effective training and education
 - Communication Process
 - Internal vs. External
 - Scenario Based
 - Methodologies
 - Language and Literacy



Key Elements of Compliance

- Monitoring and Auditing
 - Program Effectiveness
 - Internal Audits
 - Technical
 - Physical
 - Testing
 - Re-education

Key Elements of Compliance





Key Elements of Compliance

- Complaint process
 - Hotline
 - Non-retaliation Environment
 - Electronic Database
 - Tracking
 - Resolution



Key Elements of Compliance

- Sanctions
 - Non-compliant behavior
 - Employees
 - HR policies
 - Physicians
 - Credentialing
 - Computer Access
 - Medical Malpractice Carriers
 - Consistency
 - OIG Sanction Reviews



Key Elements of Compliance

- Response and Prevention
 - Internal Investigation
 - Contact Legal Counsel
 - Interview
 - Create Policy



Standardization

| Opportunity | High-Level Steps | Benefits/Potential Dollar Opportunity |
|---|---|--|
| Vendor Contract Management System Consolidation | <ul style="list-style-type: none">■ Develop system-wide process and protocols for contracting■ Inventory all contracts■ Create centralized database | <ul style="list-style-type: none">■ Simplified tracking■ Volume opportunities■ Simplified renegotiating and contract renewal |



Standardization

- Four contracts identified for consolidation
 - Reduced preventive maintenance fees
 - Reduced per unit cost
 - Elimination of additional service contracts
 - Improved negotiation



Standardization

| Opportunity | High-Level Steps | Benefits/Potential Dollar Opportunity |
|---|---|--|
| Organization-wide Consents and Authorizations | <ul style="list-style-type: none">■ Develop standard forms■ Develop standard policies and procedures | <ul style="list-style-type: none">■ Reduced production costs■ Consistent process■ Improved customer satisfaction |



Standardization

| Opportunity | High-Level Steps | Benefits/Potential Dollar Opportunity |
|--|---|--|
| Privacy Program Centralization and Standardization | <ul style="list-style-type: none">■ Identify program lead■ Develop reporting process■ Create issue resolution process | <ul style="list-style-type: none">■ Standardized process■ Efficiency in process■ Reduced exposure■ Facilitate readiness |



Standardization

| Opportunity | High-Level Steps | Benefits/Potential Dollar Opportunity |
|--|--|--|
| Reengineering Revenue Cycle Processes around EDI | <ul style="list-style-type: none">■ Develop detailed plan to integrate revenue cycle process improvement initiatives with HIPAA TCI requirements■ Develop B2B plan with major payers■ Integrate document imaging | <ul style="list-style-type: none">■ Reduced days in AR■ Reduced denials■ Reduced errors■ Increased cash flows |



Standardization

| Opportunity | High-Level Steps | Benefits/Potential Dollar Opportunity |
|-----------------------------------|---|--|
| Education Program Standardization | <ul style="list-style-type: none">■ Develop standardized training approach■ Develop standardized education tracking■ Integrate technology tools and solutions■ Incorporate into performance management | <ul style="list-style-type: none">■ Reduced time to implement training■ Training documented in one location■ One-stop compliance review■ Increased enforcement for all training |



QUESTIONS

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