Analytics: Enhancing Your Hospital Compliance Program

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Today's Session

Objective 1:
Managing claims at risk through algorithms and analytics.

Objective 2:
Understanding the role that the enterprise plays in compliance.

Objective 3:
Transitioning from a manual to an automated auditing/monitoring process.

Polling Question: What is Your Role in Compliance?

A. Compliance Officer
B. Legal Counsel
C. Compliance Administrator/Specialist
D. Billing/ Coding Compliance
E. Other
## Compliance: Roles and Responsibilities

<table>
<thead>
<tr>
<th>Written Standards and Procedures</th>
<th>High-level Governance</th>
<th>Education and Training</th>
<th>Open Lines of Communication</th>
</tr>
</thead>
<tbody>
<tr>
<td>Written standards and a Code of Conduct that articulates the organizational commitment to compliance by senior executives, employees, and healthcare professionals.</td>
<td>A compliance department that has a clear, well-crafted mission that is carried out by a team of compliance professionals. Compliance Officer is viewed as a trusted member of the team and is supported by an active and engaged institutional compliance committee.</td>
<td>Education and training resources are in place to effectively conduct training and education in a manner which ensures that everyone feels functions on behalf of the system is capable of executing their role in compliance with all applicable regulations.</td>
<td>Employees have the ability and mechanism to anonymously report concerns regarding non-compliance and misconduct. Organization in return has the appropriate mechanisms in place to identify, investigate, respond to, and report potential compliance issues.</td>
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### Roles and Responsibilities (continued)

<table>
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<tr>
<th>Auditing and Monitoring</th>
<th>Enforcement and Discipline</th>
<th>Response and Prevention</th>
<th>Risk Assessment</th>
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<td>Periodic monitoring and auditing of the organization’s adherence with regulatory guidelines and written standards.</td>
<td>Disciplinary principles are defined with appropriate consequences for individuals who violate the law, regulations, or institutional policies. The organization has processes in place to promptly respond, investigate, and document instances of noncompliance.</td>
<td>Processes are in place in response to actual or potential violations of the law.</td>
<td>A risk assessment is conducted to identify areas of legal and regulatory compliance risk.</td>
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### Optimizing Resources: Program Maturity

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<th>Initial</th>
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<th>Advanced</th>
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<td>Ad hoc, chaotic</td>
<td>Defined policies and procedures</td>
<td>Defined processes and procedures</td>
<td>Compliance is everybody’s business</td>
<td>Positive outcomes result from events</td>
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**Compliance: Roles and Responsibilities**

- **Written Standards and Procedures**: Written standards and a Code of Conduct that articulate the organization's commitment to compliance by senior executives, employees, and healthcare professionals.

- **High-level Governance**: A compliance department with a clear, well-crafted mission carried out by a team of compliance professionals. The Compliance Officer is viewed as a trusted member of the team and is supported by an active and engaged institutional compliance committee.

- **Education and Training**: Education and training resources are in place to effectively conduct training and education in a manner that ensures everyone feels functions on behalf of the system is capable of executing their role in compliance with all applicable regulations.

- **Open Lines of Communication**: Employees have the ability and mechanism to anonymously report concerns regarding non-compliance and misconduct. The organization has the appropriate mechanisms in place to identify, investigate, respond to, and report potential compliance issues.

**Roles and Responsibilities (continued)**

- **Auditing and Monitoring**: Periodic monitoring and auditing of the organization's adherence with regulatory guidelines and written standards.

- **Enforcement and Discipline**: Disciplinary principles are defined with appropriate consequences for individuals who violate the law, regulations, or institutional policies. The organization has processes in place to promptly respond, investigate, and document instances of noncompliance.

- **Response and Prevention**: Processes are in place in response to actual or potential violations of the law.

- **Risk Assessment**: A risk assessment is conducted to identify areas of legal and regulatory compliance risk.

**Optimizing Resources: Program Maturity**

- **Initial**: Ad hoc, chaotic
- **Basic**: Defined policies and procedures
- **Defined**: Defined processes and procedures
- **Operational**: Compliance is everybody’s business
- **Advanced**: Positive outcomes result from events
Polling Question: Organization Compliance Program Maturity

Compliance Program:
A. Ad Hoc
B. Fragmented
C. Defined
D. Operational
E. Advanced

Compliance Program Infrastructure

Program Responsibility: Health System Compliance

Compliance program monitoring and advisory engagement includes:
- Focused Operational & Billing/Documentation Reviews (Ambulatory Services, University Hospitals, Hospital-Based Clinics)
- Billing Compliance risk-based auditing of Faculty Practice (>2300 providers)
- Clinical Research Billing
- UTACN (Accountable Care Organization)
- SWHR (joint partnership with Texas Health Resources)
Compliance: Auditing and Monitoring

Element of an effective compliance program is to conduct periodic auditing and monitoring of the organization’s adherence with regulatory guidance and established written standards.

Audit and Review Types:

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<th>Description</th>
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<td>Baseline</td>
<td>• High level review</td>
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<tr>
<td>Probe</td>
<td>• Determine whether a compliance issue exists</td>
</tr>
<tr>
<td>Routine</td>
<td>• Evaluate ongoing compliance</td>
</tr>
<tr>
<td>Expanded</td>
<td>• Enlarge sample based on error rates identified during a routine audit</td>
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<tr>
<td>Focused</td>
<td>• For cause review</td>
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Risk Identification: Organizational Strategic Initiatives

- Inpatient Rehabilitation Facility
- Cochlear Implants: Recalls
- Bariatric Surgery
- Overlapping Surgeries
- High Dollar Chemotherapy Drugs
- Sleep Testing
- Major Joint Replacements: Hip and Knee
- Hyperbaric Oxygen Therapy and Skin Substitutes
- Short Stays: 2 Midnight Rule

Auditing and Monitoring: Compliance Risk Areas
Polling Question: Does your facility use analytical software to conduct compliance reviews/audits?

A. Yes
B. No

Compliance Monitoring: Manual Process
- Identifying most recent claims
- Risk universe
- Gross charges vs. net charges
- Claim reports (4 systems) prior to centralization
- Manual Spreadsheet
- Reporting
- Audit Retention

New Age Compliance: Using Analytics to Identify and Audit Risk
- Standardized solution for inpatient and outpatient data, that utilizes claims data (835/837s)
- Daily evaluation of compliance-attributed risk and coding outliers
- Leverage Medicare and Medicaid audit rules as well as, MEDPAR and PEPPER benchmarks.
- Data mining and proactively identify compliance risk
- Robust workflow to manage deadlines, additional documentation requests and external audit request.
Reporting: Compliance Dashboards

System Dashboard Users:
- UH Leadership (CFO, CCO)
- Compliance
- Internal Audit
- Utilization Review
- Decision Support
- Revenue Integrity
- Dentists
- Coding and CDI
- Revenue Cycle Operations

Reporting: External Audit Dashboards

Stakeholder Engagement: Advocating Change
Compliance Program: Mission, Vision and Value

Each day our patients, students, and the public count on us to deliver the very best in patient care, state-of-the-art research, and outstanding medical education. As a University, we strive to meet and exceed these goals by fostering a culture of compliance with established policies and standards, we reassure the community of our commitment to adhering to all applicable laws, rules, and policies.

Daniel K. Podolsky, M.D.
President, UT Southwestern Medical Center

Rules of Engagement: Executive Trust

- Finding ways to connect with the CEO, CFO, CDO, and CNO
  - Tone at the Top: Culture of Ethics and Compliance
  - Executive Leadership Team Compliance Rounding
  - Executive Leadership Team- Dedicated Quarterly Meetings for Compliance
  - Meaningful Data: Compliance Dashboards, Real-time Auditing and Analysis

- Compliance - Valued Addition to Operations
  - Accreditation and Patient Safety
  - Revenue Cycle Operations (HB and PB)
  - Clinical Research
  - Hospital and Ambulatory Services Operations

Compliance: The Change Agent
Understanding the Marriage: Operations vs. Compliance

Compliance

Risk Mitigation

Operations

Rules of Engagement: Collaboration and Transparency

- Culture: Embedding a “just culture mindset” is key.
- Communication: clear, concise and engaging discussions regarding strategic initiatives, organizational risks (appetites) and risk mitigation.
- Cross-Functional Risk-Management Approach: Eliminating silos and amplifying change agent teams to mitigate risks.
- Continuous Process Improvement: Plan, Do, Study, Act
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