

*Quality of Care
Compliance Conference*

Integrating Quality into Your Compliance Plan

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Objectives

- To understand the key compliance risks related to quality of care
 - To identify methods for assessing and prioritizing quality risk and incorporate these into a compliance work plan
 - To contrast and discuss the roles of legal counsel, compliance, and quality in addressing risks
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Challenges

- Complexity of hospital operations
- Awareness and education
- Organizational structures
- Information sharing
- Minimizing risk of 'poor' quality of care

What We Share

- **Civil and Criminal Liability**
 - FCA
 - Stark
 - Kickback
- **Regulation and Accreditation**
 - CMS
 - DHS
 - DPH
 - TJC (The Joint Commission)
 - CAP and others
- **Surveys**
 - TJC
 - DPH
 - CMS
- **Audits**
 - RACs
 - ZPICs
 - Medicare/Medicaid Integrity Audits
 - MAC, FI
 - OIG
- **A Common Goal**

Areas of Common Concern

- Strategic Opportunities
 - Alignment and engagement strategies between hospital and physician
 - Information sharing
 - Joint ventures
 - Medical Staff Structures
 - Physician Credentialing and Peer Review
 - Physician Financial Arrangements
 - Clinical Documentation Improvement Initiatives
 - Core Measures and Transparency of Data
 - Continuum of Care Strategies
 - Present on Admission, Hospital Acquired Conditions, Never Events
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Legal Considerations

- False Claims Act Liability
 - Services not rendered
 - Medically unnecessary service
 - Services not appropriately documented
 - Worthless services
 - Violation of statutory, regulatory or contractual provision connected to payment
 - Stark/Anti kickback
 - Incentives for quality/evidence based practice
 - Contributions to encourage use of electronic medical records
 - Failures to appropriately credential
 - Failure of effective peer review
 - Other
 - EMTALA
 - State Report Requirements for Adverse Events
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Risk Assessment – Synergy with quality

- Proactive versus reactive
- Supports Enterprise Risk Management
 - Prioritization and alignment of risk and resource deployment
- Cultural integration
- Compliance program value, awareness and focus
- Mitigation of penalties and interest and corporate integrity agreement

Creating a transparent process

- Risks and Objective Setting
 - Evaluate and develop risk strategy in the context of mission, values and strategic objectives
 - ***Identify events that might interfere with system objectives***
 - Define system risk tolerance
 - Potential for adverse events the organization is willing to bear
 - Once exposure rises above acceptable threshold, implement internal risk management systems
- Build “Systemness”
 - Identification and assessment of risk using a consistent approach/discipline
 - Supports cross functional ownership and accountability

Risk Assessment Process

- **Systematic Process**
 - Identify risks
 - Quantify risk impact (reputation, legal, financial) and organizational vulnerability (likelihood, complexity, rate of change)
 - Evaluate risk control effectiveness
 - Rank and prioritize risks
 - Address most significant risks
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Risk Identification

- Risk - An observable event or action that can have a material effect on the reputation, financial, operational, or strategic performance of the organization.
 - Identify those risks which, if realized, could have a significant effect on mission and reputation or present significant financial or legal exposure
 - Exposures now and in next three years
 - Key process or functions
 - Key strategic initiatives
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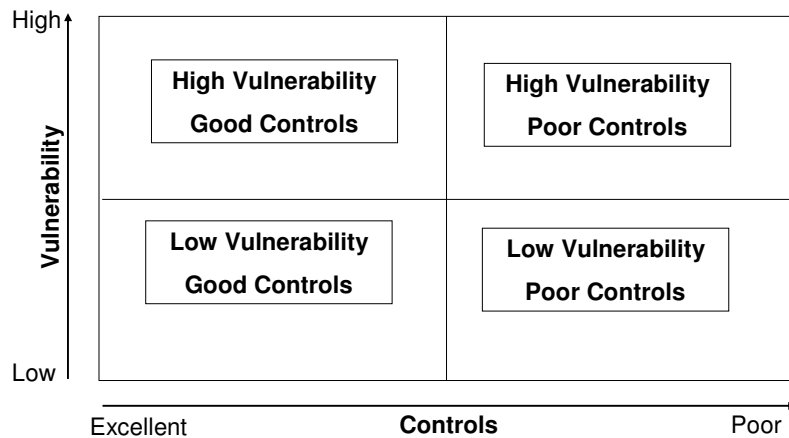
Risk Assessment

- Risk Impact
 - Reputation
 - Financial
 - Legal
 - Stakeholders
 - Operational
 - Strategic
- Vulnerability
 - Likelihood
 - Rate of Change
 - Complexity
- Current Control Environment
- Risk Prioritization Score (RPS)

Example

Risk	Fin.	Rep.	Legal	Stake	Ops	Strat	Impact	Freq.	Com.	Change	Cont.	Vul.	Priority
Accuracy (process for auditing, updating and ensuring accuracy)	3.3	2.4	3.6	3.0	3.5	2.6	18.40	3.5	4.0	3.5	62%	6.8	124.5
Billing for Chemotherapy Administration	2.4	1.6	2.9	2.5	2.0	1.9	13.25	4.0	3.3	2.6	56%	5.6	73.6
Billing for Investigational Devices	1.9	1.7	2.9	2.3	2.6	1.9	13.14	2.9	3.0	1.9	36%	2.8	36.9
Clinical documentation accuracy	4.6	2.9	4.4	3.5	3.8	3.4	22.62	4.1	4.8	4.8	48%	6.6	148.9
Clinical Trial Billing	4.4	2.5	4.1	3.8	4.0	3.4	22.08	4.4	3.8	3.5	52%	6.1	134.0
Core Measures Reporting	3.6	3.7	3.9	3.6	3.4	3.5	21.82	3.3	3.7	3.0	66%	6.6	144.0
EMTALA (Transfers, on-call, reporting requirements)	2.5	2.8	3.5	3.0	3.1	2.5	17.42	3.3	3.5	2.7	63%	6.0	103.9
Exclusion screening - vendors	3.7	1.8	3.3	2.4	2.5	2.0	15.70	2.3	2.6	2.2	47%	3.3	52.4
HIM Overrides	3.6	1.8	3.3	2.9	3.0	2.4	17.00	3.4	3.7	3.3	42%	4.4	75.0
Hospital acquired condition billing	3.5	2.6	3.5	3.1	2.9	2.4	18.00	3.3	3.1	2.7	34%	3.1	55.0
Inpatient Rehab Facility reimbursement	3.9	2.6	3.4	3.0	3.3	3.0	19.13	3.0	3.5	2.6	29%	2.6	50.2
Mapping to UB	3.8	2.2	3.4	3.0	3.4	2.4	18.33	3.6	3.8	3.1	48%	5.0	91.5
Medicare/Medicaid credit balances	2.8	2.2	2.9	2.5	2.5	2.3	15.09	2.5	2.5	2.1	27%	1.9	28.3
Modifiers	3.7	2.2	3.4	3.0	3.3	2.8	18.44	4.1	4.1	3.0	61%	6.9	126.5

Risk Map



On-going risk assessment work

- Evaluate risks with highest RPS
- Implement work plan and control activities
- Monitor progress
- Evaluate effectiveness
- Communicate results
- Refine and improve assessment process
- Reassess risks – start the cycle again

Work plan development

- Leverage internal expertise
 - Collaborate on scope, methods, effectiveness monitoring
 - Assign roles and responsibilities – including broad oversight (compliance doesn't always need to take this role)
 - Formal mechanisms for monitoring status
 - Engage organizational governance
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Event based response and assessment

- Compliance Issues:
 - Coding and billing accuracy
 - Bill forgiveness or discounts
 - Appropriate arrangements for continuing care
 - Regulatory reporting
 - Quality Issues:
 - Care Practices
 - Evidence-based
 - Best Proven Practice
 - Harm Avoidance
 - Measures of Care
 - Process
 - Outcomes
 - Analyzing 'Poor' Care
 - Obligation for Regulatory Reporting
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Strategies for working together

- Coordinated approach for State and/or CMS survey
- Coordinated policy development
- Data matching (compliance data with quality data)
- Reporting
- Auditing
- Management and Governance Engagement
 - Quality as a component of your compliance charter

Strategies for Working Together – Bottom Line

- Patient care is the center of what we do
- Overcoming 'fear' of finding 'poor' quality of care
- Broad-based cooperation across departments
- Independent review of processes for objectivity
- Changing traditional structures

Final Comments

- **Creating Partnerships**
 - Compliance, Legal, Quality, Clinicians, Finance, Coding, Case Management and others
 - Understanding what others 'do'
 - Respect for each other's knowledge and expertise
 - Transparent sharing of information
 - Sharing feedback
 - Advocate for the patient
 - Be a catalyst for improving systems
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Questions
