



Compliance Planning Process



- ◆ Identify Responsible Compliance Officer
 - ◆ Develop Effective Lines of Communication:
 - ◆ Assure staff easy access to the Compliance Officer
 - ◆ Streamline processes for reporting suspected fraud or abuse
 - ◆ Provide an adequate means for receipt and response to patient complaints
 - ◆ Implement effective incident reporting, analysis and prevention of re-occurrence processes
 - ◆ Identify All Risk Areas:
 - ◆ *Processes Which Need to be Reviewed to Achieve and Maintain Compliance:*
 - ◆ clinical
 - ◆ financial
 - ◆ billing
 - ◆ administrative
 - ◆ human resources
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Compliance Planning Process




- ◆ Perform An Internal Audit Of All Systems To Include:
 - ◆ Marketing Materials
 - ◆ Referral and Intake Procedures for Home Health, Private Duty, Pharmacy and HME:
 - ◆ verification of physician licensure
 - ◆ determination of primary payor
 - ◆ discharge planning arrangements (*include referral sources*)
 - ◆ Staff Compliance With:
 - ◆ clinical practice standards
 - ◆ Medicare CoPs
 - ◆ homebound status
 - ◆ documentation submission timeframes
 - ◆ conformance with orders
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Compliance Planning Process




Review For:

- ♦ accuracy of visit frequencies
 - ♦ documentation of performance of specific treatments and procedures as ordered, dressing changes, therapy modalities, home health aide activities, O² liter flows, medication doses and frequencies
 - ♦ services performed without an order, i.e., PT initiated services but no order on 485 or verbal order etc.
 - ♦ no documentation for dates of services billed
 - ♦ double entries
 - ♦ no skilled service performed on date a visit was billed, i.e. unsuccessful blood draw and no other skilled service performed, no personal care provided by a home health aide etc.
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Compliance Planning Process



- ◆ Claims Development & Submission:
 - ◆ Medical Records Processing:
 - ◆ accuracy of ICD 9 coding
 - ◆ timeliness of data entry
 - ◆ monitoring and tracking of physician orders
 - ◆ verification of physician orders prior to billing
 - ◆ verification of documentation for visits billed
 - ◆ Billing for Services Covered by Private Plan
 - ◆ Billing Without Medical Necessity
 - ◆ Potential Under-Utilization of Services
 - ◆ Duplicate Billing (*Data Entry Errors*)
 - ◆ Failure to Refund Credit Balances
 - ◆ Access Outside Consultant(s) for Validation
If Negative Findings From Internal Self Audit
Identify a Potential Exposure:
 - ◆ Voluntary Disclosure of Suspected Fraud or Known “Inadvertent Error” is a HCFA Mandate
 - ◆ A Valid Statistical Sampling Process Must Be Used to Support Data Presented to HCFA When Overpayments are Reported
 - ◆ Appeal Those Visits Which May Be Appealed as Technical Denials
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Compliance Planning Process



- ◆ Establish Ethical Organizational Standards of Conduct
 - ◆ *(Put It In Writing - Post It - Disseminate it to all Staff)*
 - ◆ Develop policies & procedures to support standards of conduct.


These standards may include:

 - ◆ Admission Criteria (*ADA, Rehab Act, Anti-Discrimination*):
 - ◆ consistent application of criteria
 - ◆ qualifications
 - ◆ exclusions
 - ◆ Discharge Criteria (*Potential Abandonment*):
 - ◆ protocols
 - ◆ notification
 - ◆ acknowledged at admission, applied consistently
 - ◆ OSHA Compliance:
 - ◆ TB identification, surveillance, prevention, control and reporting
 - ◆ PPE
 - ◆ hepatitis B
 - ◆ employee safety on the job

(include all areas of business, HME, pharmacy)
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Compliance Planning Process



- ◆ FDA Requirements
 - ◆ license as required (pharmacy, O², HME, if required)
 - ◆ DOT/FHA
 - ◆ vehicle registration
 - ◆ clean air/exhaust inspections
 - ◆ Conflict of Interest Statements
(Signed, Written Statements):
 - ◆ members of the board of directors
 - ◆ staff
 - ◆ Ethical Marketing Procedures:
 - ◆ disclosure of ownership and control for all entities
 - ◆ eliminate misleading sales and marketing literature
 - ◆ declaration of all “gifts” to referral sources
(should be equal for all sources)
 - ◆ Effective Training and Education Programs:
 - ◆ staff orientation procedures regarding organization’s code of conduct, applicable policies and procedures, laws and regulations. *(emphasis must be placed on the organization’s commitment to compliance with these legal requirements and policies)*
 - ◆ periodic ongoing staff education about compliance issues
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Compliance Planning Process




- ◆ Physician Orders:
 - ◆ who obtains
 - ◆ timeframes for signatures (*incorporate state licensure requirements, agency policy, accreditation standards*)
 - ◆ tracking mechanisms and management oversight to assure compliance
 - ◆ Billing Procedures:
 - ◆ verification of primary payor
 - ◆ validation of signed orders prior to billing
 - ◆ validation of documented services prior to billing
 - ◆ Cost Reporting Procedures:
 - ◆ claims based on appropriate and accurate documentation of cost
 - ◆ allocations of costs are accurately made and supportable by verifiable and auditable data
 - ◆ unallowable costs are not claimed for reimbursement
 - ◆ accounts containing both allowable and unallowable costs are analyzed to determine the unallowable amount that should not be claimed for reimbursement
 - ◆ costs are properly classified
 - ◆ related parties are clearly identified
 - ◆ process for reporting bad debts are in accordance with federal statutes
 - ◆ procedures are in place for notifying the FI or other applicable payor of errors discovered after the submission of the cost report
 - ◆ verification of the PS & R statistics
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Compliance Planning Process



◆ Human Resource Issues:

- ◆ hiring practices are consistent across all lines of service according to organizational policy and procedure
 - ◆ implementation of consistent, fair and equitable disciplinary action (*across the board*)
 - ◆ appropriate application of wage and hour laws
 - ◆ appropriate use of designated contributions
 - ◆ incentive/bonus plans are not associated with referrals
 - ◆ performance evaluations should include:
 - evidence of compliance with organizational policy
 - evidence of compliance with law, regulation and standards
 - action(s) as a result of patient complaints which may be related to a specific employee
 - action(s) as a result of incident analysis which may be related to a specific employee
 - disciplinary action taken as a result of noncompliance with policy, procedure, organizational and/or regulatory standards.
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Compliance Planning Process



- ◆ Review all contractual relationships:
(must clearly delineate roles, responsibilities, access procedures, ownership of patient, billing and termination procedures)
 - ◆ Consistent, Fair Market Value for Contracted Services
 - ◆ Vendor Agreements
 - ◆ Independent Contractors
 - ◆ Medical Director(s)

 - ◆ Review referral arrangements to assure consistent, uniform processes are in place:
(assure arms length, uniform processes in place)
 - ◆ Consideration of Patient Preference (Freedom of Choice)
 - ◆ Placement of Discharge Planners for the Purpose of Case Finding vs. Agency Liaisons Who Coordinate Home Care Services for Referred Patients
 - ◆ Free or Discounted Services in Return for Referrals
 - ◆ Presence of Unwritten “Deals” or Reciprocal Arrangements
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