

OIG Compliance Requirements for Physicians

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Introduction

The OIG¹ has identified and published² Seven Fundamental Elements for an Effective Compliance Program for Medical Groups:



Below we briefly describe each element and highlight important aspects. It is very important to know that:

- In the case of an audit or OIG investigation, the simple existence of a Compliance Program is a huge asset.
- The larger the organization, the more comprehensive the program should be. Said another way, small organizations do not have to have complex or burdensome programs.
- But, just having a Compliance Plan (without the other elements) is insufficient.
- Developing and operating a compliance program can seem daunting. However, many resources and firms are available (as shown at the end of this document) to make the process straightforward—and beneficial for your practice or hospital.

¹ Office of Inspector General, US Department of Health and Human Services

² [Federal Register](#), October 5, 2000.

While a compliance program can be seen as “extra” work, the effort has a number of benefits³:

Benefits of a Good Compliance Program

A well-composed compliance program can:

- Increase the potential of proper submission and payment of claims;
- Reduce billing mistakes;
- Improve the results of reviews conducted on Medicare claims;
- Avoid the potential for fraud, waste and abuse; and
- Promote patient safety and ensure delivery of high quality patient care.

Core Compliance Program Elements

1. Implementing written policies, procedures and standards of conduct

The basics⁴:

- Clearly written and describe expectations in detail
- Readily available to all employees
- Reviewed by employees within 90 days of hire and annually
- Regularly reviewed and updated
- Detailed “code of conduct” and reporting mechanisms
- Policies include compliance staff roles and responsibilities
- Procedures show training plans and operational details of the program, including interactions with other departments

For practices and hospitals doing their own billing, the OIG expects to see written policies for identified billing and coding risk areas, such as

- Up-coding
- Unbundling
- Billing for services not documented
- Inappropriate use of modifiers
- Inappropriate balance billing
- Lack of integrity in computer systems
- Knowing misuse of provider numbers
- Routine waiver of copayments and billing third-party insurance only
- Etc.

If you use a billing company, their plan should cover these items and more so your plan can be much more streamlined. But even with a billing service, your practice or hospital is expected to have its own Compliance plan and program.

³ Affordable Care Act Provider Compliance Programs: [Getting Started Webinar](#). June 26, 2014

⁴ Ibid.

2. Designating a compliance officer and compliance committee

Each organization must have a Compliance Officer and/or a Compliance Committee. They:

- Report directly to the CEO or other senior management
- Conduct day-to-day operations of the compliance program and take responsibility for compliance program infrastructure and design
- Report regularly on the activities of the compliance program to include issues identified, investigated and resolved
- Have specific authority to provide unfiltered, in-person reports to the CEO

3. Conducting effective training and education

- Compliance training must be available to all employees including managers and executives to describe compliance program requirements including the company's code of conduct
- New employees must be trained on or close to their date of hire
- All employees must complete regular training on program changes, etc. at least annually

4. Developing effective lines of communication

Information about compliance must move effectively to the right people:

- Facilitate proactive and timely reporting (of questions, issues, fraudulent behavior, etc.)
- Encourage timely (immediate) employee communications to supervisor, compliance officer
- Have anonymous reporting via hotline, intranet form or similar

5. Enforcing standards through well publicized disciplinary guidelines

Written policies for appropriate discipline for those who do not comply with standards of conduct and other applicable requirements. They need to be particularly clear for cases of:

- Not reporting suspected or actual non-compliance
- Not detecting non-compliance where routine observation or questions should have provided sufficient indications
- Personal non-compliance

Discipline should be timely and consistently enforced. Policies on discipline must be written, publicized across the organization and covered in annual training.

6. Conducting internal monitoring and auditing

A system for monitoring and auditing needs to be in place to

- Measure compliance program effectiveness
- Identify compliance risks
- Ensure compliance with CMS requirements

Processes are needed for internal day-to-day monitoring plus periodic (at least annual) audits (by different, independent people, either external or internal). It is also recommended that periodic risk assessments be performed.

7. Responding promptly to detected offenses and developing corrective action

Compliance programs must have processes in place to deal with violations (identified after appropriate investigation). Where payments are involved, this includes a prompt repayment of any overpayments. In addition, corrective actions can include disciplinary actions, additional training, new procedures, etc.

Assistance with Compliance Programs

Most hospitals and many physician groups have established compliance programs. However, some elements of the program may not get sufficient attention since the Compliance Officer and/or Committee frequently has other duties and often does not have dedicated staff. As a result, the program may exist on paper but not be fully implemented.

In cases like this, hospitals and physicians can choose from a variety of low-cost compliance support services, like those shown on the next page, to fully enable their program.

Compliance Support Services

Physician groups and hospitals can choose from a menu of AdvantEdge services to augment their internal compliance resources while energizing their compliance program. Each is designed to deliver one or more key components of a compliance program with a minimum of administrative work by the practice or hospital. The services include:

- Compliance Plan and Program Review
- Compliance Training
- Compliance Hotline
- Compliance Alerts
- Compliance Q&A
- Compliance Incident Support
- Compliance Plan Development

Compliance Program Review

It's not uncommon for a Compliance Program to become stale. In other cases, physicians or administrators may be concerned about whether the program is current with the latest regulations. In these and similar situations, the solution is easy: a formal review by AdvantEdge compliance experts. They will inspect the program including how it is implemented across your organization and provide a formal report with findings and recommendations. The typical timeframe is two to six weeks, depending on the size of the organization.

Compliance Training

One of the hardest things to implement in a compliance program is ongoing training for providers and others in the organization. Training in HIPAA Privacy and Security is particularly important given the everyday risks associated with PHI (Protected Health Information). For regular training and updates, AdvantEdge offers a cost-effective online package that each team member can complete at the time most convenient for them. It includes interactive multimedia presentations that engage viewers and make them a part of the learning process. Packages are available in a variety of sizes to accommodate organizations of all sizes.

In some situations, your group may need training on a specific topic or process. AdvantEdge offers customized courses on a one-time and a recurring basis. For recurring courses, or where a large number of providers and staff need to be trained, the course can be delivered cost-effectively via LearningEdge: the AdvantEdge online learning management



system.

Compliance Hotline

It is strongly recommended that physician groups and hospitals offer a hotline for employees to report compliance concerns and questions, on an anonymous basis if they wish. AdvantEdge offers a toll-free Compliance Hotline directly to our compliance office who will record the inquiry and follow-up with your compliance officer, as appropriate. Having a third party provide this service helps assure employees of their privacy thereby encouraging more reports. It is worth noting that AdvantEdge experience shows that most Compliance Hotline calls do not identify serious problems but they often identify areas where education is required.

Compliance Alerts

One of the biggest challenges for any healthcare organization today is staying current with the barrage of regulations as they are continually updated. With this inexpensive service, AdvantEdge clients are notified via email immediately whenever an important regulation or rule is updated or changed.

Compliance Q&A

Many Compliance Officers find themselves faced with new or unique situations on a regular basis. Sometimes the answers can be found online or via colleagues. But often a compliance expert must be consulted. AdvantEdge offers exactly this capability: access to the AdvantEdge compliance office and experts. As required, they will research your issue and provide a recommended solution. Think of them as an extension of your compliance team.

Compliance Incident Support

When a potential compliance incident is identified, it is critical that the organization have a defined process in place to respond, effectively and timely. Since incidents should occur infrequently, it can be hard for an organization to have the necessary expertise in place. AdvantEdge offers this service as an extension of your compliance office.

Compliance Plan Development

For organizations that do not have a compliance plan or program in place, or where an entirely new plan is warranted, AdvantEdge will assign its compliance experts to work with you to develop a plan appropriate for, and tailored to, your organization.

