Subject: Auditing and Monitoring Process

Effective Date: July 1, 2013

Review Date: June 19, 2013

Program objectives:

The Auditing and Monitoring function (“Review Program”) serves as one of the seven (7) key elements of the Vanderbilt University Medical Center (“VUMC”) Compliance Program. The Office of Compliance and Corporate Integrity (“OCCI”) will administer the Review Program but, in order to maximize impact of resources and to minimize disruption of routine operations, will endeavor to coordinate with other functions within VUMC which oversee performance, whether those functions are imbedded in the operating unit or oversee and advise aspects of VUMC generally, such as Internal Audit, Risk Management, Legal and others.

The Review Program will inform VUMC whether effective policies, processes and controls are in place to promote adherence to applicable federal and state laws, rules and regulations; to fulfill contractual obligations with payers (e.g. government and private) and others; and to follow VUMC policy. The Review Program will present VUMC an opportunity to examine mechanisms for compliance, establish best practices and determine and modify areas of risks and vulnerabilities.

The scope and nature of the Review Program includes:

- Standing monitors ( “Monitors”) of recurring or continuing areas of identified high risk;
- Specific reviews (“Reviews”) that are identified by report, request or investigation.

Review Program Selection and Process:

- The areas of focus for the Review Program will be developed and defined in the annual OCCI Auditing and Monitoring work plan. The annual work plan will define scheduled reviews for the year, such as Initial New Billing Provider Review, Departmental process reviews, and individual Provider Review;
- Monitors will be written and approved by the CCI;
- When an area or item has been selected for review, OCCI will review both current processes and individual claim samples. On site visits and or interviews may be conducted with management responsible for operations (e.g. coding, claims development and submission, documentation, and other related activities);
- Notification will be sent from OCCI to the responsible parties (e.g. Department/Division Chief/Chair, the Director of VUMC/VMG Patient Accounting, Hospital Administrator, DCE/DCA, etc.) of an area/item for a selected review to introduce OCCI personnel, explain the review process and expectations in detail, and request any initial documents and information needed.
- OCCI will offer the responsible parties the opportunity to meet and discuss the scope of the review in detail.
• The Review Program standard will be that responsible parties will provide requested information within 7 business days of the request;
• OCCI will perform the analysis between 30 and 90 days depending upon the complexity of the Review Program and the need to access additional materials;
• After analysis is completed, OCCI will provide a Preliminary Report to the responsible parties for the area/item examined and offer 10 business days to critique and provide corrections, question or corrective action steps in response to the Preliminary Report;
• OCCI will schedule a meeting within 15 days of the issuance of the Preliminary Report to discuss findings and corrective action steps with the responsible parties;
• OCCI will complete a Final Report, which should include the responsible parties’ response and any corrective action steps, within 30 days after the issuance of the Preliminary Report and circulate to the responsible party and the division, group, or function’s senior executive team.

Review Program Methodology

OCCI has approved tools and data, such as MD Audit, Business Objects, and UHC to extract data according to specific criteria necessary to complete the analysis within a predefined scope.

• The criteria necessary for the analysis will be based on, but is not limited to, a specific department, provider, single service/procedure, modifiers, Charge Description Master, etc.
• The sample size for each analysis is 10 cases per provider/service/procedure/modifier. The date range for cases to be evaluated is no less than 30 days and no more than 60 days from the day the analysis is initiated and assigned, which may be subject to change based on risk.
Review Program Outcome

- Monitors and Reviews are compliance improvement activities;
- OCCI will identify the root cause of the concern and categorize the findings to determine if any issues found are system related, provider behavior and documentation failure, or operations and support function gaps;
- OCCI will evaluate the preliminary report to verify risk, type of technical assistance necessary, recommend corrective measures to the responsible parties and verify the most effective action plan;
- OCCI works with the Office of General Council (OGC) to evaluate any potential overpayments identified in connection with reviewing and monitoring and any such overpayment verified will be promptly refunded.

Review Program Follow-up

- Based upon the results and findings of the Review, the item or issue will be considered for inclusion as a standing Monitor or scheduled for re-review.
- For individual provider or clinical function(s) achieving an accuracy rate of 70% or greater will be scheduled for future routine monitoring. If the accuracy rate is 69% or less, then the individual provider or clinical function(s) will be scheduled for re-review within 6 months.
- Upon re-review, individual provider or clinical function(s) achieving accuracy rate of 80% or higher will be scheduled for future routine monitoring. If the accuracy rate is 79% or less, then the issue and provider or function will be reported to Compliance and Corporate Integrity Committee (“CCI”) and the provider or function will be placed on focused monitoring until an accuracy rating of 90% on a monthly basis is achieved.
- A minimum of 95% accuracy rate is the ultimate goal across all areas reviewed within VUMC.