

# **UNIVERSITY OF IOWA FACULTY PRACTICE PLAN COMPLIANCE PROGRAM**

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# **UNIVERSITY OF IOWA FACULTY PRACTICE PLAN COMPLIANCE PROGRAM**

## **I. PREAMBLE**

The University of Iowa and its Faculty Practice Plan assume responsibility for ensuring that its affairs are conducted in accordance with applicable laws and regulations relating to professional fee reimbursement for all payors. Compliance in this area is challenging because regulatory requirements governing such reimbursement are complex and changing. To underscore and enhance its commitment and to better assist all employees, including faculty physicians, in this area, the FPP is implementing a formal Compliance Program and programs for professional fee reimbursement. The Compliance Program has the following key features:

- Designation of a FPP Compliance Officer responsible for directing efforts to enhance compliance, including implementation of the Program;
- Development and incorporation of standards and policies that guide University of Iowa personnel with regard to professional fee billing;
- Development of compliance initiatives at the department level;
- An organized approach to education of clinical faculty, administrators and billing personnel concerning applicable billing requirements and University policies;
- A mechanism for faculty and FPP employees to raise questions and receive appropriate guidance concerning professional fee billing;
- An internal monitoring program, including medical record-based billing reviews to assess compliance and to identify potential issues;
- A confidential process for employees to report instances of possible non-compliance and for such reports to be fully reviewed and acted upon;
- A mechanism for annual review of overall compliance efforts, including department specific plans, to ensure that billing practices reflect current requirements and that other adjustments are made to improve the program;
- A process for formulating corrective action plans to address instances of non-compliance with University policies or billing requirements.

The University of Iowa FPP Compliance Program described in this document is intended to establish a framework. It is not intended to set forth all the substantive programs and practices of the University that are designated to achieve compliance. Numerous compliance practices and billing quality controls already exist.

The purpose of the Compliance Program is to establish oversight and policy implementation to assure FPP and University leadership that billing practices are in compliance with applicable regulations. The Compliance Program also will provide a framework on which uniform billing policies, education, and monitoring can be built for the entire FPP, in coordination with the University of Iowa Hospitals and Clinics billing practices.

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## II. COMPLIANCE OVERSIGHT

Compliance Officer: Responsibility for implementing and managing the Compliance Program shall be assigned to the Director of Compliance. The Director shall report to the Executive Director of the Faculty Practice Plan. The organizational structure illustrating the Director's position is attached. Also attached is the Director's position description.

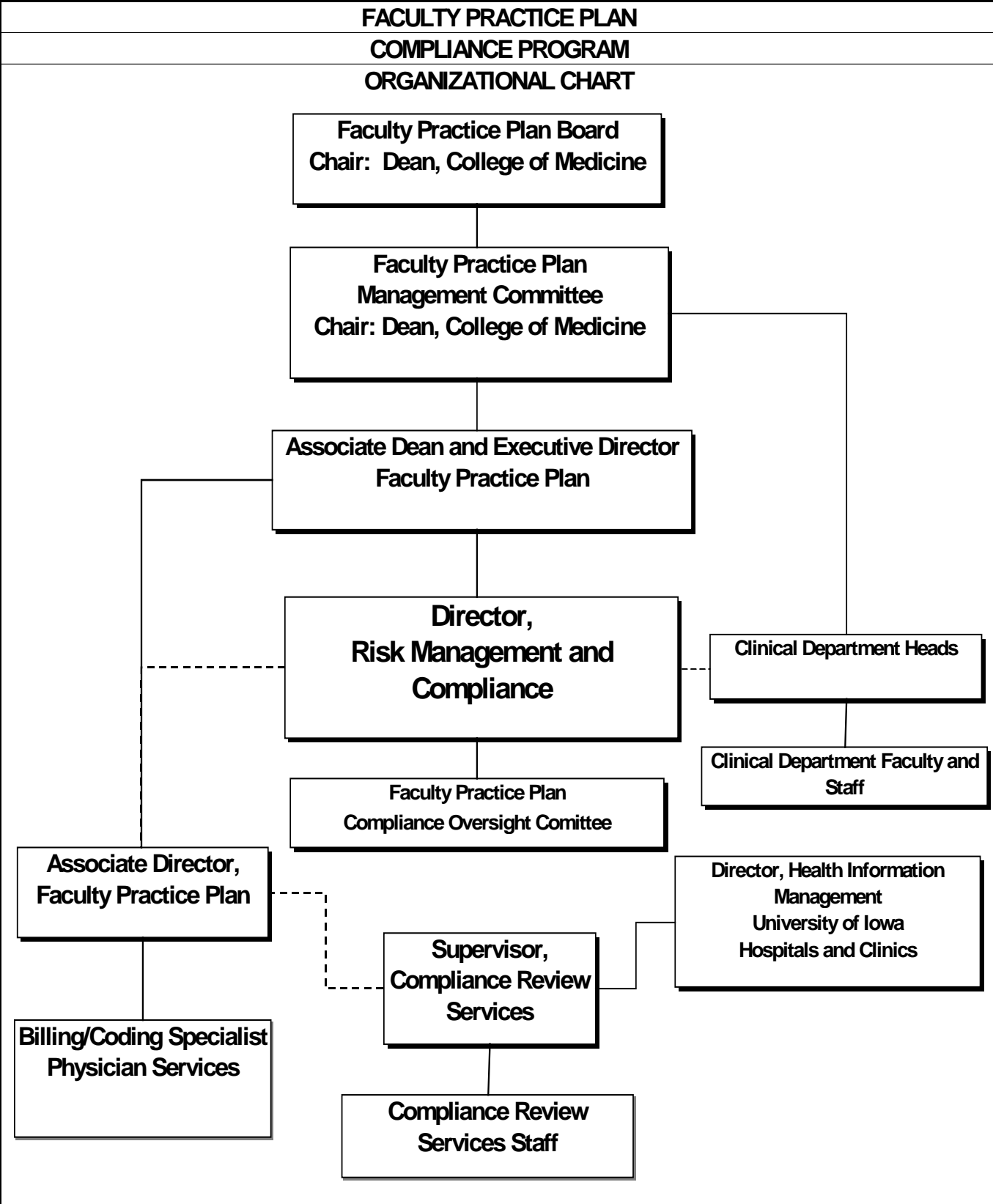
The Director shall work closely with the Dean, College of Medicine and his/her staff, clinical department leadership and administration, and billing personnel to foster and enhance compliance with applicable billing requirements. The Director shall have the authority to direct specific billing practices, including, but not limited to:

- use of particular codes for designated services,
- procedures and practices used to accomplish billing,
- procedures and practices used to assure compliance with all teaching physician physical presence and involvement rules and regulation, or
- imposition of restrictions on billing by particular physicians, or groups of physicians or other health professionals.

Before directing specific billing practices, the Director should consult with other University personnel, including the Chair of the affected department, in an effort to resolve issues through consensus. The authority of the Director shall extend to all billing activities for professional services by Faculty Practice Plan members and participants, regardless of payor or mechanism for reimbursement. Because the UIHC acts as billing agent for FPP, close coordination between the Compliance Officer and the UIHC billing office is necessary and expected.

FPP Billing Compliance Oversight Committee: The Director of Compliance will serve as Chairperson of the Compliance Oversight Committee. Members will be appointed by the FPP Management Committee. Membership will include the physician compliance liaisons from each clinical department. Additional representatives will include two departmental administrators (appointed by the Executive Director of the Faculty Practice Plan), Senior Assistant Director for the Business Office, Director Medical Records, and the FPP Reimbursement Management Specialist. Major policy-related recommendations will be developed by the committee for discussion and action by the FPP Management Committee and the FPP Board. The FPP Billing Compliance Oversight Committee will function with respect to compliance in the following ways:

- Review results of internal monitoring, including follow-up action plans;
- Review and approve an annual report regarding FPP compliance issues and activities;
- Review and approve corrective actions related to compliance variances;
- Recommend appropriate sanctions to the Management Committee if corrective actions do not suffice.
- Recommend use of outside consultants retained for purposes related to professional billing;
- Review and approve departmental compliance plans and changes thereto;
- Review and recommend FPP policy changes and documents related to professional billing, for approval by the FPP Management Committee and the FPP board if deemed necessary by the FPP senior management.
- Develop policies regarding billing and compliance issues in close coordination with the UIHC billing office.



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### **III. POLICY GUIDELINES**

It is the policy of the University of Iowa Faculty Practice Plan that all claims for professional fee reimbursement use proper codes for services provided; that documentation in the medical record supports the code(s) submitted, and that the claim is submitted in the name of the appropriate provider. Further, it is the policy of the FPP that the HCFA Teaching Physician Final Rules implemented July 1, 1996, be applied regarding physical presence and personal involvement for all patients, regardless of payor. To guide physicians, other health professionals and billing personnel in meeting this objective, the Director of Compliance shall, with the assistance of legal counsel, review existing policy statements, revise those statements as necessary, and develop any additional statements that seem advisable.

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## **IV. DEPARTMENTAL IMPLEMENTATION PLANS**

Each clinical department shall appoint a faculty member and an administrator to serve as liaisons to the FPP Compliance Program for departmental billing activities. The departmental compliance liaisons will coordinate departmental compliance activities with the Director of Compliance. The Director will ensure frequent and regular contact with the compliance liaisons.

Each clinical department shall prepare a plan to address compliance efforts on a departmental basis. The plans shall be reviewed and approved by the Director to ensure consistency with overall policies. If the Director has concerns about the content of any departmental plan, he/she should consult with the Department Chair, the Dean, and appropriate representatives of the University to explore whether the plan can be modified through mutual agreement. If such consultations fail to resolve the Director's concerns, the Director shall have the authority, after approval of the FPP Management Committee, to modify the departmental implementation plan. The departmental implementation plans shall, at a minimum, include the following features:

- written policies and procedures for all billing activities undertaken by departmental personnel;
- education and training programs, coordinated with the Director of Compliance and the FPP, to address billing issues of particular importance to the department;
- a program for ensuring and documenting that all new departmental personnel, including faculty and housestaff, receive training with regard to proper billing;
- a departmental program in place and ongoing to ensure valid quality control of all billing such that the department has taken all reasonable steps to ensure that there is proper medical record documentation to justify each billed service to any payor.
- an annual review of the existing compliance plan in order to identify the need for changes and to identify specific compliance objectives during the succeeding year.

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## **V. EDUCATION AND TRAINING**

The Director of Compliance shall be responsible for ensuring that FPP policies concerning billing are disseminated and understood. To accomplish that objective, the Director will work with representatives of the Dean's Office, the Departments, and the Business Office to ensure that there are systematic and ongoing training programs to enhance and maintain awareness of University of Iowa billing policies for all faculty, staff, and new personnel. All training materials directed to billing issues will be submitted to the Director for review and approval before being used.

Periodic training shall be made available for all physicians, other health professionals who bill for their services, and billing personnel. A system shall be developed to document that such training has occurred. Moreover the Director can require that physicians, other health professionals who bill for their services, and/or billing personnel attend training sessions on particular issues. Training materials will identify the specific people who should be contacted by physicians or billing personnel about billing questions.

For new FPP teaching physicians, the Director of Compliance shall develop a mandatory introductory training program which should cover pertinent issues including proper documentation of physical presence and involvement, as well as level of service documentation for appropriate coding.

No outside billing consultant may be retained by the FPP or any department without the review and concurrence of the Director and the FPP Management Committee. If there is disagreement about the need or appropriateness of seeking such consultation or about the suitability of the proposed consultant, the FPP Management Committee shall make the final decision about whether the consultant should be retained. Results of the consultation will be reviewed by the Director of Compliance and, if the information is applicable and valuable, it will be disseminated to appropriate departments.

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### VI. INTERNAL REVIEW PROCESS

The purpose of the Internal Review Process is to institute a mechanism to oversee clinical department's compliance with billing policies and to identify focus areas for additional educational efforts.

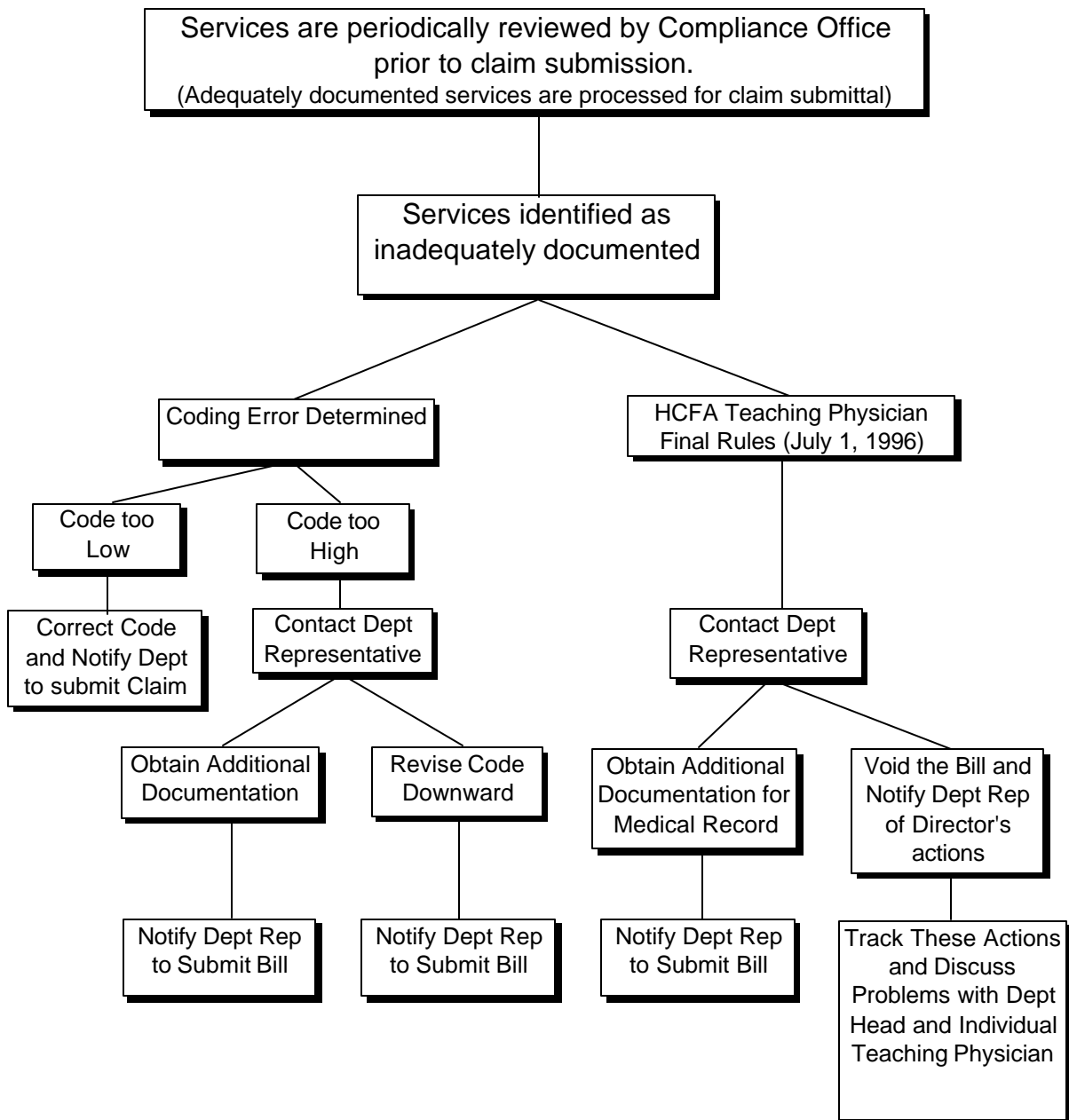
On an annual basis, each FPP provider with billing privileges will have a sample of charges for medical services reviewed to ensure that the billed service is consistent with medical record documentation and compliant with FPP billing policies. The review will occur prior to submission of the claim for services. Timely feedback will be provided to the designated compliance liaison representatives for that department. A summary report of the findings for each department will be submitted to the Department Head. When applicable, the summary report will include recommendations to ensure ongoing compliance with billing policies. Departments will be responsible for reporting implementations of the recommended actions to the Director of Compliance. Section VIII further describes compliance investigations and corrective action plans.

The review services are to ensure that the most appropriate CPT code was identified and that there is compliance with the FPP's Teaching Physician Billing Policy.

REPORTING STRUCTURE: (See Attached)

- A. Individual Service. The Compliance Office representatives will meet with designated departmental representatives to determine appropriate contact people. Each billed service that is not supported by documentation will be reviewed by the Director of Compliance and the departmental representative. Follow-up action will be determined at that time to void the bill or make appropriate changes to make it an accurately billed service. This can include additional medical record entries, appropriately dated and explained.
- B. Summary Report. The Compliance Office will issue a Summary Report upon completion of a department's review. The report will be forwarded to the Department Head. Department Heads will respond to formal recommendations presented in the summary report. The responses will be reviewed by the Director of Compliance. The summary report will include recommendations and corrective action to ensure ongoing compliance with billing policies.

NOTE: The Compliance Office review process does not replace the necessity for the departments to develop quality control policies and procedures to assure that each billed service is supported by appropriate medical record documentation.



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### **VII. REPORTING COMPLIANCE ISSUES**

Compliance issues, with respect to internal review, are discussed as noted on the Internal Review Reporting Structure flow diagram in this document. Compliance issues which employees wish to report in confidence can be addressed in the following ways:

- Employees can make confidential reports to their supervisor;
- Employees, who do not wish to make such a report directly to their designated supervisors, can make the report directly to the Compliance Office by requesting an appointment with either the Director of Compliance or the Reimbursement Management Specialist or the Executive Director of the Faculty Practice Plan;
- All such reports will be thoroughly investigated and appropriately acted upon. The identity of the person(s) making the report will be held strictly confidential. Should reprisals occur against the person(s) making the report, the Director of Compliance will take all appropriate University disciplinary measures to protect the employee making the confidential report;
- Anonymous reports will be received and reviewed. No guarantee of investigation and/or actions regarding such reports can be given;
- Reports should be about billing compliance issues, and not about issues pertaining to allegations of non-compliance with other laws, rules or regulations. Mechanisms for reporting of these other allegations already exist via applicable University policies, as well as local, state and federal laws.

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### **VIII. COMPLIANCE INVESTIGATIONS AND CORRECTIVE ACTION PLANS**

All appropriate and relevant reports of non-compliance with billing rules and regulations will be thoroughly investigated by the Compliance Officer. Appropriate corrective actions can include (but are not limited to) any or all of the following:

- Discussions between the Compliance Officer and appropriate departmental representatives;
- Policy and/or procedure changes at FPP or departmental levels by correspondence;
- Recommendations to the FPP Management Committee that cessation and/or implementation of particular practices be mandated in the absence of consensus between the Director of Compliance and the involved department or FPP member;
- Recommendations to the Dean or other University officials that disciplinary measures be taken according to University policy.

If billing restrictions are mandated against individual FPP member physicians for any reasons, then Departmental Executive Officers are authorized under FPP policy to take appropriate actions with respect to the clinical service component of individual salaries, and/or other sanctions. FPP policies regarding additional possible economic and/or disciplinary sanctions against individual FPP members or employees shall be developed by the Compliance Oversight Committee for review and approval by the FPP Management Committee and FPP Board.

If substantial non-compliance is found during routine internal review, the Director of Compliance is authorized to conduct enhanced internal review and/or to obtain outside consultation or audit services regarding individual departments and/or FPP members.

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### **IX. FINANCING OF COMPLIANCE AND NON-COMPLIANCE**

If enhanced departmental or individual FPP member review, either via internal or external reviewers, is judged necessary by the Director of Compliance, then, upon specific FPP Management Committee approval, the involved department will be billed against its service fund for all actual costs of the authorized additional reviews.

The Director of Compliance shall create an ongoing program that will use current review data to estimate financial impact that has occurred as a result of the Compliance Program. Procedural rules and assumptions by which this is calculated will be drafted by the Director of Compliance and approved by the Management Committee.

If non-compliance is found by official (e.g. Medicare) outside audits, despite all efforts at managing and obtaining compliance internally, then financing of resulting settlements and/or judgments will be determined by FPP Management Committee recommendations for approval by the FPP Board.

## **UNIVERSITY OF IOWA FACULTY PRACTICE PLAN COMPLIANCE PROGRAM**

### **X. Revisions to Program**

This Compliance Program is intended to be flexible and readily adaptable to changes in regulatory requirements and in the health care system as a whole. The Program should be regularly reviewed to assess whether it is working. The Program should be changed as experience shows that a certain approach is not effective or suggests a better alternative. To facilitate appropriate revisions to the Program, the Director should prepare a report, at least annually, which describes the general compliance efforts that have been undertaken during the preceding year and identifies any changes that might be made to improve compliance. This report will be reviewed and approved by the FPP Management Committee and, when appropriate, the FPP Board.

FPP Board approved 10/22/98  
FPP Management Committee final approval 11/09/98

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