

# DEVELOPMENT AND IMPLEMENTATION OF COMPLIANCE POLICIES AND PROCEDURES

## POLICIES AND PROCEDURES:

- Compliance policies should be tailored to each organization covering primary risk areas. The OIG believes that written standards and procedures are helpful to all organizations, regardless of size and complexity. Policies and procedures shall cover:
  - Coding and billing
  - Reasonable and necessary services
  - Present on Admission (POA) diagnoses and adverse events
  - Documentation
  - Improper inducements, kickbacks and self-referrals

## CODING AND BILLING:

- The following areas are most frequently the subjects of OIG investigations concerning billing:
  - Billing for non-covered services as if covered
  - Misuse of provider identification numbers, which results in improper billing
  - Unbundling, including spacing out services normally completed in one visit
  - Failure to properly use coding modifiers
  - Upcoding the level of service provided
- Other seemingly innocent actions can also be a red flag to the OIG:
  - Overutilization of one procedure code. Track procedure codes for a period of time to obtain an accurate picture of what services are being provided.
  - Inconsistent coding among partners in a group. This may or may not be appropriate. Does one partner see most of the very complex patients or is it upcoding?
  - Coding the highest level code for a new patient. Be sure that the documentation supports the claim.

SUBJECT: CODE OF ETHICS (SAMPLE)	REFERENCE #3003
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**POLICY:**

- Admission, Transfer, Discharge:
  - All decisions to admit, transfer and discharge patients will be based solely on the interest of the patient and his/her medical condition and need requirements to ensure access to appropriate level of care in the appropriate setting and treatment that meets the patient’s medical needs.
  
- Billing of Services:
  - \_\_\_\_\_ Hospital will deal honestly with all payers. Billing practices that are accurate, ethical, straightforward and honest shall be maintained, and all billing questions will be resolved according to organizational policies and payer contracts. Questions and conflicts regarding organizational policies and payer contracts will be resolved in a timely and appropriate manner. Any questions and conflicts regarding patient billing will be resolved without harassment, real or perceived.
  
- Compensation Programs:
  - Compensation programs for individuals who provide utilization services will not contain incentives, direct or indirect, for those individuals to make inappropriate review decisions. Compensation programs for physicians and management staff will be based on quality standards, member satisfaction and achievement of individual professional goals.
  
- Confidentiality:
  - Information regarding any client/patient admission or condition will not be divulged by any healthcare professional without written permission, except as required by law. Patients accessing \_\_\_\_\_ Hospital for healthcare will be informed regarding what information is recorded, how it is used, who will have access to the information and how these practices may affect the patient’s right to privacy and confidentiality.

SUBJECT: HOSPITAL COMPLIANCE PROGRAM	REFERENCE #4001
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APPROVED BY:	EFFECTIVE:
	REVISED:

**STATEMENT OF ETHICAL BUSINESS PRACTICE:**

- \_\_\_\_\_ (“Hospital”) has a policy of maintaining a high level of professional and ethical standards in the conduct of its business. The hospital places a high importance upon its reputation for honesty, integrity and high ethical standards. This policy statement is a reaffirmation of our commitment to a high level of ethical conduct and standards of business practice.
- These standards can only be achieved through the actions and conduct of all personnel of the \_\_\_\_\_ Hospital. Each and every employee, including management employees, is obligated to conduct himself/herself in a manner to ensure the maintenance of these standards. Such actions and conduct will be important factors in evaluating an employee’s judgment and competence and an important element in the annual performance reappraisal. Employees who ignore or disregard the principles of this policy will be subject to appropriate disciplinary actions available.
- Employees must be educated of all applicable federal and state laws and regulations that apply to and impact upon \_\_\_\_\_ Hospital’s documentation, coding, billing and competitive practices, and the day-to-day activities of the hospital and its employees and agents. Each employee who is directly involved in any of the hospital’s documentation, coding, billing or competitive practices has an obligation to familiarize himself or herself with all such applicable laws and regulations and to adhere at all times to the requirements thereof.
- These employees are also required to participate in the ongoing educational programs provided by this organization. Where questions regarding these requirements exist, each employee shall seek guidance from knowledgeable senior management, the Compliance Officer or legal counsel for \_\_\_\_\_ Hospital.
- In particular, but not limited to, this policy prohibits \_\_\_\_\_ Hospital and each of its employees from directly or indirectly engaging or participating in any of the following:
  - Improper Claims:
    - Presenting or causing to be presented to the United States government or any other healthcare payer a claim:
      - ◆ Item or Service Not Provided as Claimed.

## POSITION DESCRIPTION / PERFORMANCE EVALUATION

Job Title: Corporate Compliance Officer  
 Prepared by: \_\_\_\_\_  
 Date: \_\_\_\_\_

Supervised by: CEO, Governing Body  
 Approved by: \_\_\_\_\_  
 Date: \_\_\_\_\_

**Job Summary:** Establishes, monitors and updates the facility's corporate compliance program. Demonstrates knowledge and keen understanding of all applicable laws and regulations. Educates all facility personnel, outside contractors and agents of the requirements of the corporate compliance program. Has the authority to recommend disciplinary action when appropriate.

**DUTIES AND RESPONSIBILITIES:**

3 = Exceeds Performance                      2 = Expected Performance                      1 = Needs Improvement

**Demonstrates Competency in the Following Areas:**

Supervise the implementation and maintenance of the facility's corporate compliance program to ensure that all facility activities and operations are carried out in compliance with local, state and federal regulations, accrediting organization standards and laws governing healthcare operations.	3	2	1
Participate in the development of guidelines concerning state and federal regulations in regards to ethical and legal business practices.	3	2	1
Stay current with changes in state and federal laws, regulations and policies, changes in private payer health plans and incorporate these changes into the corporate compliance program.	3	2	1
Monitors the issuance of fraud alerts by the Office of the Inspector General of the Department of Health and Human Services.	3	2	1
Provide oversight for the training and education of all personnel and agents involved in the clinical and billing/coding areas of the facility, about applicable compliance standards. Assures that all personnel receive training and education in the basic principles of corporate compliance and ethical business practices.	3	2	1
Plans and oversees audits of the facility's corporate compliance program to identify any problems and provide resolution of any problems to ensure the efficacy of the program.	3	2	1
Works well and takes advisement from the legal counsel of the facility.	3	2	1
Ensures all outside contractors and agents are aware of the facility's corporate compliance program in regards to billing, coding, kickbacks, marketing and referrals.	3	2	1
Serves as Chairperson of the facility's Corporate Compliance Committee.	3	2	1
Implements and maintains the Compliance Hotline (reporting noncompliance issues, receiving help and assistance regarding potential violations, as well as general information on corporate compliance).	3	2	1
Develops and implements policies that allow the facility's employees to report noncompliance issues without the threat of retribution.	3	2	1
Refers complaints to appropriate departments for investigation; may implement and coordinate internal investigations.	3	2	1
Investigates all reports of suspected misconduct - both intentional and accidental; refers legal issues to the facility's legal counsel.	3	2	1