



# Auditing & Monitoring: Practical Applications for the Physician's Office

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# Create a compliance work plan

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- Standards & Procedures
- Oversight
- Education & Training
- Monitoring & Auditing
- Reporting & Investigation
- Discipline & Enforcement
- Response & Prevention



## Be aware of your risk areas

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- Sign up for your local Medicare carrier's "Provider e-mail updates"
- Review charge tickets/encounter forms
- If you have a midlevel provider- review their state statute
- Verify your provider's E/M levels- *(eg. What percentage of their office visits for the quarter are level 4's?)*



# Be Aware of your risk areas

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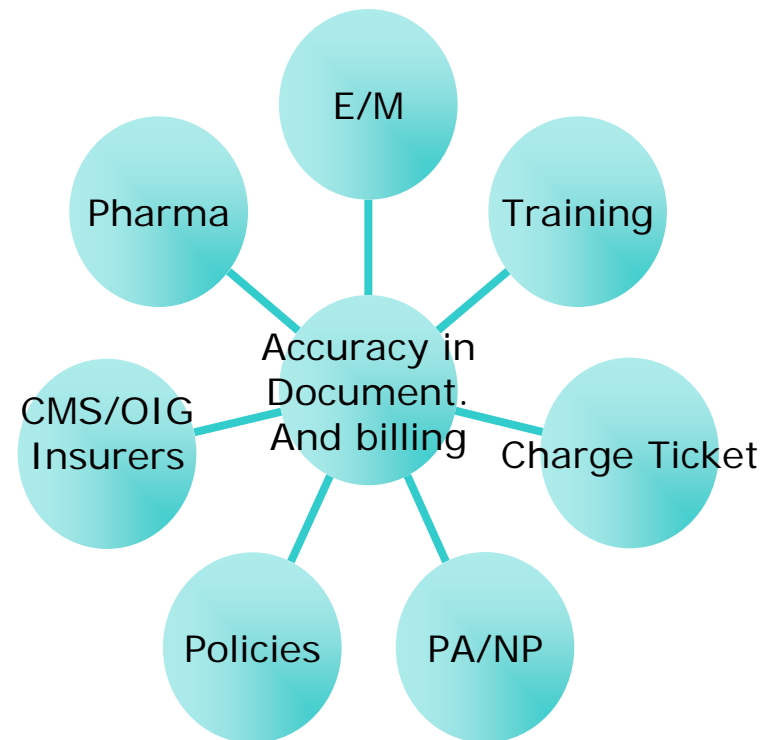
- Review policies and procedures
- Review the OIG Work Plan, CMS bulletins, LMRP's
- Look at local activity and national activity around audits and areas of focus for CMS and other enforcement agencies
- Review education and training materials
- Review your protocol with pharmaceutical representatives

# Prioritize your risks

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Questions to ask:

- Do I have Senior Management support?
- Are there available resources to complete this?
- What will my budget allow?
- How do I make this scaleable to my organization



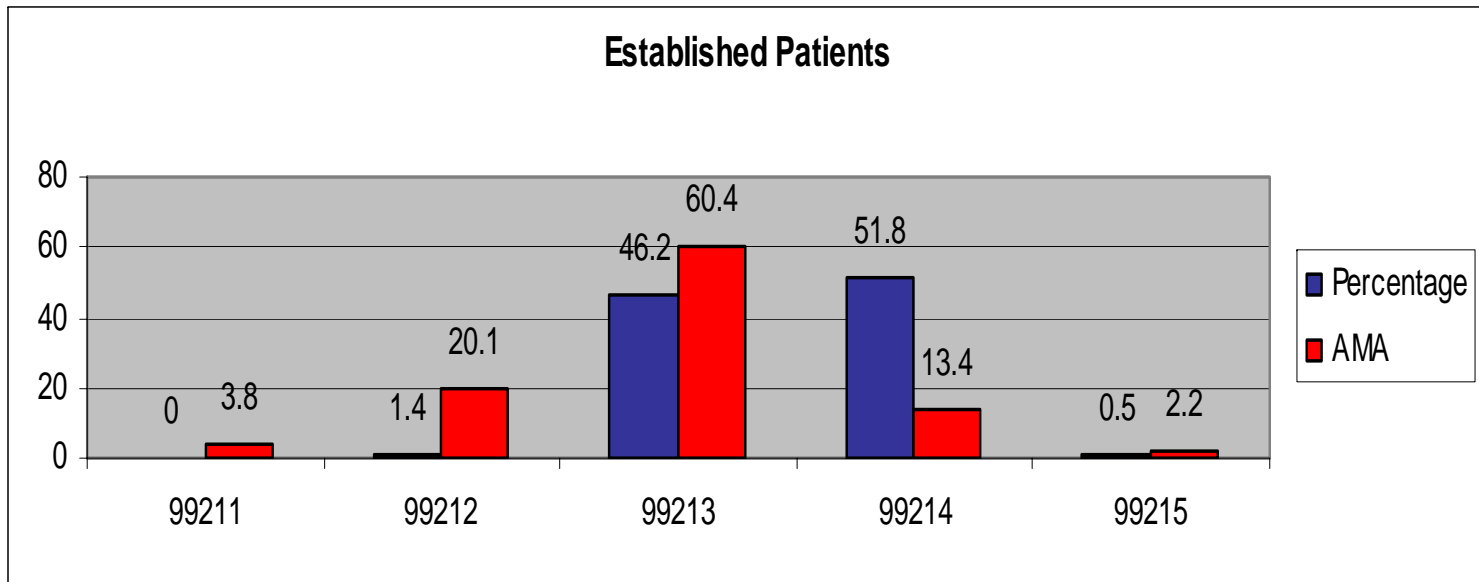


# Goals of Auditing & Monitoring

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- Identify, assess and prioritize risks in your physician practice.
- Mitigate risk factors through appropriate management action to correct/deter risks
- Protect physician practice and providers.
- Identify areas where education is needed and provide for physician practice where risks are identified.
- Reduce the chance of repeat problems.

# Monitors




Quarterly bell curves are very beneficial to monitor your provider's E/M utilization.

# E/M Audit

Prospective Chart Review  
Dr. Audit

MRN#	1	2	3	4	5	6	7	8
<b>Date of Service</b>	8/13/00	8/13/00	8/13/00	8/13/00	8/13/00	8/13/00	8/13/00	8/13/00
<b>Physician's EM</b>	99213	99214	99213	99394	99211	99211	99213	99203
<b>Auditor's EM</b>	99214	99214	99214	99394	Nonbill	Nonbill	99214	99203
<b>Diagnosis Match note/charge ticket</b>	Yes	No	Yes	Yes	Yes	Yes	No	No
		Order of dx is different #1 dx should be reason pt presented (back pain)					#1 dx should be reason pt presented (migraines) There are 5 dx in the chart note and only 2 on charge ticket	Crepitus and back pain are in the note but not on the charge ticket
				Sports Physical	Prottime	Prottime		
<b>Comments</b>	Chief Complain mentions "duration" but HPI does not No PFSH Need 3 vital signs	Need to documnt duration in HPI Phys needs to initial by vital signs	No PFSH Phys needs to initial by vital signs		No document ation that a nurse's assess. was done and need phys signature	No document ation that a nurse's assessmnt was done and need phys signature	No PFSH Phys needs to be initial by vital signs	Phys needs to be initial by vital signs



# Ideas for developing an audit template (make sure you know the difference between an audit vs. a review)

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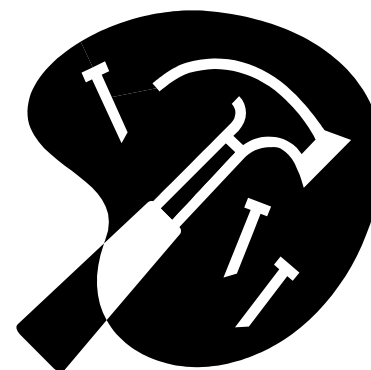
**Make sure that you don't put your organization at risk. Senior management and if necessary, legal counsel needs to agree you should review the areas you have identified as risks to audit without privilege or other considerations.**

- **Background of area to be audited**
- **Audit scope**
- **Audit methodology, ie: documentation review, sample size, interviews**
- **Audit findings/observations: ie**
  - There were 3 out of 8 charts which did not reflect the appropriate E & M code for the service provided, 3 were coded appropriately
  - If you are going to give billing implications...make sure that you have all the appropriate information to reflect what you actually billed and were actually paid...sometimes these don't come out to be the same and you don't want to start looking in an area for payback if you didn't get that money in the first place!
- **Audit Recommendations, ie:**
  - Utilize a template that includes a section for the Past Family, Social History so this will be included in the documentation when it is reviewed.

# E/M Tools

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- Audit form
- CPT book
- Documentation handbook
- Pocket guide for E/M services
- Bell curves
- Medicare probe audits on E/M services





# Break-Out Activity

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# Monitors

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- New/Revised CPT codes
- Change in billing guidelines (eg. Injections and infusions)
- Office consultations
- Midlevel provider billing and incident-to criteria
- Locum tenens utilization

# Monitors

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Work with your IS department and think outside the box to create some internal monitors...



# Monitors

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- Charge corrections:
  - Billed as one provider and corrected to a different provider.
  - Billed as one E/M and corrected to a different E/M
  - Billed as one diagnosis and changed (by whom?) to a different diagnosis.



# Monitors

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- Professional courtesy discounts
- Modifier -59 usage
- Unlisted CPT code usage
- Global radiology charges
- Provider equals Patient



# Report Your Findings-if you have not already determined that this should be an attorney client privileged audit

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- Create a “Final Report” for each of your audits to summarize your findings.
- Review your findings with the respective business function
- Have the respective business function provide a “Corrective Action Plan”.
- Provide your Final Report with the management action plan to Senior Management and any other appropriate individuals and/or committees.
- Provide remedial education for staff and physicians, where applicable.
- Always follow-up to confirm management action has resulted in resolution of risk area in the timeliness that they determined.



# Educate, Educate, Educate

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- Best line of defense is to educate coworkers on any issues found.
  - Number one problem of non compliance is lack of awareness and/or understanding of the issue
- Create a monthly newsletter for your physician practice.
- Subscribe to a newsletter that can be passed to each coworker to read and sign-off on.
- Have a Lunch and Learn to get the message out to all coworkers and providers.
- Peer reviews with providers to assist them in “real life” reviews that would help them see mistakes being made

# Educate, Educate, Educate

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- Compliance training for all providers related to their frame of reference.
- Compliance training for all coworkers.
  - Online and/or paper program
  - Mandatory
  - Yearly
  - Record all that complete the training.



# Document Activity

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- Document your auditing and monitoring activities.
- Even when the findings are negative, still document you monitored it. \*as long as this is not an attorney client privileged audit. If it is, the attorney will tell you what to document.
- Document potential issues identified at a high level on a tracking log



# Are You Effective?

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- Has non compliant behavior improved?
- Do you have a documented system which reflects your compliance activities, ie: education, audits, monitors?
- Can you demonstrate that your staff understand their accountability in bringing potential compliance issues forward?
- Is there a structure for your compliance efforts evidenced through oversight, communication, etc.?



## Questions?

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