NEHIA/HFMA

2024 Compliance & Internal Audit Conference

Wednesday, December 4 - Friday, December 6, 2024

Mystic Marriott Hotel, Groton, CT

Exclusion Tracking and Conflicts of Interest
How Internal Audit Can Make a Difference and Collaborate with Compliance

PRESENTERS:

NICHOLAS BORGES, SENIOR COMPLIANCE INTERNAL AUDITOR

STEPHANIE RODRIGUEZ, MANAGER, COMPLIANCE AND PROGRAM EFFECTIVENESS

Agenda

Introduction
Meet the Speakers
Goal & Learning Objectives

Background
Internal Audit and Compliance

Case Studies
Exclusions Monitoring
Conflicts of Interest and Open Payments

Benefits of Collaboration
Importance of Collaboration

Closing
Summary
Questions and Answers

Meet the Speakers

NICHOLAS BORGES, MSA, CIA

Senior Compliance and Internal Auditor

- 11 years auditing experience in the healthcare industry

- 15 years of auditing experience overall performing a variety of audits
  - Financial, Process, Compliance, and Fraud

- Master and Bachelors degrees in Accounting

- Certified Internal Auditor (CIA)

STEPHANIE RODRIGUEZ, MBA, CHC, CHPC

Manager Compliance and Program Effectiveness

- 7 years of experience in the healthcare industry
  - Electronic medical record: Revenue Cycle/Claims
  - 3 years in healthcare compliance and privacy

- Bachelors Health Policy and Management with Business Studies Certificate

- Masters degree in Business Administration

- Certified in Healthcare Compliance (CHC) and Certified in Health Privacy Compliance (CHPC)

Goal & Learning Objectives

Illustrate the importance of the collaboration between Internal Audit and Corporate Compliance for an effective compliance program through two important processes: exclusions monitoring and conflicts of interest. This overview will discuss the significance of these two processes and how the collaboration with Internal Audit contributions enhances their efficiency and effectiveness. By reviewing, how the program has evolved at our healthcare organization, lessons learned, and audit approach, we hope to share its impact and how it can be applicable at other organizations.

Learning Objectives:

1. Gain an understanding of Exclusions Monitoring process and Conflicts of Interest.

2. Identify key areas internal audit can collaborate with Compliance and recognize the potential for a positive impact of collaborating with internal audit in compliance initiatives.

3. Share approaches, tools, and methodologies to effectively include internal audit in an organization's compliance program.

Seven (7) Elements of an Effective Compliance Program

1. Implement written policies, procedures, and standards of conduct.

2. Designate a compliance officer and a compliance committee.

3. Conduct effective training and education.

4. Develop effective lines of communication.

5. Conduct internal monitoring and auditing.

6. Enforce and discipline.

7. Develop corrective action procedures.

What roles are here today?

- Internal Audit
- Compliance
- Privacy
- Other

Polling Question #1

Internal Audit Background

Per the Institute of Internal Auditors (IIA), Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

Traditional IA focus areas and skill sets:

Process Oriented focus	Independent Review	Structure	Problem Solving	Analysis	Documenting practices

Internal Audit is getting involved in more roles and processes than ever before.

Internal Audit Crossover Potential

System and process implementations

Privacy

Compliance

Monitoring

Temperature Check Reviews

Exclusions Monitoring

What is Exclusions

- OIG exclusion refers to the administrative action of barring an individual or entity from participation in all federal healthcare benefit programs. The effect of exclusion is that no federal health care program payment may be made for any items or services provided by the excluded individual or entity. (OIG)

Why do we do it

- To ensure our Health Systems are not employing or working with anyone identified as excluded.

Exclusions Monitoring

	How do we successfully monitor for exclusions?	Monthly file reviews comparing our employees, vendors, Medical staff and referring providers, and volunteers to federal and state level lists.
	What's the actual process?	• Screen • Review • Report • Follow-Up
	What Challenges exist?	• Determining the universe • Organization of review • Documenting the process • Timely results

Exclusions Monitoring – Benefits of IA in Exclusions process

Independent Analysis of current process and identification of gaps.

Audit Structure and Methodology for establishing enhanced process.

Analysis for Monitoring activities

Relationship management

Reporting enhancements

Exclusions Summary/Collaboration

Why is Exclusions Monitoring important?

- To ensure we aren't working with any excluded individuals.

- Hefty damages settlements and reputational harm.

- Low hanging fruit when it comes to risk vs reward.

How did IA add value to the process?

- Focus on risk identification, process workflow, and problem solving.

- Systematic approach to monitoring fieldwork.

- Enhanced reporting and follow up.

Conflicts of Interest and CMS Open Payments Review

PART 2

Polling Question #2

How many individuals here work with the conflict-of-interest disclosure and/or Open Payments process?

Terms and Background

CONFLICTS OF INTEREST (COI)

When responsibilities of individuals or organizations are, or have the potential to be, compromised by other, external obligations. The failure of fiduciary responsibility is the key concept in defining conflict of interest situations. (Columbia.edu)

OPEN PAYMENTS

Open Payments program is a national disclosure program that promotes a more transparent and accountable health care system. Open Payments houses a publicly accessible database of payments that reporting entities, including drug and medical device companies, make to covered recipients like physicians. (CMS.gov)
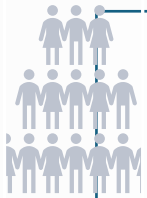
Source:
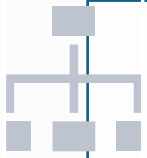Conflict of Interest | Department of Medical Humanities and Ethics (columbia.edu)
What is Open Payments? | CMS

Why are Conflicts of Interest and Open Payments Important?

IMPACT

Reputational

Organizational Harm

Legal/Regulatory
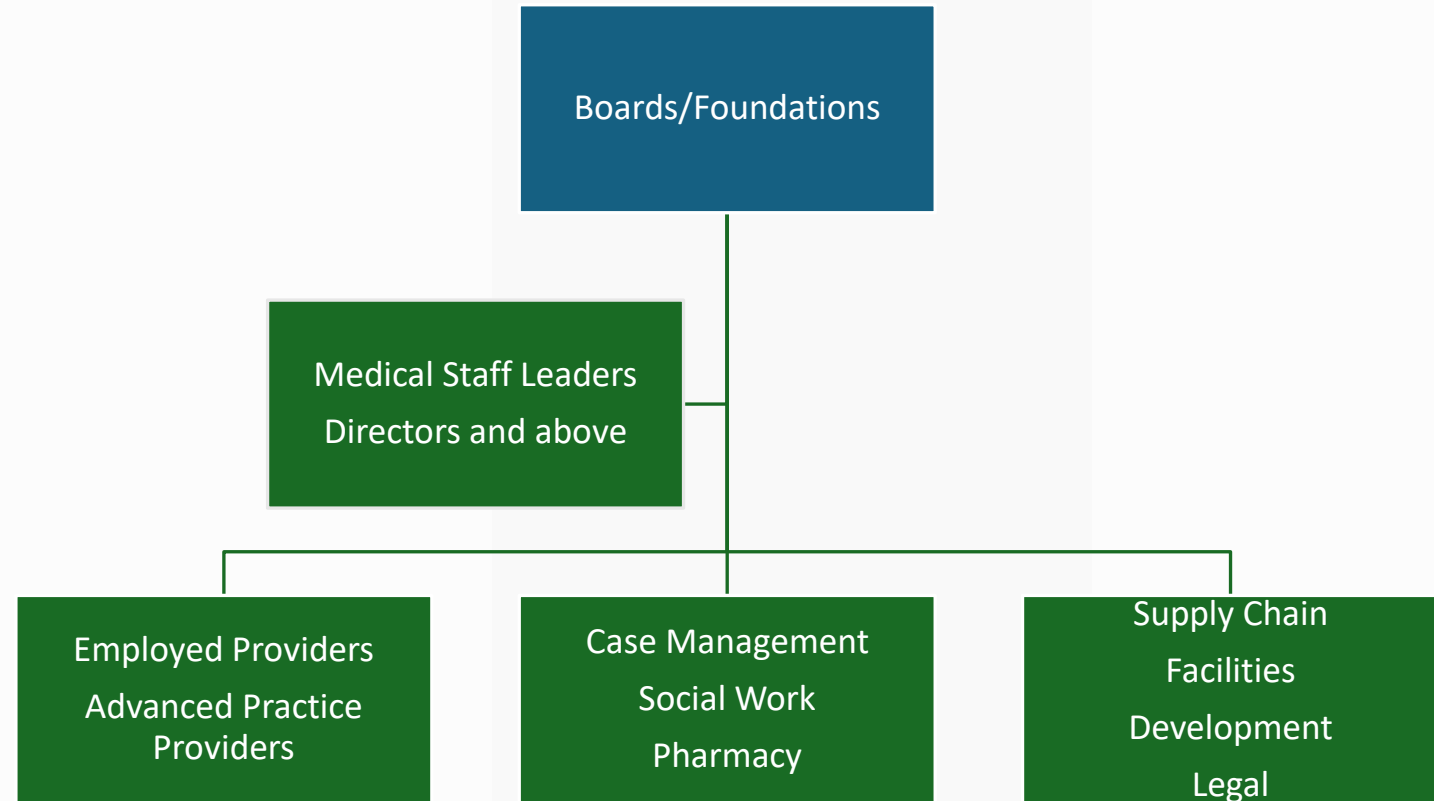
IN THE NEWS

- 2019 The Washington Post: University Maryland Medical System (UMMS)

- "Members of management appear to have taken upon their own authority the right to enter into contracts with board member that resulted in personal gain . . . interacting with board members in ways that overstep the standard understanding of the role and authority of the board," the report concluded."

COI/Open Payments Program

- Our organization's journey

- Current scope of program

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                    │  Boards/Foundations  │
                    └──────────┬───────────┘
          ┌──────────────────────────┐
          │ Medical Staff Leaders     │
          │ Directors and above       │
          └──────────┬────────────────┘
    ┌───────────────┼──────────────────────┐
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│ Employed   │  │ Case       │  │ Supply Chain │
│ Providers  │  │ Management │  │ Facilities   │
│ Advanced   │  │ Social Work│  │ Development  │
│ Practice   │  │ Pharmacy   │  │ Legal        │
│ Providers  │  │            │  │              │
└────────────┘  └────────────┘  └──────────────┘
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Boards/Foundations

Medical Staff Leaders
Directors and above

Employed Providers
Advanced Practice Providers

Case Management
Social Work
Pharmacy

Supply Chain
Facilities
Development
Legal

COI/Open Payments Challenges

| 1. Review and dispute process | 2. Inaccuracies in data | 3. Lack of Key performance Indicators (KPIs) | 4. Awareness of scope and process |

COI/Open Payments Collaboration with IA
# How does internal audit answer challenges?

1. Review and Dispute Process	2. Inaccuracies in data	3. Lack of KPIs	4. Awareness of scope and process
Monitoring and communications with vendors	Efficient way to review data	Track trends	Communication
Tracker to document communications and changes	Report making	Data to report to committees and leadership	Education
Internal and external validation	Mitigations and potential opportunity for future audits on findings	Highlight significance	Additional resource/point of contact for organization

Importance of IA Collaboration

- Systematic approach
- Problem Solvers
- Documentation efficiencies
- Organization
- Ensure effective compliance program

"Alone we can do so little; together we can do so much" – Helen Keller

Potential Challenges of Collaboration
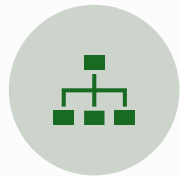
Organization/Department culture

Department Structure

Leadership/staff unwillingness to collaborate
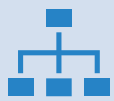
Differences in knowledge base

Level of maturity of Compliance/Internal Audit programs

Limited staffing or resources

Takeaways/Conclusion

Tap into different skill sets of team and departments to enhance processes.

IA methodology and skill sets can be applied to many Compliance/Privacy projects.

How are you utilizing IA in your Compliance projects?

QUESTIONS