When was the last time your hospital evaluated its compliance training and education? When was the last time you critically assessed your monitoring and auditing processes?

Now may be the perfect time to re-evaluate these processes because the OIG published its Supplemental Compliance Program Guidance for Hospitals (SCPG) in the January 31, 2005, Federal Register.

SCPG guidelines provide a detailed explanation of what the federal government expects from providers.

Appropriate training & education
According to the SCPG, hospitals that fail to adequately train and educate their staff risk liability for the violation of health care fraud and abuse laws.

The purpose of conducting a training and education program is to ensure each employee, contractor, or any other individual who functions on behalf of the hospital is fully capable of executing his or her role in compliance with rules, regulations, and other standards.

In reviewing your training and education programs, ask the following:

- Do qualified trainers conduct annual compliance training for staff, including general and specific training pertinent to varying levels of responsibility?
- Do you annually evaluate training and education program content to determine if the subject matter is appropriate and sufficiently covers the range of issues that confront your employees?
- Do you keep up with changes in federal health care program requirements and adapt your education and training programs accordingly?
- Does your education and training program content take into consideration the results of audits and investigations; results from previous training and education programs; trends in hotline reports; OIG, CMS or other agency guidance or advisories?
- Is your training format appropriate in terms of session length whether it’s delivered via live instructors or via computer? Also, are training sessions held frequently enough, and do they meet the need for general and specific sessions?
- Do you seek feedback after each session to identify shortcomings in the training program? Do you administer post-training testing to ensure attendees understand and retain the subject matter delivered?
- Have you provided your governing body with appropriate training on fraud and abuse laws?
- Do you document who has completed the required training?
- Have you assessed whether to impose sanctions for failing to attend training? Do you offer appropriate incentives for attending?

Internal monitoring & auditing
The SCPG states auditing and monitoring plans will help hospitals avoid submitting incorrect claims to federal health care program payors.

Take time to develop a detailed annual audit plan designed to diminish the risks associated with improper claims and billing practices. Consider the answers to the following seven questions:

1. Do you annually re-evaluate your audit plan; does it address the proper areas of concern, e.g., findings from previous years’ audits, risk areas identified as part of the annual risk assessment and high-volume services?
2. To help identify the root cause of billing errors, does your audit plan include a billing systems assessment in addition to claims accuracy?
3. Is the auditor’s role clearly established, and are coding and audit personnel independent and qualified with the requisite certifications?
4. Should the need arise, is the audit department available to conduct unscheduled reviews, and is there a mechanism that

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allows the compliance department to request additional audits or monitoring?
5. Has your institution evaluated the error rates the annual audits identify?
6. If your error rates are not declining, have you investigated other aspects of your compliance program to determine hidden weaknesses and deficiencies?
7. Does the audit include a review of all billing documentation in support of a claim, including clinical documentation?

Respond consistently to deficiencies
By consistently responding to detected deficiencies, your organization can develop effective corrective action plans and improve overall compliance.

When evaluating the way your institution responds to a deficiency, use the following checklist:

■ Use a response team that includes representatives from the compliance, audit, and other relevant functional areas who are able to quickly evaluate deficiencies
■ Investigate all matters thoroughly and promptly
■ Implement a corrective action plan that addresses the root causes of each potential violation
■ Conduct periodic reviews of problem areas to verify that corrective action is successfully implemented to eliminate existing deficiencies
■ Consult with legal counsel if a detected deficiency results in an overpayment to the organization to determine your repayment options
■ Include legal counsel early in the process when you are concerned about a potential violation

Outdated CDMs can potentially create significant compliance risks for hospitals. Because HCPCS codes and APCs are regularly up-dated, your hospital also must up-date its CDM to assign the correct codes to outpatient claims. Implement timely updates and properly use modifiers and correct associations between procedure codes and revenue codes.

Summary
Effective education and auditing programs are extremely important to the success of a compliance program. The OIG’s Supplemental Compliance Guidance of January 31, 2005, provides valuable insight into the measures that should be taken to develop effective education and auditing programs.