



Carolinan HealthCare System

*Compliance Program Effectiveness:
A Large System's Approach to Effectiveness
Assessment and Improvement as a Continuous,
Long-Term Strategic Program*

March 20, 2015

HCCA Regional Conference - Charleston, SC

One

Session Objectives

- Go beyond the basics of the key compliance program elements and discuss how a large health system approaches compliance program management and instills continuous program effectiveness improvement into every compliance activity.
- Discuss strategies utilized for qualitative effectiveness assessment, development of scalable guidance and tools, and ongoing identification, prioritization, and implementation of improvement opportunities.
- See and share examples of Compliance Program Effectiveness communications, templates, and other deliverables (e.g., Compliance Program Effectiveness Work Plan, "Compliance Officer Advisory" Communications).

2

One



Carolinan HealthCare System

**CAROLINAS HEALTHCARE SYSTEM
AT A GLANCE**

**+61,000
TEAMMATES**

**+900
CARE
LOCATIONS**

**+11 million
UNIQUE PATIENT
ENCOUNTERS**

Carolinas HealthCare System is one of the leading healthcare organizations in the Southeast and one of the largest public, not-for-profit systems in the nation.

During 2013, the System operated more than 40 hospitals and served patients at more than 900 care locations, including physician practices, freestanding emergency departments, outpatient surgery centers, pharmacies, laboratories, imaging centers and other facilities. The System also operated 12 nursing homes and a variety of home care, medical equipment and hospice services.

Altogether, System operations comprised more than 7,800 licensed beds, employed more than 61,000 people, and accounted for more than 11 million unique patient encounters.

Carolinas HealthCare System's mission includes a strong commitment to community service, public health and extensive outreach to all segments of the population. Carolinas HealthCare System, with its extraordinary staff and comprehensive range of high-quality services, research and educational initiatives, ensures that all patients receive the benefits that stem from being a highly unified and fully integrated enterprise working as One.

**CAROLINAS HEALTHCARE SYSTEM
ACUTE CARE
FACILITIES**

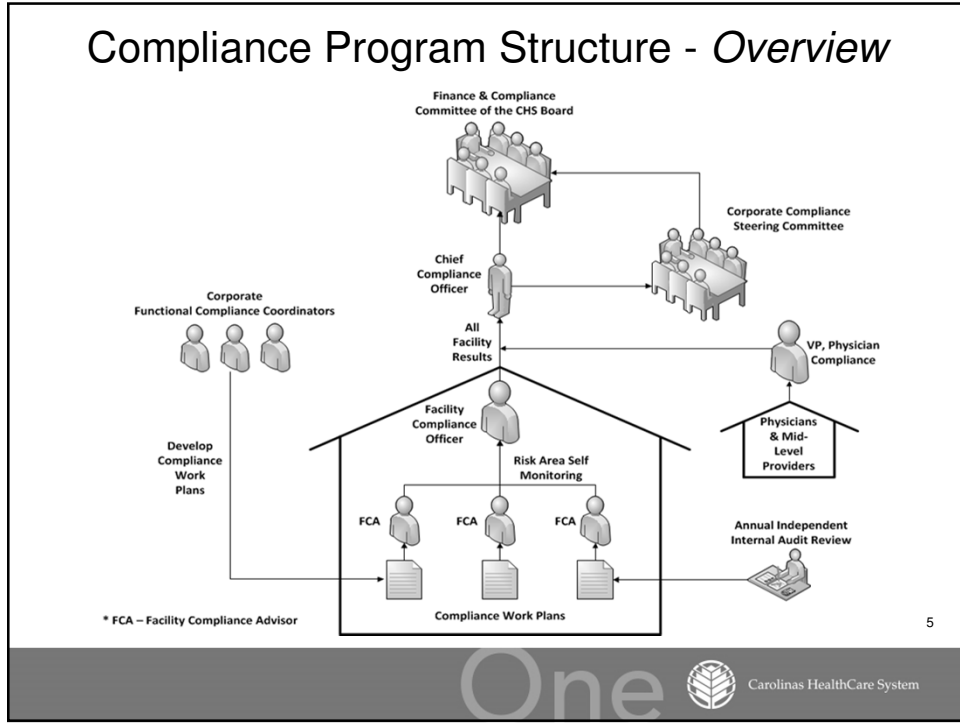
TENNESSEE

NORTH CAROLINA

SOUTH CAROLINA

GEORGIA

1. Alamance Regional Medical Center
2. AnMed Health Medical Center
3. AnMed Health Rehabilitation Hospital
4. AnMed Health Women's and Children's Hospital
5. Annie Penn Hospital
6. Anson Community Hospital
7. Bon Secours/St. Francis Hospital
8. Cannon Memorial Hospital
9. Carolinas Medical Center
10. Carolinas Medical Center-Lincoln
11. Carolinas Medical Center-Mercy
12. Carolinas Medical Center-NorthEast
13. Carolinas Medical Center-Pineville
14. Carolinas Medical Center-Randolph
15. Carolinas Medical Center-Union
16. Carolinas Medical Center-University
17. Carolinas Rehabilitation
18. Carolinas Rehabilitation-Mount Holy
19. Carolinas Rehabilitation-NorthEast
20. CHS Blue Ridge-Morganton
21. CHS Blue Ridge-Valdese
22. CHS Rehabilitation, a facility of CMC-Pineville
23. Cleveland Regional Medical Center
24. Columbus Regional Healthcare System
25. Cone Health Behavioral Health Hospital
26. Crawley Memorial Hospital
27. Elbert Memorial Hospital
28. Kings Mountain Hospital
29. Levine Children's Hospital
30. MedWest-Harris
31. MedWest-Haywood
32. MedWest-Swain
33. Moses H. Cone Memorial Hospital
34. Murphy Medical Center
35. Roper Hospital
36. Roper St. Francis-Mount Pleasant Hospital
37. Scotland Memorial Hospital
38. St. Luke's Hospital
39. Stanly Regional Medical Center
40. Wesley Long Hospital
41. Wilkes Regional Medical Center
42. Women's Hospital



Compliance Program "Matrix"

RISK AREAS	FCO Work Plan	1	2	3	4	5	6	7	8	Approx. 40 Compliance Risk Areas	23	24	25	26
		Ambulance Services	Behavioral Health	Cardiac Cath	Cardiac Rehab Pulmonary Rehab	Chargemaster	Clinical Care Management	Emergency Services	HIM		Safety	Taxes	Tax Exempt Organizations	Wound Care
FACILITIES	Acute Care FCOs	FCC	FCC	FCC	FCC	FCC	FCC	FCC	FCC		FCC	FCC	FCC	FCC
AnMed Health Medical Center														
Carolina's HealthCare System Anson														
Carolina's HealthCare System Blue Ridge														
Carolina's Rehabilitation														
Carolina's HealthCare System Cleveland														
Carolina's Medical Center (CMC)														
Carolina's Medical Center - NorthEast														
Carolina's Medical Center - University														
Carolina's Medical Center - Union														
Carolina's Medical Center - Pineville														
Carolina's Medical Center - Union														
Columbus Regional (CRHS)														
Moses H. Cone Memorial Hospital														

↓

> 40 Hospitals + Long Term Care, Home Health, Hospice

6

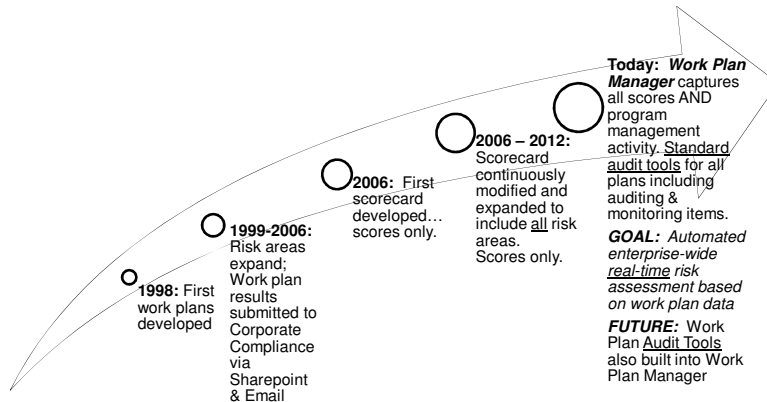
Compliance Work Plan Reporting



- Carolinas HealthCare System utilizes an internally developed **Compliance Work Plan Manager** application for centralized collection, aggregation, and reporting of work plan results for all compliance risk areas.
- Facility Compliance Advisors (FCAs) enter work plan results directly in Work Plan Manager on a quarterly basis (as applicable based on the designated frequency for items on the work plan).

7

Evolution of the Carolinas HealthCare System Compliance Work Plans and Reporting



8



Carolinan HealthCare System

Instilling “Program Effectiveness” Into Compliance Operations

One

Definition: Effectiveness

ef·fec·tive·ness/i' fektivnəs/
noun

the degree to which something is successful in producing a desired result; success.

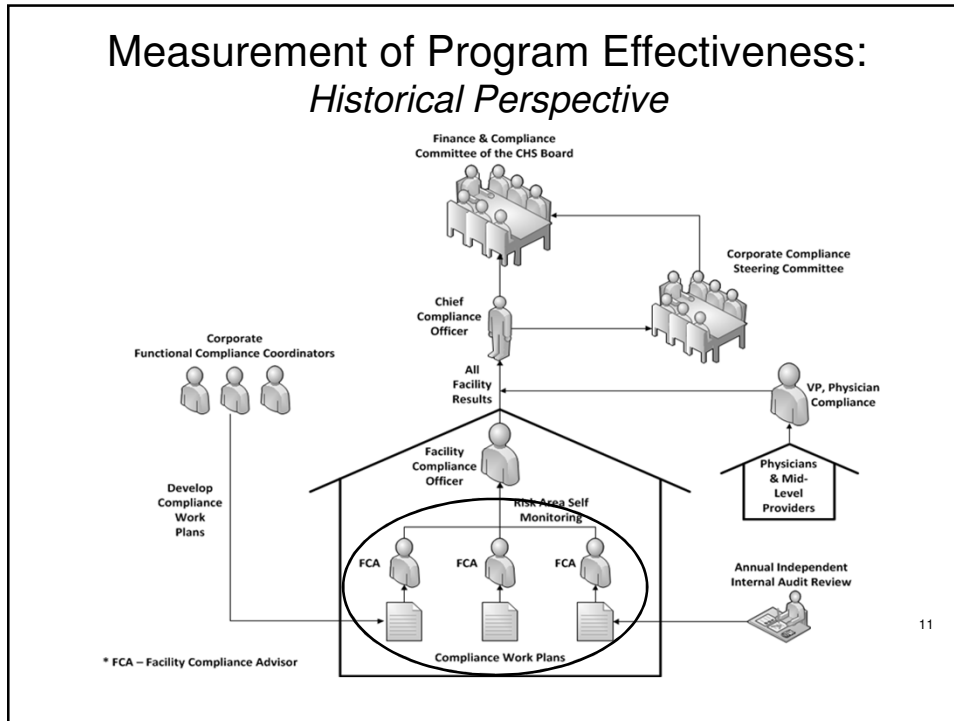


10

One



Carolinan HealthCare System



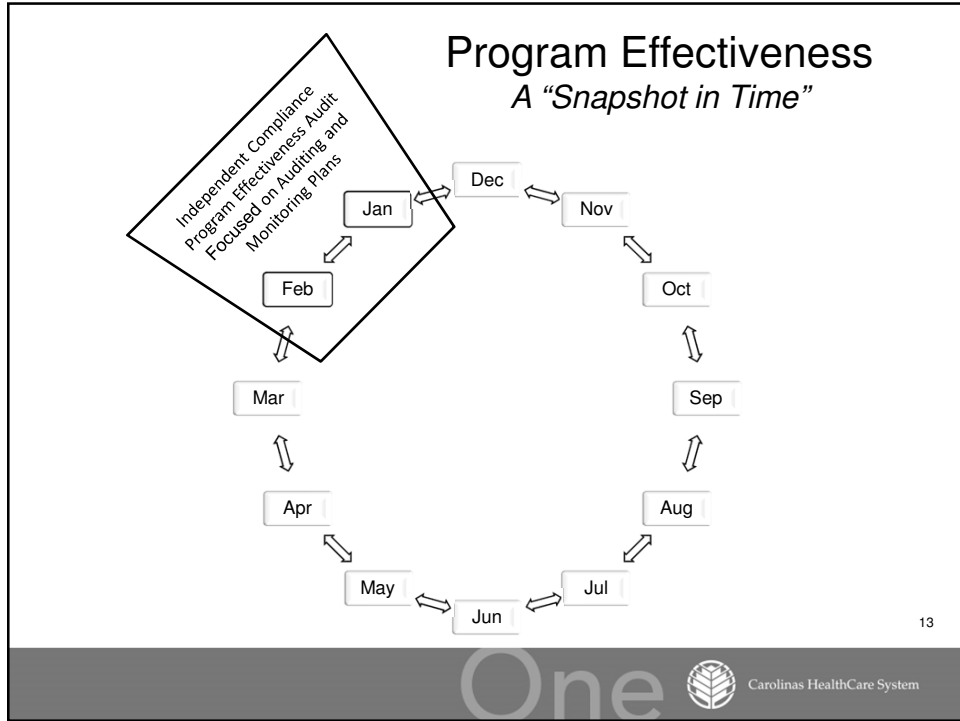
Measurement of Program Effectiveness: *Historical Perspective*

Scope: Compliance Risk Area Work Plans (primary focus: Auditing and Monitoring activities)

Evaluation Methodology: Test work plan execution

Rating Scale: Measured the effectiveness of the discipline of implementing the work plan; tested the effectiveness of the Facility Compliance Officer generally

12



Evolution of the Ideology of "Effectiveness"

"The OIG believes that every effective compliance program must begin with a formal commitment by the hospital's governing body to include all of the applicable elements ... These elements are based on the **seven steps of the Federal Sentencing Guidelines**. Further, we believe that every hospital can implement most of our recommended elements that expand upon the seven steps of the Federal Sentencing Guidelines...However, as a first step, a good faith and meaningful commitment on the part of the hospital administration, especially the governing body and the CEO, will substantially contribute to a program's successful implementation."

1998 OIG Compliance Program Guidance for Hospitals <http://oig.hhs.gov/authorities/docs/cpgghosp.pdf>

The diagram consists of seven rectangular boxes arranged in two rows. The top row contains four boxes: "Exception Reporting", "Oversight", "Written Standards", and "Education / Training". The bottom row contains three boxes: "Response & Discipline", "Prevention", and "Auditing & Monitoring". Each box is connected to its adjacent neighbors by double-headed arrows, forming a continuous loop.

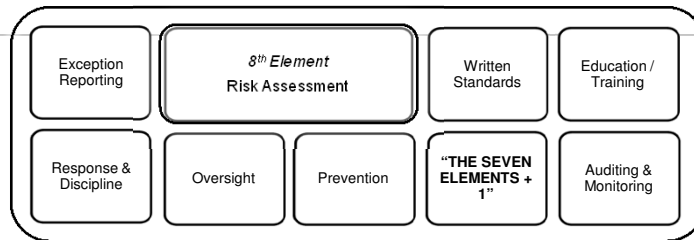
14

One Carolinas HealthCare System

Evolution of the Ideology of “Effectiveness”

“Hospitals with an **organizational culture** that **values compliance** are more likely to have effective compliance programs and, thus, are better able to prevent, detect, and correct problems. Building and sustaining a successful compliance program rarely follows the same formula from organization to organization.”

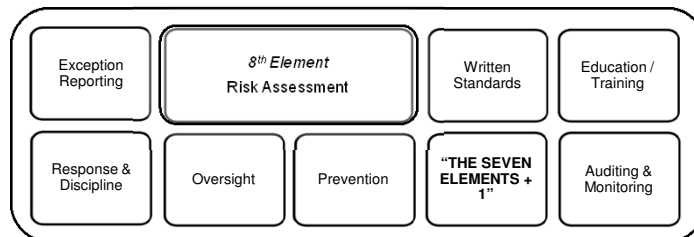
2005 OIG Supplemental Compliance Program Guidance for Hospitals
<http://oig.hhs.gov/fraud/docs/complianceguidance/012705HospSupplementalGuidance.pdf>



15

Compliance Program Effectiveness *Overview*

- The Carolinus HealthCare System Compliance Program is designed to incorporate the “**7 elements**” of an effective compliance program.
- Strategically, and in line with industry best practice, **we consider Risk Assessment a critical “8th element.”**
- Compliance program communications, guidance, and tools are developed at the corporate level to support our facilities and provided to our compliance stakeholders for facility-level application/implementation.



16

Compliance Program Effectiveness A “Continuous Program”

- Compliance program effectiveness assessment and improvement should be a **proactive, “continuous program”** not an isolated or finite “reactive” activity.
- Periodic assessment of compliance program effectiveness is important, and we do so through our Corporate Compliance Program Effectiveness Review process with the assistance and independence of Audit Services.
- **Results** of Compliance Program Effectiveness Reviews and all compliance program activities are **leveraged to identify program opportunity areas, facilitate communication and project planning, and implement improvements.**



17



Compliance Program Effectiveness A “Continuous Program”

- \ *SAMPLE - Quarterly Corporate Compliance Reporting Plan*

	Qtr 1	Qtr 2	Qtr 3	Qtr 4	
1	Oversight	Programmatic Updates	CHS Compliance Matrix Meeting	Leadership Update	CHS Compliance Matrix Meeting
2	Written Standards	Privacy & Security Procedures	Compliance Policy Revisions	Code of Conduct Update	Compliance Policy Revisions
3	Reporting	Helpline Dashboard	Helpline Dashboard	Helpline Dashboard	Helpline Dashboard
4	Training & Education	Annual Education Modules	Board Education Presentations	New Residents	Education Initiatives Report
5	Auditing & Monitoring	2015 Compliance Work Plans	Program Effectiveness	2015 Audit & Benchmark Reports	2015 Compliance Work Plans
6	Exception Detection & Prevention	HEAT Map & Compliance Audit Reports	HEAT Map & Compliance Audit Reports	HEAT Map & Compliance Audit Reports	HEAT Map & Compliance Audit Reports
7	Response & Discipline	Sanction & Exclusion Activities Update	As Indicated	Sanction & Exclusion Activities Update	As Indicated
8	Risk Assessment	2015 OIG Work Plan Review & 2015 Risk Assessment Strategy	Risk Assessment Updates	Risk Assessment Updates	Risk Assessment Updates



18

Compliance Program Effectiveness EXAMPLE – Effectiveness Review Report



Audit Services Department

Facility: [XXXX]
Project Name: Corporate Compliance Program Effectiveness Review
Project Number: [Audit Reference #]
Date:

To: Corporate Compliance
From: Audit Services

Background
As specified in CHS Policy, Audit Services completed a Compliance Program Effectiveness Review for [Facility]. The focus of the audit was to compare the CHS Corporate Compliance Program with the OIG Compliance Program Guidance for Hospitals. OIG guidance describes seven compliance program elements that should be in place for an effective compliance program to exist. Risk assessment has been included as an eighth element for all CHS programs.

Objectives, and Scope
Our objectives were to evaluate the facility's overall compliance plan coverage and effectiveness and to identify opportunities for improvement.

The audit included a review of eight Corporate Compliance Program elements:

- | | |
|---------------------------|--------------------------------------|
| 1. Oversight | 5. Exception Reporting |
| 2. Written Standards | 6. Exception Response and Discipline |
| 3. Risk Assessment | 7. Exception Prevention |
| 4. Education and Training | 8. Auditing and Monitoring |

Testing focused on confirming the establishment and effectiveness of each program element.

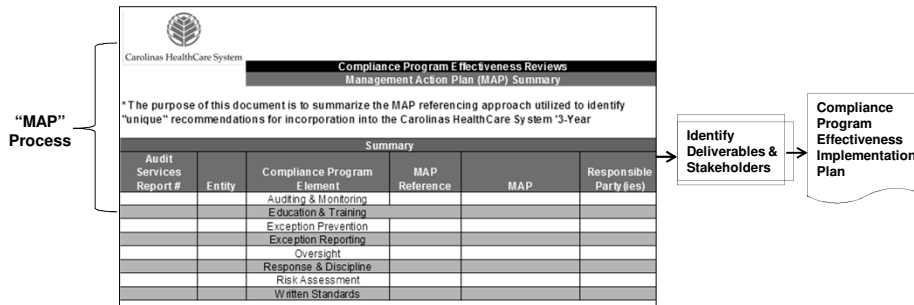
Conclusion
The overall effectiveness of the Corporate Compliance Program for [Facility] is satisfactory. However, some opportunities to improve effectiveness were identified, as follows:

- Risk Assessment:
[Summary of Audit Findings & Recommendations for Improvement]
- Oversight:
[Summary of Audit Findings & Recommendations for Improvement]




Compliance Program Effectiveness Management Action Plans (MAPs)

- MAPs are developed to address recommendations resulting from Compliance Program Effectiveness Reviews.




Compliance Program Effectiveness 3-Year Plan



Carolinas HealthCare System - Facility Corporate Compliance
3-Year Compliance Program Effectiveness Strategic Plan (FRAMEWORK / SUMMARY)
(2015-2017)


Summary							
Element #	Compliance Program Element	Task #	GOALS / Management Action			Related MAPs (if Audit Services Identified Opportunity)	Work Step (Internal Compliance Program Effectiveness Work
			2015	2016	2017		
1	Oversight (Corporate Compliance & Privacy Officer and Compliance Committee)	1					
		2					
		3					
2	Written Standards (Policies / Procedures / Code of Conduct)	1					
		2					
		3					
3	Reporting (Open Lines of Communication)	1					
		2					
		3					
4	Training & Education	1					
		2					
		3					
5	Auditing & Monitoring	1					
		2					
		3					
6	Exception Prevention & Detection (Appropriate Response to Detected Offenses & Corrective Actions)	1					
		2					
		3					
7	Response & Discipline (Enforcement & Disciplinary Action)	1					
		2					
		3					
8	Risk Assessment	1					
		2					
		3					

21




Compliance Program Effectiveness Deliverables

Overview of Key Compliance Program Effectiveness Initiative Deliverables
(What to Expect)



The table below summarizes key deliverables that will result from Program Effectiveness work plan initiatives.

Compliance Program Element	Deliverable(s) (What FCOs should expect to receive)	NOTES (Deliverable Descriptions & FCO Work Plan Reference)
Oversight	<ul style="list-style-type: none"> FCO/Administrator Meeting Agenda (TEMPLATE) FCO/Administrator Meeting Minutes (TEMPLATE) Accompanying FCO Advisory Communication including guidance 	The meeting agenda and meeting minutes deliverables will provide FCOs with templates that can be utilized for quarterly FCO/Administrator meetings. The "FCO Advisory" guidance will include recommended topics for meeting discussion and expectations and suggestions related to documentation of meetings (attendees, topics, etc.). FCO Work Plan Reference - B1
Written Standards		
Reporting		
Training & Education		
Auditing & Monitoring		
Risk Assessment		



Carolinas HealthCare System
FACILITY COMPLIANCE OFFICER (FCO) ADVISORY
Action Required!

To: All Carolinas HealthCare System FCOs
From: Corporate Compliance Department
Published: Month, Year
Re: Subject
Attachments: As applicable

Applicable Compliance Work Plan Reference

Work Plan:	Facility Compliance Officer (FCO) Work Plan
Section:	
Metric:	
Risk Indicator:	

Action Required

Overview

Contact Information

For questions, please contact your Corporate Compliance Department Liaison.

FCO Advisory
Month, Year
Page 1 of 1

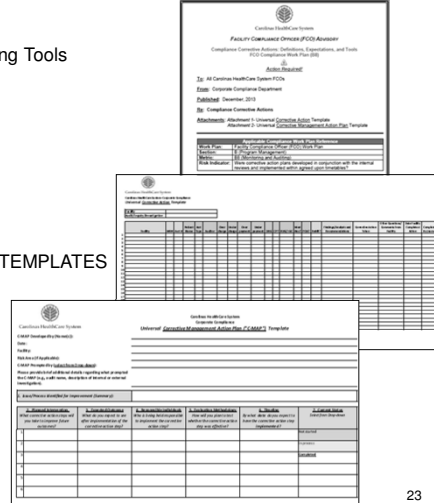


22

Compliance Program Effectiveness *Deliverables - EXAMPLES*

- **FCO Advisories:**
 - Facility Compliance Officer / Administrator Meeting Tools
 - Compliance Board Orientation
 - Compliance Corrective Actions
 - Compliance Education & Communication Plan
 - Compliance Risk Assessment
 - Hotline Protocol

- **Accompanying Tools:**
 - FCO / Administrator Meeting Agenda & Minutes TEMPLATES
 - Board Orientation TEMPLATE
 - Corrective Actions TEMPLATE
 - Education & Communication Plan TEMPLATE
 - Compliance Hotline Protocol



23

Speaker Contact Information

- Katie Dever, Vice President, Compliance
 - Kathryn.Dever@carolinashealthcare.org
 - 704.512.5927

- Matthew Vogelien, Assistant Vice President, Compliance
 - Matthew.Vogelien@carolinashealthcare.org
 - 704.512.5946

24