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# Analysis of the FY'17 Office of the Inspector General (OIG) Work Plan

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## OIG FY '17 Work Plan

- Overview & Key Elements
- New CMS Provider Reviews & Activities
- Integration Into Annual Risk Management and Entity Work Plan Development


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## OIG FY '17 Work Plan Overview & Key Elements

- HHS OIG is the largest IG office in the Federal Govt.
- OIG's mission – to protect the integrity of HHS programs and the health and welfare of program beneficiaries.

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## OIG FY '17 Work Plan Overview & Key Elements

The Mission is Accomplished Through:

- A nationwide network of audits, investigations, and evaluations
- Outreach, compliance, and educational activities
- Professional standards established by the GAO, DOJ, and IG community

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## OIG FY '17 Work Plan Overview & Key Elements

### The Mission is Accomplished Through:

- The Office of Audit Services (OAS)
- The Office of Evaluations and Inspections (OEI)
- The Office of Investigations (OI)
- The Office of Counsel to the Inspector General (OCIG)
- Executive Management (EM)


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## OIG FY '17 Work Plan Overview & Key Elements

### HHS Divisions Served by OIG's 2017 Work Plan:

1. Administration for Children and Families (ACF)
2. Administration for Community Living (ACL)
3. Centers for Disease Control and Prevention (CDC)
4. Centers for Medicare and Medicaid (CMS)
5. Food and Drug Administration (FDA)
6. Health Resources and Services Administration (HRSA)
7. Indian Health Service (IHS)
8. National Institutes of Health (NIH)
9. Substance Abuse and Mental Health Services Administration (SAMSHA)


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## OIG FY '17 Work Plan Overview & Key Elements

Approximately 78% of OIG's funding in 2016 was directed toward oversight of CMS programs

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## OIG FY '17 Work Plan Overview & Key Elements

Work Plan Drivers:

- Risk assessment to set priorities
- Legal and regulatory review mandates
- Congressional, HHS management, and OMB requests
- Work performed by other oversight agencies
- HHS management actions to implement OIG recommendations
- Potential for positive impact
- Top HHS management and performance challenges

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## OIG FY '17 Work Plan Overview & Key Elements

Top management and performance challenges can be found at:

<http://oig.hhs.gov/reports-and-publications/top-challenges/index.asp>

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## OIG FY '17 Work Plan New Reviews & Activities

### **Medicare Parts A & B – Hospitals:**

- Hyperbaric Oxygen Therapy Services
- Incorrect Medical Assistance Days Claimed by Hospitals
- Inpatient Psychiatric Facility Outlier Payments
- Case Review of Inpatient Rehabilitation Hospital Patients Not Suited for Intensive Therapy


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**OIG FY '17 Work Plan**  
**New Reviews & Activities**  
**Medicare Parts A & B – Nursing Homes:**

- Skilled Nursing Facilities – Unreported Incidents of Potential Abuse and Neglect
- Skilled Nursing Facility Reimbursement


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**OIG FY '17 Work Plan**  
**New Reviews & Activities**  
**Medicare Parts A & B – Hospices:**

- Medicare Hospice Benefit Vulnerabilities and Recommendations for Improvement: A Portfolio
- Review of Hospices' Compliance with Medicare Requirements
- Hospice Home Care – Frequency of Nurse On-Site Visits to Assess Quality of Care and Services


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**OIG FY '17 Work Plan**  
**New Reviews & Activities**  
**Medicare Parts A & B – Home Health Services:**

- Comparing HHA Survey Documents to Medicare Claims Data


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**OIG FY '17 Work Plan**  
**New Reviews & Activities**  
**Medicare Parts A & B – Medical Equipment & Supplies:**

- Positive Airway Pressure Device Supplies – Supplier Compliance with Documentation Requirements for Frequency and Medical Necessity


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**OIG FY '17 Work Plan**  
**New Reviews & Activities**  
**Medicare Parts A & B – Other Providers & Suppliers:**

- Medicare Payments for Transitional Care Management
- Medicare Payments for Chronic Care Management

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**OIG FY '17 Work Plan**  
**New Reviews & Activities**  
**Medicare Part D – Prescription Drug Program**

- Questionable Billing for Compounded Topical Drugs in Part D
- Medicare Part D Payments for Service Dates After Individuals' Dates of Death


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OIG FY '17 Work Plan  
New Reviews & Activities  
**Medicaid** – Prescription Drug Reviews  
➤ States' MCO Medicaid Drug Claims

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OIG FY '17 Work Plan  
New Reviews & Activities  
**Medicaid** – Delivery System Reform  
➤ Accountable Care in Medicaid

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## OIG FY '17 Work Plan New Reviews & Activities

### **Medicaid – Managed Care**

- Health-Care-Acquired Conditions – Medicaid Managed Care Organizations

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## OIG FY '17 Work Plan Integration into Annual Entity Risk Management

- “Effective” compliance programs are able to document a risk assessment process designed for the scope and complexity of the organization. OIG Standard (See, 70 FR 4875 (January 31, 2005); See also, USSG §8B2.1)
  
- The OIG expects that the risk assessment should include documentation that spells out a reasoned approach to how compliance risks are identified and prioritized.

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## Enterprise Risk Management

- Enterprise Risk Management (ERM) is our approved tool for assessing and managing risk across the enterprise.
  
- Individual entities and Health System leadership utilize the ERM data to identify, assess, prioritize, monitor and track (1) risks and (2) success of mitigation strategies.

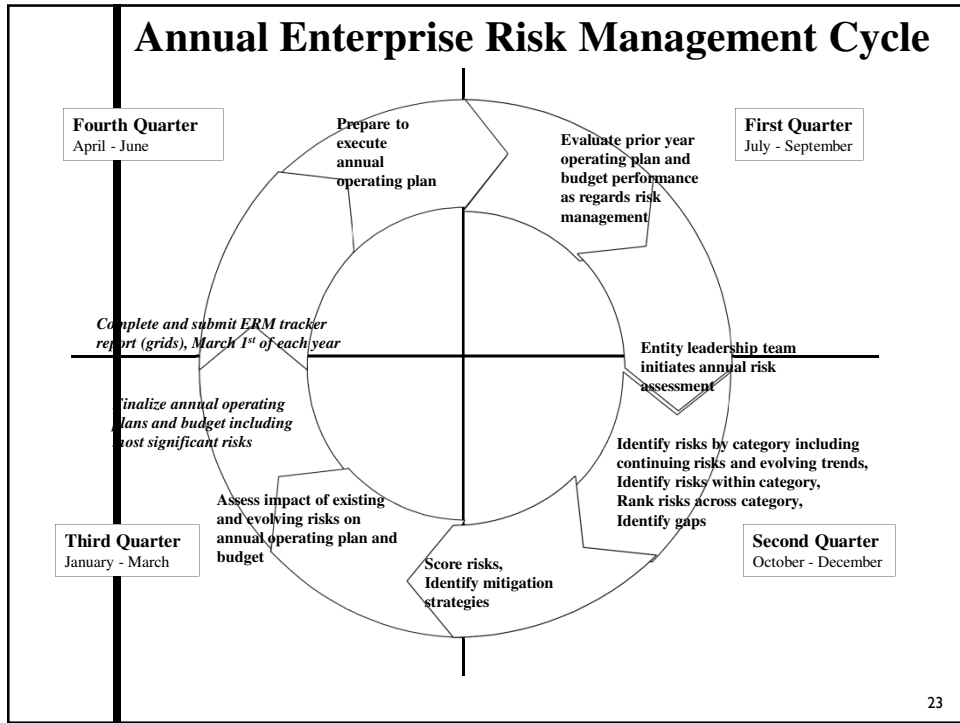
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## Enterprise Risk Management, cont'd

- ERM assesses five categories of risk.
  - Financial
  - Technology
  - Regulatory/Legal
  - Strategic
  - Operations
  
- The Regulatory/Legal category includes our annual compliance risk assessment.

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## Approach to Risk Identification

Internal Review

- **Review of System ongoing initiatives, business processes and other programs.**
  - Prior Risk Assessments, Investigations and Work Plans
  - Strategic Priorities
  - Hotline Reports
  - Control Mechanisms
  - Interviews

External Review

- **Review of current and/or emerging state and Federal regulatory environment.**
  - The Centers for Medicare and Medicaid Services
  - The National Institutes of Health
  - The DHHS Office of the Inspector General (*The Work Plan*)
  - The Food and Drug Administration
  - The Office for Civil Rights
  - The Department of Justice

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## Sample Risk Universe

FINANCIAL	TECHNOLOGY	REGULATORY & LEGAL	STRATEGIC	OPERATIONS
<b>Billing and Collections</b> <ul style="list-style-type: none"> <li>Charge Capture and Coding</li> <li>Charge Denial/Master/ Pricing</li> </ul> <b>Capital Structure</b> <ul style="list-style-type: none"> <li>Credit</li> <li>Rating Agencies</li> </ul> <b>Cash Management</b> <ul style="list-style-type: none"> <li>Capital Funding</li> <li>Investment Risk</li> <li>Pension Risk</li> </ul> <b>Control Environment</b> <ul style="list-style-type: none"> <li>Internal Auditing and Monitoring</li> </ul> <b>Financial Reporting</b> <ul style="list-style-type: none"> <li>Accounting and Disclosure</li> <li>Bad Debt</li> <li>Charitable Contributions</li> <li>Reserves</li> </ul> <b>Forecasting</b> <ul style="list-style-type: none"> <li>Modeling</li> </ul> <b>Maintaining 501(c)(3) Status</b> <ul style="list-style-type: none"> <li>Tax Compliance and Planning</li> <li>Tax Exempt Status</li> </ul> <b>Reimbursements</b> <ul style="list-style-type: none"> <li>Global Budget Revenue</li> </ul> <b>Shared Services Operations (PSS)</b>	<b>Business Continuity Planning</b> <b>Disaster Recovery</b> <b>IT Security</b> <ul style="list-style-type: none"> <li>Access</li> <li>Data Integrity</li> <li>Cyber Security</li> </ul> <b>IT Infrastructure</b> <ul style="list-style-type: none"> <li>IT Management</li> </ul> <b>IT Planning/Implementation</b> <ul style="list-style-type: none"> <li>Computerized Phys. Order Entry Sys.</li> <li>Electronic Medical Records</li> <li>Enterprise Resource Planning Sys.</li> <li>Sys. &amp; Application Implementation</li> <li>Technology Innovation</li> </ul>	<b>Contract Management</b> <b>Corporate Governance/Compliance</b> <ul style="list-style-type: none"> <li>Code of Conduct</li> <li>Conflict of Interest</li> <li>Ethics and Integrity</li> <li>Record Retention/Destruction</li> </ul> <b>Government Activity</b> <ul style="list-style-type: none"> <li>Auditing</li> <li>OIG Work Plan</li> <li>2 Midnights Rule -- Obs. v. In.</li> <li>Costs/Credits -- Medical Devices</li> </ul> <b>Laws and Government Regulations</b> <ul style="list-style-type: none"> <li>Anti-Trust</li> <li>Environmental Laws</li> <li>Fraud and Abuse</li> <li>Licensing and Accreditation</li> <li>Referrals</li> <li>Tracking Regulatory Changes</li> <li>Billing and Coding Compliance</li> </ul> <b>Litigation</b> <b>Malpractice Liability</b> <b>Privacy and HIPAA</b> <b>Research/Grant Compliance</b>	<b>3rd Party Relationships</b> <b>Alliances and Partnerships</b> <ul style="list-style-type: none"> <li>Relationship with Med School</li> </ul> <b>Capital Planning</b> <ul style="list-style-type: none"> <li>Annual Budgeting</li> <li>Capital Acquisition</li> </ul> <b>Government Affairs</b> <ul style="list-style-type: none"> <li>HSCRC Activity</li> </ul> <b>Market Dynamics</b> <ul style="list-style-type: none"> <li>Sales and Marketing</li> </ul> <b>Organizational Structure</b> <ul style="list-style-type: none"> <li>Vision and Direction</li> </ul> <b>Payer Relationships</b> <ul style="list-style-type: none"> <li>Acquisition Due Diligence</li> </ul> <b>Physician Relationships</b> <ul style="list-style-type: none"> <li>Acquisition Due Diligence</li> </ul> <b>Reputation</b> <ul style="list-style-type: none"> <li>Social Responsibilities</li> <li>Media Relations</li> <li>Crisis Communications</li> </ul> <b>Strategic Planning</b> <ul style="list-style-type: none"> <li>Care Delivery Strategies</li> <li>Business Modeling</li> <li>Market Share</li> <li>Resource Allocation</li> </ul>	<b>Communication</b> <ul style="list-style-type: none"> <li>Policies &amp; Procedures</li> </ul> <b>Delivery of Patient Care</b> <ul style="list-style-type: none"> <li>Adverse Event Mgt.</li> <li>Patient Safety</li> <li>Patient Satisfaction</li> <li>Quality Initiatives</li> <li>Registration and Scheduling</li> <li>Safety and Quality</li> </ul> <b>Education &amp; Training</b> <ul style="list-style-type: none"> <li>Documentation and Coding</li> <li>Employee Safety</li> <li>Employee Satisfaction</li> <li>Employee Dvlp. &amp; Perf. Mgt.</li> </ul> <b>Labor Relations</b> <ul style="list-style-type: none"> <li>Labor Laws</li> </ul> <b>Natural Disaster</b> <ul style="list-style-type: none"> <li>Terrorist Attack</li> <li>Transmissible Disease Readiness</li> </ul> <b>Patient Volume</b> <b>Physical Plant / Real Estate</b> <b>Physical Security</b> <ul style="list-style-type: none"> <li>Workplace Safety</li> </ul> <b>Procurement</b> <ul style="list-style-type: none"> <li>Decentralized Purchasing</li> <li>Inventory Management</li> </ul> <b>Recruiting &amp; Retention</b> <ul style="list-style-type: none"> <li>Compensation &amp; Benefits</li> <li>Succession Planning</li> </ul>

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## Deliverable - One Grid Per Identified Key Risk

Risk Category	Risk Subcategory	Likelihood of Occurrence	Impact of Occurrence
<i>Regulatory/ Legal</i>	<i>Privacy</i>	<i>Moderate</i>	<i>High</i>
<ul style="list-style-type: none"> <li>Specific Risks</li> </ul>		<ul style="list-style-type: none"> <li>Existing Controls</li> </ul>	
<ul style="list-style-type: none"> <li>Gaps</li> </ul>		<ul style="list-style-type: none"> <li>Mitigation Strategies - Owner</li> </ul>	

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Grids due on March 10th of each year - or upon submission of annual operating plan and budget

## From Risk Assessment to Work Plan. . .

- The compliance risk assessment, based on OIG guidance, should be the foundational element for the compliance work plan. Such a document includes initiatives to enhance policies, training programs, or planned auditing and monitoring activities

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## OIG FY '17 Work Plan

Available at <http://oig.hhs.gov/reports-and-publications/workplan/index.asp>

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