Closing the Five Critical Data Gaps for a Comprehensive Compliance Program

Today’s Presenter

Jan Smith Reed has dedicated her career to discovering and implementing the best ways to take a holistic view as a best practice to protect the patient while cutting out the fraud, waste and abuse in health care.

She has a broad swath of expertise as a business-savvy executive with proven results in matrix management. She is well established in both commercial and government health plan management to include self-funded, fully insured, managed care, MAPB, PDP and Medicaid.

She is quick to discern business needs while creating and communicating a vision of desired outcomes through building and motivating cross-functional teams to resolve problems and ensure successful execution.

Ms. Reed is revered as an effective communicator and is tapped for national media interviews, marketing content, market perceptions, and strategies.
Why We’re Here

We’ll cover key points, including:

- The state of credentialing, screening, verifying and monitoring in health care today
- Reasons to ensure a complete and thorough process exists in your organization across workforce, facilities, vendors and providers
- Five critical gaps
- Understanding how technology, automation and gold standard data platforms link complex and incomplete data sets to close the gaps

Meeting compliance requirements relies on one thing—accurate and current data on the entire workforce—the foundation of transparency.

Why This is Important

- Patient Safety
- Liability
- Reputation
- Regulatory Environment
- Cost
U.S. Health Care
(employment, spending and growth trends)

$3.5 Trillion Spend

Health Care Workers
22M
Growth rate 20% compared to other sectors at 6%
1.2M+ new health care workers req. annually for new jobs and replace workers who leave health care / retire

Thousands of convictions and exclusions in 2017

$90B
2017 HHS improper payments made due to FWA – minimal recovery

Health Expenditure by %
- Hospital care 30%
- Physician / clinical services 20%
- Rx 10% - prescribed by licensed professionals

2018 Fast Facts

By 2026, $5.7 trillion, 20% of GDP
Spending rise avg. of 5.5% annually

Q1 2018, first in history, health care surpassed manufacturing and retail for largest source of jobs in the U.S.

Improper Credentialing and Background Screening Costs Everyone

- Medical errors now 3rd leading cause of death in U.S., causing 250,000 – 400,000 deaths annually – John Hopkins
- 1 in 4 Medicare beneficiaries experience adverse events while hospitalized – costing Medicare $4.4 Billion per year - OIG
- Nearly 50% of adverse events are preventable - costly litigations
- Takes 18 Months for hospitals to detect drug addicted employees theft and misuse of controlled substances – 100’s of millions in cost
- 10-15% of all healthcare professionals will misuse drugs or alcohol in their career
- Hospital internal theft impacts hundreds of thousands of patients annually and leads to millions of dollars in costs for hospitals

“Spotlight On... Adverse Events”, OIG; https://oig.hhs.gov/newsroom/spotlight/2012/adverse.asp
“Hospitals Take Average of 18 Months to Detect Addicted Employees Theft and Misuse of Controlled Substances”, Markets Insider, Feb. 2018; https://markets.businessinsider.com/news/stocks/hospitals‐take‐average‐of‐18‐months‐to‐detect‐addicted‐employees‐theft‐and‐misuse‐of‐controlled‐substances-1001789279

9/18/2018
Obstacles

- **SILOED with MULTIPLE SYSTEMS and ACCESS CONTROL**
  - Talent Acquisition/NR - pre-hire traditionally managed through HRIS/ATS
  - Drug test and/or fingerprinting
  - Vendor management
  - Credentialing
  - Immunization
  - Continuing education for clinical and non-clinical staff
  - Enrollment, directories, privileging

- **LONG CREDENTIALING and ENROLLMENT TIMES** are common because of manual effort and strict guidelines

- **NEW REGULATIONS COMPLICATE** the process and make it difficult to keep up to date

- **LABOR COSTS ARE HIGH** as internal team manage multiple data sources

- **CREDENTIALING SOFTWARE WITH LITTLE DATA** is predominant, designed to manage a manual process

- **GOOD ENOUGH OR DIY** is standard SOP until something goes wrong

Complex Regulatory Environment

Sample of Agencies Regulating Hospitals at the State and Federal Levels

*“Trend Watch, Redundant, Inconsistent and Excessive: Administrative Demands Overburden Hospitals”, AHA PowerPoint, July 14, 2018*
In-House Credentialing is Costly

Recruitment and Replacement
• #1 factor for physician recruitment are their Credentials
• Recruitment, guarantees and relocation costs can easily cost a hospital over $100,000
• 54% of physicians leave their group within the first five years, directly impacting quality improvement and shared savings initiatives

Onboarding
• Avg. complete credentialing and enrollment takes 2-4 months before a new licensed professional can start billing if everything goes smoothly
• Administrators spend an avg. of 20 hours to credential every provider
• 75-85% of credentialing applications are incomplete on first turn
• Providers on avg. contract with 20-25 payers
• New providers take 18 months to fully ramp after credentialing and enrollment complete

Direct and Sunk Costs
• Avg. of $7,000 per year per licensed professional per application
• 75% decrease in revenue during a vacancy of an internal med provider, est. $1M annually (specialty is greater)
• Average ambulatory internist collected about $399,000 once fully ramped in 2013. During the same timeframe - Hospitals lost an avg. $400,000 - $600,000 due to credentialing and enrollment delays

Conclusion
• Speed to billing and the Right fit are of critical importance
• Recruiting and onboarding physicians quickly is critical
• These are expensive positions that can lead to even greater costs if short-cuts and mistakes are made
• Licensed professionals cannot bill, be added to payer Networks until credentialed
The Root Cause of the Problem

[Image of a hand writing "TRANSPARENCY"]

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Prescription for secrecy

Is your doctor denied from practicing in other states? State licensing systems keep patients in the dark.

By Adam Wachs and Michael Wexler, Connecticut Post and USA TODAY NETWORK

A warning letters to doctors flag serious 세계 medical boards do nothing

In the fight against cancer, we can’t find a missing breast on alandscape on the long list of drugs or vaccines, compliant and ineffective by the U.S. Food and Drug Administration.

More than 200 doctors stay on Medicare disciplinary actions

Doctors who were not valid with a drug company have a surprising amount of business interests in pharmaceutical product testing.
5 Critical Gaps

SINGLE SOURCE GAP  CROSS-STATE REPORTING GAP  TIME LAG GAP

CONTINUOUS MONITORING GAP  NAME MATCHING GAP

1. Single Source Gap

Relying on one, or just a few, data sources to uncover critical exclusion information.
1. Closing the Single Source Gap

Multiple primary data sets – the only way to get complete and accurate 360° view

Comprehensive database of exclusions, sanctions, debarments and disciplinary actions from all 56 U.S. jurisdictions.

Thousands of additional primary data sources.
- Sex offender databases
- Abuse registries
- Death master files
- OFAC databases
- Complete Exclusion/sanction/debarments database

2. Cross-State Reporting Gap

There is no national process or platform for individual states to share credentialing information with each other.
2. Closing the Cross-State Reporting Gap

Only feasible with technology that accesses licensing and exclusion searches across all jurisdictions for all license types

- Must be direct from the primary source – each state’s licensing board – not self-reported by the provider.
- Current and historical license status across every jurisdiction.
  - Restricted
  - Inactive
  - Voluntarily surrendered
  - Expired
  - Good standing

3. Time Lag Gap

Commonly used databases do not receive new information in a timely manner.
3. Closing the Time Lag Gap

Now possible to access near real-time information on provider exclusion, debarment and disciplinary actions

Automated and continuous scanning of thousands of local, professional, news and business sources.
Overcome the long delay between trigger event and reporting to conventional data sources.
• Often 3-4 month lag

4. Continuous Monitoring Gap

Ongoing screening is not performed for all licensed medical staff, owners and facilities
4. Closing the Continuous Monitoring Gap

Technology can monitor millions of provider and entity records to detect events or status changes

Monitor all primary data sources for exclusions, sanctions, debarments and disciplinary actions.
Applies to all physicians, nurses, technicians, therapists and other trained medical personnel.
• Any changes to a profile can be instantly detected.

5. Name Matching Gap

Limited ability to match and verify names and addresses.
5. Closing the Name Matching Gap

Advanced matching logic and expert verification processes ensures exact name matching to the individual you need to credential

Prevents data from being overlooked because of multiple or similar names, misspellings, incomplete address lists, etc.

Adverse data found in a search should be verified by trained experts to ensure name match.

Closing and Questions

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