



Northern California HFMA 2012 OIG Work Plan What It Tells Us and How to Use It

November 8, 2011

- Structure of the OIG
- Structure of the OIG Work Plan and How it Applies to Your Organization
- Analysis of the OIG Work Plan
- Comparison of OIG Work Plans from 2008 – 2012
- How to Use the OIG Work Plan in Your Organization's Compliance and Internal Audit Programs (and What Else is Relevant?)
- Next Steps

Structure of the OIG

- OIG sits within the organizational structure of DHHS (Staff Division, as opposed to Operating Division)
- Multiple Components within OIG
 - Office of Audit Services (OAS)
 - Office of Evaluations & Inspections (OEI)
 - Office of Management and Policy (OMP)
 - Office of Investigations (OI)
 - Office of Counsel to the Inspector General (OCIG)

Structure of the OIG Work Plan

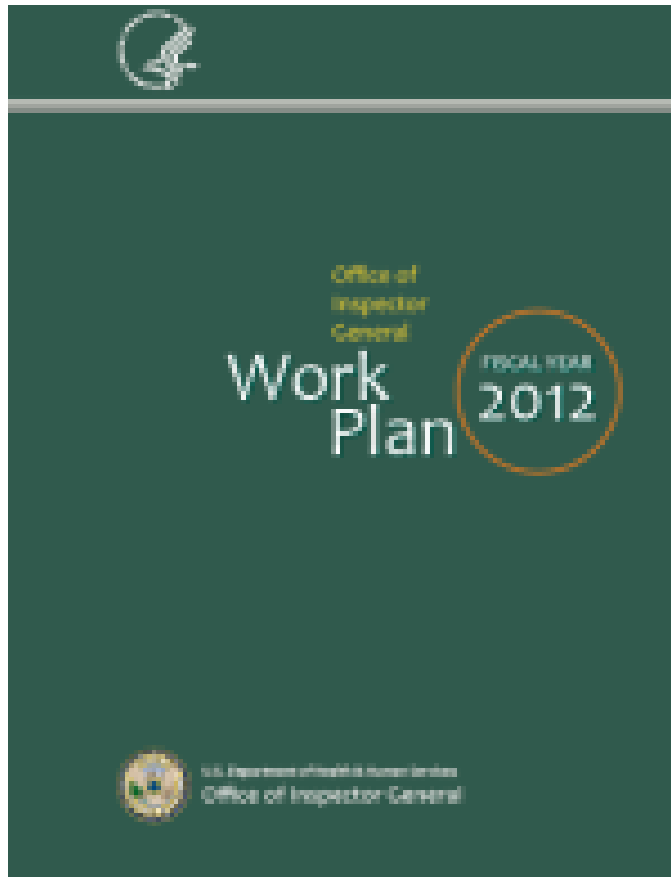
Structure of the Work Plan

HOW DOES THIS APPLY TO YOUR ORGANIZATION?

- OIG Work Plan is for **their** work not directing the industry's work, but we all use it for guidance (“tea leaf” reading)
- Organization of the OIG Work Plan
 - Medicare (all Parts A, B, C & D)
 - Medicaid
 - Investigative & Legal, Other Departmental Issues
 - Public Health Services, Human Services & Department-Wide Issues
 - Affordable Care Act & Recovery Act
- Each issue will identify the responsible component of OIG

Analysis of the OIG Work Plan

Analysis of the 2012 OIG Work Plan

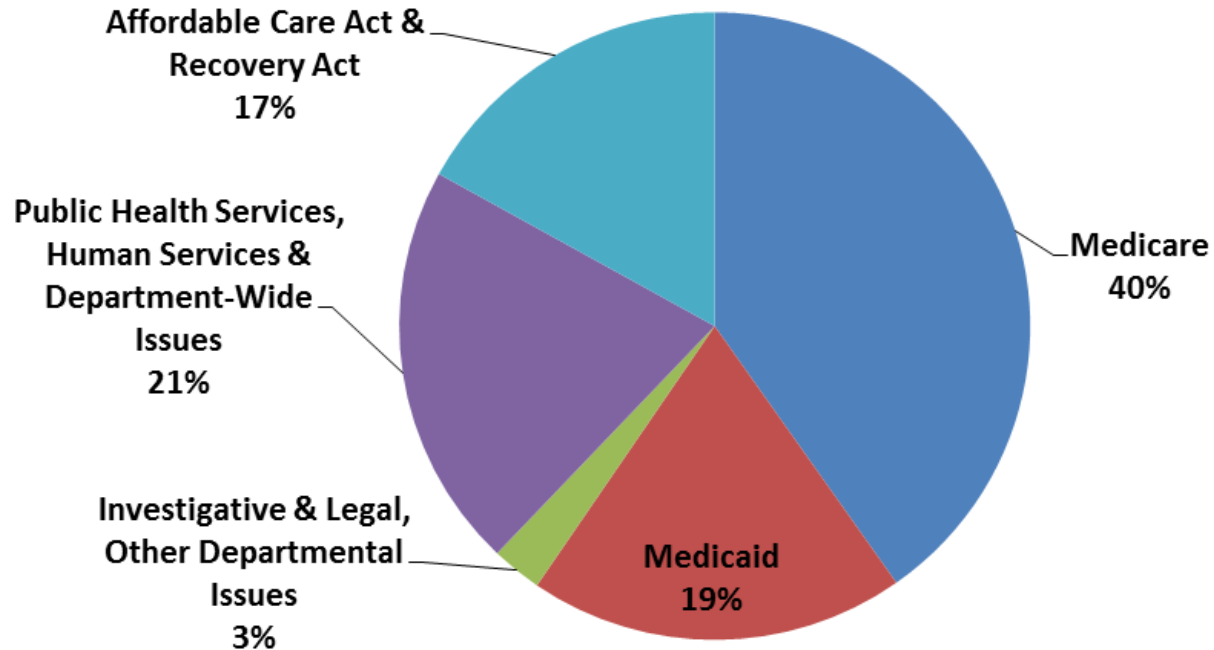


<http://oig.hhs.gov/reports-and-publications/archives/workplan/2012/Work-Plan-2012.pdf>

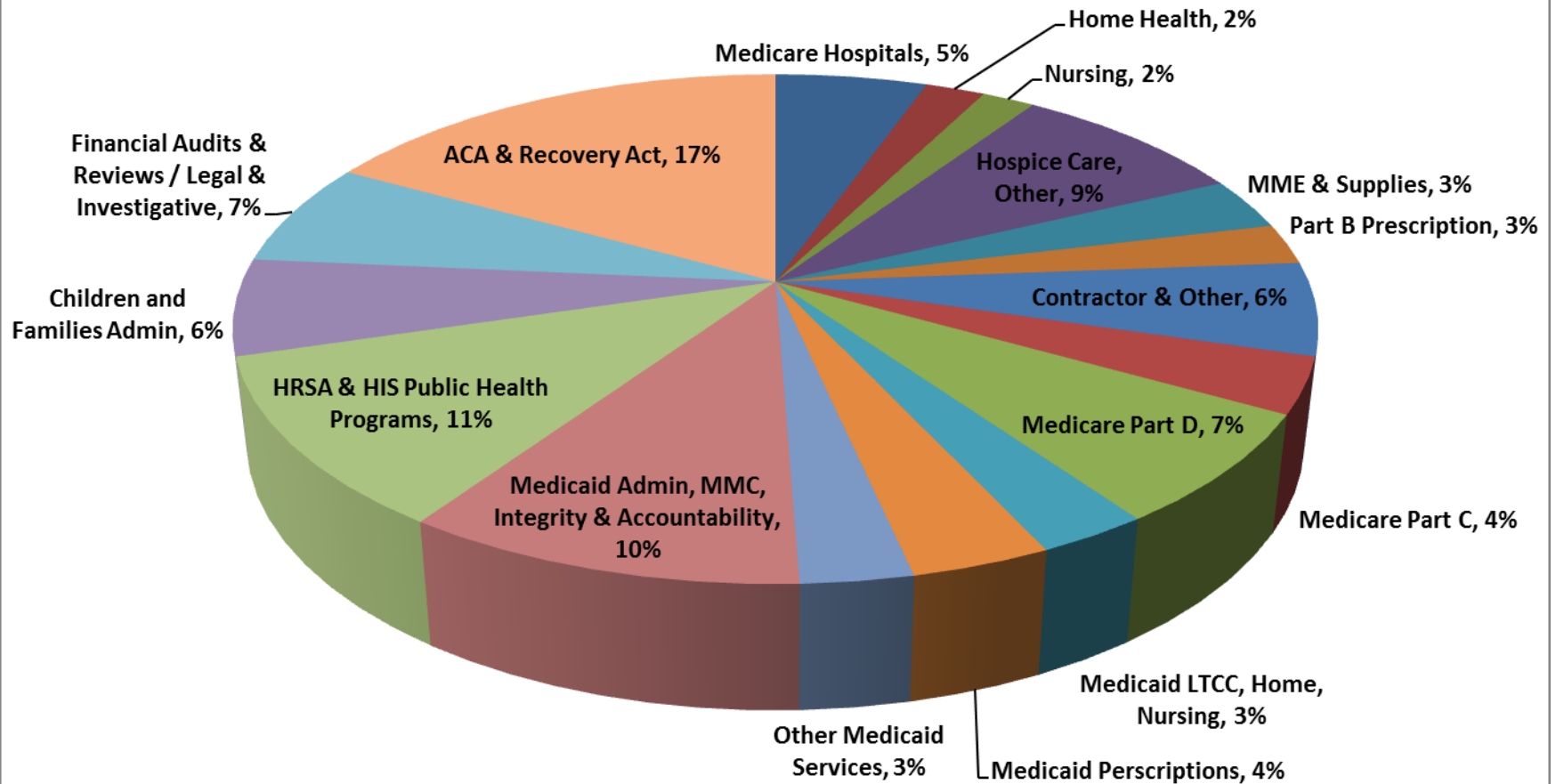
Analysis of the 2012 OIG Work Plan

Medicare Part A and Part B	2010	2011	2012	Change
Hospitals	21	25	23	- 2
Home Health Agencies	8	6	9	+ 3
Nursing Facilities	8	9	8	- 1
Hospices	0	0	2	+ 2
Other Providers and Suppliers	22	31	34	+ 3
Medical Equipment and Supplies	12	12	14	+ 2
Part B Payments for Prescription Drugs	9	8	11	+ 3
Medicare Part A and Part B Contractor Operations	20	23	19	- 4
TOTAL	100	114	120	+ 6
Medicare Part C and Part D	2010	2011	2012	Change
Medicare Part C (Medicare Advantage)	10	16	15	- 1
Medicare Part D (Prescription Drug Program)	27	32	30	- 2
TOTAL	37	48	45	- 3
Medicaid Reviews	2010	2011	2012	Change
Medicaid Hospitals	6	4	0	- 4
Medicaid Home, Community, and Nursing Home Care	16	16	12	- 4
Medicaid Prescription Drugs	21	19	15	- 4
Other Medicaid Services	10	9	12	+ 3
Medicaid Administration, Information Systems and Data Security ¹	30	35	43	+ 8
TOTAL	83	83	82	- 1
GRAND TOTAL	220	245	247	+ 2

Average Topic Distribution within OIG Work Plan 2012



Average Topic Distribution within OIG Work Plan, per Category 2012



Issues of Note in 2012 OIG Work Plan (Hospital Centric)

- The 2012 Work Plan indicates if the issue is “new” to the Work Plan in the subject line
- Analyzing across levels of care
 - Hospital Conditions Coded as POA is in the “hospital” section but this is clearly a SNF oversight topic
- Trending
 - Hospital Inpatient Outlier Payments: Trends and Hospital Characteristics
 - Hospital Same Day Readmission
 - Critical Access Hospitals

Issues of Note in 2012 OIG Work Plan (Hospital Centric)

- Medicare Inpatient and Outpatient payments to Acute Care Hospitals
 - “Based on computer matching and data mining techniques, we will select hospitals for focused reviews of claims that may be at risk for overpayments. Using the same data analysis techniques, we will identify hospitals that broadly rank as least risky across compliance areas and those that broadly rank as most risky. We will then review the hospitals’ policies and procedures to compare the compliance practices of these two groups of hospitals. We will also survey or interview hospitals’ leadership and compliance officers to provide contextual information related to hospitals’ compliance programs.”
- Is the OIG preparing for mandatory compliance programs?

Issues of Note in 2012 OIG Work Plan (Hospital Centric)

- Billing concerns
 - Hospital Claims with High or Excessive Payments
 - Medicare's Reconciliation of Outlier Payments
 - Medicare Inpatient and Outpatient Payments to Acute Care Hospitals
 - Medicare Payments for Beneficiaries With Other Insurance Coverage*
 - Inpatient Prospective Payment System: Hospital Payments for Non-physician Outpatient Services
 - Medicare Brachytherapy Reimbursement
 - Medicare Inpatient and Outpatient Hospital Claims for the Replacement of Medical Devices

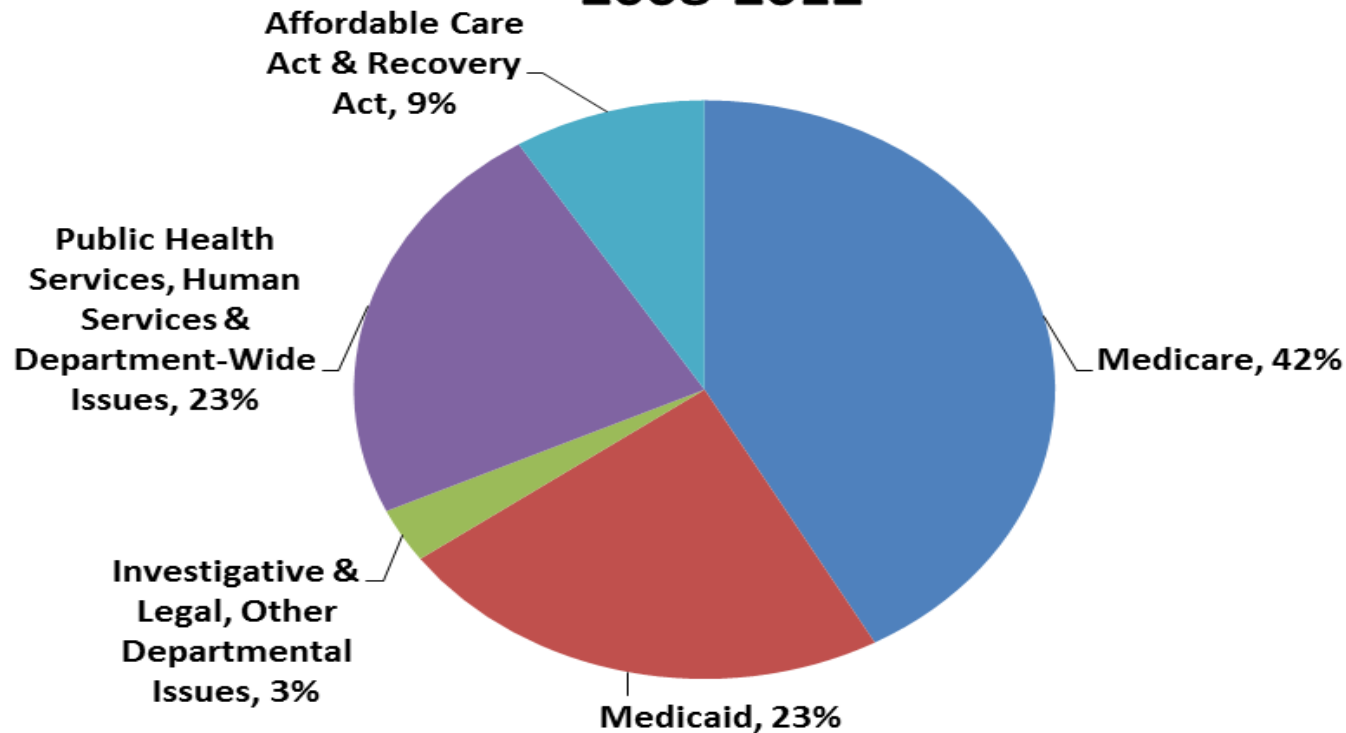
* Reads like an MSP issue, but is really a credit balance issue. Beware of the new rules re return of overpayments within 60 days.

Issues of Note in 2012 OIG Work Plan (Hospital Centric)

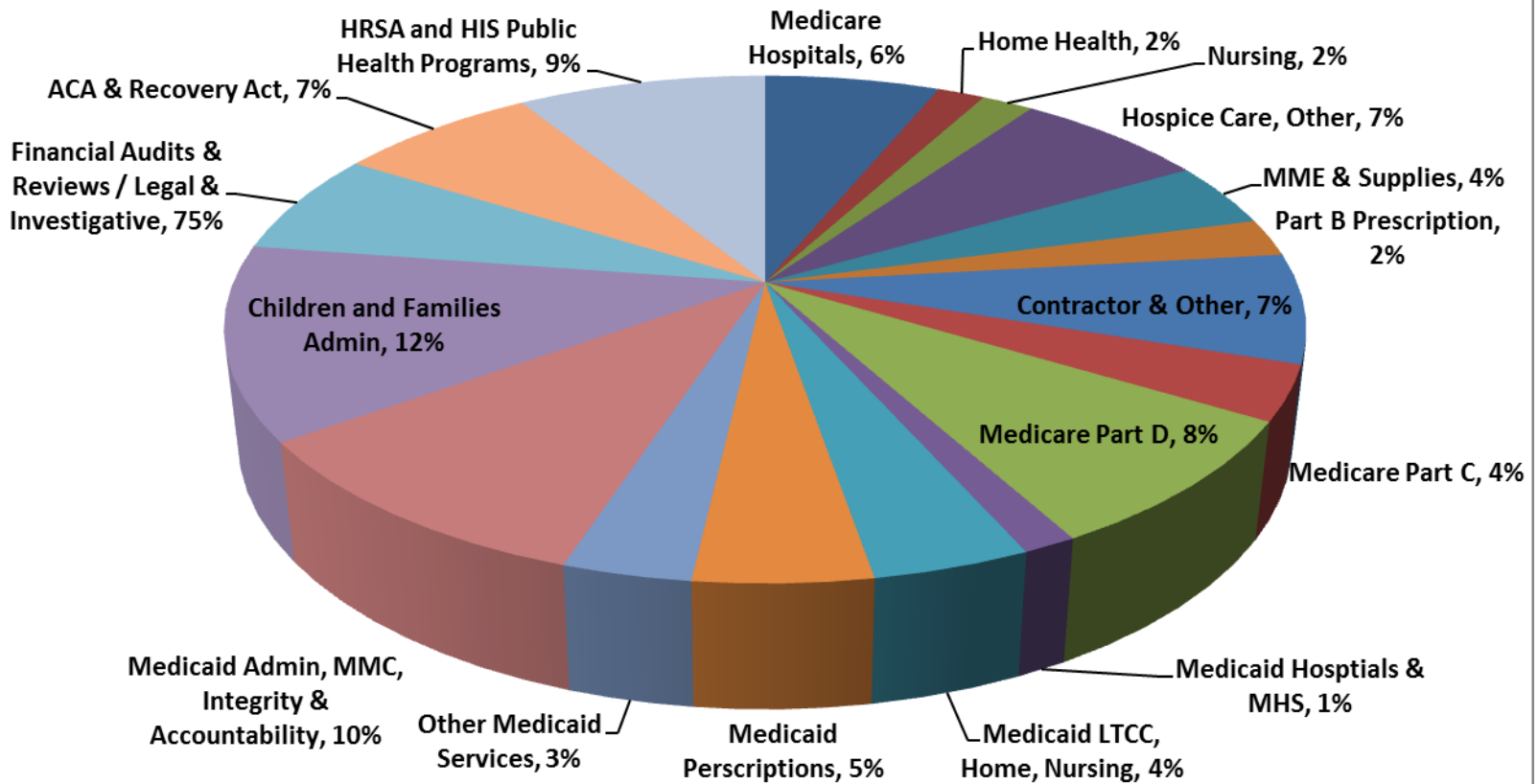
- Care Related Concerns or Quality Issues
 - Hospital Reporting of Adverse Events
 - Accuracy of POA Indicators Submitted on Medicare Claims
 - Acute-Care Hospital Inpatient Transfers to Inpatient Hospice Care
 - Observation Services During Outpatient Visits
 - Inpatient Rehabilitation Facilities
- Internal Controls
 - Reliability of Hospital Reported Quality-Measure Data
- Accountable Care Act Reviews
 - New to the Work Plan
 - Currently focused on DHHS Programs as well as their interactions with the States
 - Expect this to trend towards providers in later years

Comparison of the OIG Work Plan 2008-2012

Average Topic Distribution within OIG Work Plan 2008-2012



Average Topic Distribution within OIG Work Plan, per Category 2008-2012



Comparison of Work Plans from 2008-2012

- Sample analysis of OIG Work Plan issues from 2008 to 2012:

Medicare A & B Medicare Hospitals	2008	2009	2010	2011	2012
Critical Access Hospitals					
Hospital Capital Payments					
Medicare Disproportionate Share Payments					
Medicare Secondary Payer					
Inpatient Prospective Payment System Wage Indices					
Payments for Diagnostic X-Rays in Hospital Emergency Departments					
Payments to Organ Procurement Organizations					
Provider Bad Debts					
Inpatient Hospital Payments for New Technologies					
Inpatient Psychiatric Facility Emergency Department Adjustments					
Adjustments for Graduate Medical Education Patients					
Compliance With Medicare's Transfer Policy					
Long Term Care Hospital Payments for Interrupted Stays					
Long Term Care Hospital Short Stay Outliers					
Medicare-Dependent Hospital Program					
Nursing and Allied Health Education Payments					
Oversight of the Joint Commission Hospital Accreditation Process					
Patient Care and Safety in Physician-Owned Specialty Hospitals					
Special Payment Provisions for Long Term Care Hospitals					
Discharging Beneficiaries to Colocated or Satellite Providers					
Special Payment Provisions for Patients Who Are Transferred to Onsite Providers and Readmitted to Long Term Care Hospitals					
Reliability of Hospital-Reported Quality Measure Data					
Provider-Based Status for Inpatient and Outpatient Facilities					
Coding and Documentation Changes Under the Medicare Severity Diagnosis Related Group System					
Financial Status of Hospitals in the New Orleans Area					
Interrupted Stays at Inpatient Psychiatric Facilities Payments					
Oversight of Hospitals' Compliance With the Emergency Medical Treatment and Labor Act					
Additional Part A Medicare Capital Payments for Extraordinary Circumstances					
Hospital Ownership of Physician Practices					
Inpatient Rehabilitation Facility Payments					
Duplicate Graduate Medical Education Payments					

How to Use the OIG Work Plan

How To Use the Work Plan in Compliance and Internal Audit Programs

- Risk Assessment is a process that guides the work plans for both Internal Audit and Compliance
- Risk Assessments should have multiple feeders to ensure that the process is comprehensive and complete
- Feeder examples:
 - OIG Work Plan
 - Government Enforcement history and trending
 - Previous institutional experience

How To Use the Work Plan in Compliance and Internal Audit Programs

- **OIG Work Plan**
 - **Assess the Work Plan from institutional lens**
 - Identify all areas in the OIG Work Plan that the institution is involved in
 - What is the awareness in the institution of the compliance and internal controls in these area?
 - Determine the level of risk for that area in the institution
 - Prioritize the area to determine if it needs to be on the institution's work plan

How To Use the Work Plan in Compliance and Internal Audit Programs

- Government Enforcement history and trending
 - **Review the trends of government enforcement**
 - First, monitor the government's enforcement trends
 - Asses those trends for applicability to your services
 - **Identify areas that apply to the institution and assess their relevance**
 - Similar to the OIG Work Plan slide, assess the awareness in the institution of the compliance and internal controls in these area
 - Determine the level of risk for that area in the institution
 - Prioritize the area to determine if it needs to be on the institution's work plan

How To Use the Work Plan in Compliance and Internal Audit Programs

- Previous institutional experience
 - **Review of previous year's compliance and internal audit work plans**
 - Are there areas that were not addressed?
 - Are there areas that were not addressed adequately
 - Are there areas that remain unresolved?
 - **Assessment of Current State**
 - What issues have arisen that were not on the work plan?
 - Have these issues been adequately addressed?

- Developing a Plan for Conducting a Risk Assessment
 - What is the jurisdiction for Compliance and Internal Audit?
 - Is there clear distinction and areas of responsibility
 - If so, are they well-coordinated?
 - If not, how can they work together to better manage resources and not duplicate processes?
 - What is the Approach for Assessing Risk
 - Data Analysis
 - Review of Prior Work Plans and Current State
 - Interviews (Individual or Group)
 - What is Your Experience with Risk Assessments?
 - Determine whether to conduct the assessment internally, outsource or some hybrid

- Use these Various Feeders to Guide the Issues Analyzed
 - OIG Work Plan
 - Government Enforcement History and Trends
 - Internal Data and Experience

Next Steps

- Plan the Risk Assessment
 - If internal, identify a leader and work group
 - If external, assess the landscape and hire expertise
- Conduct the Assessment
- Develop the work plan
 - Based on the distinction between Compliance and Internal Audit determine which department will be responsible for which parts of the institution's work plan (this assumes that you are playing nicely together)
- Coordinate the follow up

Questions?

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HuronHealthcare