

University of Illinois Medical Center at Chicago
Compliance Report to the University of Illinois Board of Trustees
For Calendar Year 2008

The compliance program in the Medical Center has seen a significant expansion of its role. While striving to distribute much of the compliance responsibility to operational departments, building some centralized functions to assist Departments in the creation of effective programs and conducting investigations independent of the Office of University Audits has been necessary. Additionally, the compliance education programs undergo annual review and renewal to keep pace with the rapid regulatory changes in some operational areas that keep our employees as well informed as possible about changes to the general programs. Operational activities remain responsible for tracking regulatory changes in their own areas, with the exception of the program for Joint Commission (TJC) compliance. This program has a central resource dedicated to updating the medical center about changes to TJC's requirements.

The membership of the Medical Center's Compliance Governance Committee has been expanded. In addition to participation by the College of Medicine at Chicago, attendance at the monthly meetings has been expanded to include other Colleges that bill for clinical functions, notably the Colleges of Dentistry and Nursing. The College of Medicine at Rockford also has two representatives that participate remotely.

There are three primary areas of focus for the Medical Center's compliance programs: Financial processes, clinical programs, and information security.

Financial Processes: A challenge this year has been the development of effective tools for assuring compliance with the maze of requirements concerning clinical documentation in the support of billing functions. The Medical Record is no longer primarily a tool for healthcare professionals to communicate with one another about the care provided patients. Today, requirements for the support of billing practices have been thrust to the center of concerns for clinicians to include in their documentation of the patient experience. This year saw the expansion of a tool created by the Office of University Audits in cooperation with Medical Center and Medical Service Plan physicians to automate the screening process of medical notes to assure that proper documentation exists to meet federal billing requirements.

Clinical Programs: The Joint Commission visited the Medical Center in January 2008 for its triennial certification visit which resulted in full accreditation. The aging facility continues to present compliance challenges as newer regulations focused on safety

contain physical requirements that the Medical Center is straining to meet without curtailing its capacities for care to our largely minority, underserved and at risk patients.

Information Security: An audit of information practices in the Colleges by the Office of University Audits revealed some deficiencies in their approach to assuring information security. As a result, the Office of Compliance is in the process of redefining and reassessing practices to assure HIPAA (Health Insurance Portability and Accountability Act), research and educational program compliance across the campuses. At UIC, the Provost has commissioned a comprehensive review of electronic systems to assure the necessary protections are in place to safeguard information within the computer based systems.

Investigations, Audits and Updates:

In addition to the broader issues identified above, UIC continues to be robustly engaged in responding to federal and state audits and investigations. Below is a partial listing of the visits we have received from regulatory agencies as well as a summary of significant developments in other compliance related functions:

- State and Federal audits – In addition to yearly Medicare audit, State and Federal agencies have evaluated our drug usage in dialysis; the departments’ accuracy of E&M coding (Evaluation and Management Codes for physicians and clinics); the Medical Center’s approach to ‘Never Events’ (adverse patient outcomes that should ‘never’ occur); the use of immunosuppressive agents. Mile Square has undergone three audits over the course of the last two years. We are actively engaged in implementing the recommendations of each of these audits.
- Investigations – Personnel from the Compliance Program have investigated complaints about six departments over two Colleges concerning billing practices. We cooperated fully in these investigations and appropriate corrective actions have been identified and are being taken.
- Process improvements – As noted above, the most important work to date includes work with the clinical entities to improve billing practices. The Federal Government has introduced Recovery Audit Contractors into their compliance program. These contractors have been given significant financial incentives to delve deeply into medical records to identify instances in which documentation doesn’t fully support billing for both physicians and hospitals. Whether the services were provided is immaterial if the documentation doesn’t fully support the bills submitted to the federal and state agencies responsible for reimbursement. This has resulted in the recovery of substantial payments for federal and state programs from health care organizations.

- New and improved programs: The Campus continues to improve compliance with federal billing requirements for clinically related research with plans to expand functions under the Vice Chancellor for Research. The Medical Center is cooperating fully with the University's plans to meet the new requirements for dealing with Identify Theft (Red Flag) that have been put forth by Federal Regulation. Importantly, the Compliance Office is conducting a survey to identify all areas of the University responsible for clinical billing to both assist in the identification of departments that must meet HIPAA requirements as well as assess their compliance with University, State and Federal billing requirements.

In summary, compliance with external regulatory bodies and internal policies increasingly requires the support of units at all levels in the University. The Medical Center continues to improve its compliance programs through development of working relationships that cross traditional academic silos and bring to the table disparate parts of the University community.