

Report on Compliance

The University of Illinois Hospital & Health Sciences System (Health System) recently undertook an outside review of its Compliance Program. This report represents an overview of areas related to that review. In particular, the content within this summary represents areas of compliance that could be considered for emphasis in a robust compliance program. This report also notes where progress has been made in meeting those standards.

1. The Institutional Commitment to Compliance: Previously, the Board of Trustees approved the compliance plan. In view of changes to the environment, it is currently undergoing revision. A draft revised plan has been reviewed by Health System leadership and individuals in University Administration as the University identifies a systematic approach to coordinating compliance efforts across campuses. Awareness and endorsement by the Board of Trustees is a critical step in creating an effective compliance program. This revised compliance plan establishes governance, oversight and responsibility as well as reporting lines for management and communication of compliance activities. Currently, a compliance oversight committee with an emphasis on financial issues chaired by the Chief Financial Officer for the Health System works with the Institution's various compliance organizations to monitor an array of compliance efforts within the Health System. It is composed of Business or Compliance Officers from the Health Science Colleges.
2. The Educational Commitment to Compliance: The success of a compliance program hinges on educational programs available to and required of employees. This occurs in several layers at the University level where regular learning modules have been established out of the University's Ethics Office. In addition the Health System established a Code of Conduct, incorporated it into employee orientation, and requires employees to review it on a yearly basis. Committees, including within the Medical Staff, have been set up to review professionalism and behavioral issues and are currently undergoing revision for greater effectiveness. A working understanding of the Code of Conduct must extend through all contractual services with vendors as well, and is referenced in the System's contracts. The Training Program within the Health System applies to Hospital and Clinic staff as well as Medical Staff with education varying by job classification and level of learning requirements by position, including residents.
3. The Regulatory Environment in Healthcare: Approximately 45 federal agencies write rules and regulations concerning healthcare. The System is also responsible to rules issued at the State level as well as within applicable accrediting bodies. These cover many different functions:
 - a. Human Resources: Due diligence in hiring and retaining employees requires criminal background checks as well as screening of potential employees through the Federal Exclusion Program. Given the breadth of human resources system at the University, the Health System still assures that appropriate clearances are obtained for employees

recruited and retained for health services. This responsibility extends into the vendor service contracts utilized by the Health System to maintain care and is reflected in contractual agreements. Additionally, all employees must receive orientation training that includes information on privacy and security regulations and compliance training. Specialized modules are available for training of discipline specific issues such as professional billing for services.

- b. Reporting Hotline: Federal guidelines require organizations to maintain a hotline for reporting potential compliance related issues to the Compliance Officer. The Health System currently manages this through an outside vendor with 24/7 service that works with an identified authority within the compliance program to permit the Institution to investigate potential abuses. Calls are reported and reviewed as part of the additional functions provided by the compliance oversight committee.
 - c. Financial Relationships: Over the course of the last year, fair market value and physician compensation levels were established to conform with federal guidelines for various services.
 - d. Provider Credentialing and Ongoing Evaluation: The Medical Staff office of the hospital is currently exploring and developing a streamlined approach to ensure an efficient, timely, and robust credentialing process, not only for initial applicants but also for ongoing monitoring of providers.
4. Privacy and Data Security: The Health Information Portability and Accountability Act (HIPAA) established ground rules for the protection of personal health information. We referred above to the regular education of employees as to the provisions of these evolving rules. In addition, the Health System must maintain a robust program for monitoring, investigation and reporting violations to the Office of Civil Rights. The Act is broadly broken down into two sections:
- a. Privacy and Security. The privacy portion of program is managed primarily out of the Health Information Management Department for the Health System. The Health Information Management Department takes direct responsibility for information within the Health System records and provides consultation for privacy issues identified outside the Covered Entity.
 - b. Information Security addresses electronic systems within the Hospital and its clinics and within clinical units of the colleges. Security within the Hospital and its clinics is managed by the Information Systems Department. Security for the colleges was recently assigned to the Campus' Academic Computing and Communications Center. We are currently harmonizing the policies between the two 'organizations'. Additionally, programs within the Hospital and its clinics test system performance: internal, external, and wireless penetration vulnerabilities; internal and external security processes; encryption; social engineering testing – the extent to which employees follow good security practices; and web application security issues.
5. Clinical Documentation and Billing: The greatest risk vulnerability for the Health System may lie in our documentation practices. Clinical documentation must contain appropriate information to support billing practices of providers and systems. In the healthcare environment, documentation may not be sufficient to support the actual bill, so programs must exist to

reconcile this deficiency. The compliance program has created an electronic surveillance tool that permits linkage of existing documentation to billing. This provides access for screening purposes to a wide variety of documents within operating systems that allows the auditing of

- a. timeliness of bills,
- b. distribution of billing codes, and
- c. denial rate of bills.

Departments can then proceed with more detailed audits to assure appropriate information is contained in the records, and to provide education and follow up where individual practices may not be in compliance.

We are also currently working collaboratively across all stakeholders in developing a Clinical Documentation Improvement program that is envisioned to include tools such as computer-assisted coding and natural language processing, in addition to building programs to educate, train, and monitor performance more regularly. We also anticipate that these efforts will bolster our readiness for ICD-10. As we continue to embark on this work, we may need to define a different balance between centralized and decentralized controls to assure continued compliance in clinical programs and improved content and frequency of education related to clinical documentation and billing compliance.

6. Financial Practices: There are a myriad of business processes outside billing and collecting that interface with the Health System's financial processes. Many of these processes are internal and under the control of the University – such as contracting and procurement. Some are specific to the Hospital such as financial statements, cost reports and federal reimbursement for educational programs, e.g., graduate medical education, that are subject to regular audits by the federal government. The Health System's compliance program has not focused on these areas historically, but these have been included in the scope of responsibility defined in the pending draft of the compliance plan.

This summary addresses only some of the issues identified in the review of our program. This summary does not include issues related to quality of care covered under accreditation and quality program standards. This summary also does not include content related to clinical research in the Health System, which is the responsibility of the investigators, academic departments, health science colleges and other parts of the university interacting with the office of the Vice Chancellor for Research and Health System leadership.

In conclusion, compliance is a complex area of organizational function as defined and is governed by the Federal Sentencing Guidelines. Compliance is greatly affected by organizational structure and the external regulatory environment and is the responsibility of the entire organization including the governance body. We acknowledge the leadership of the University's Administration and recognize success of this process will entail communication throughout the management system through the Office of the President to the Board of Trustees.