Reported to the Board of Trustees
January 24, 2013

University of Illinois Board of Trustees Meeting
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Compliance Report for the University of Illinois Hospital and Health Sciences System (UI Health) for the University of Illinois Board of Trustees

The Compliance Organization continues to function within UI Health to maintain the high quality standards demanded in an ever-changing clinical environment. This report provides an update on the Compliance Organization's accomplishments and findings.

Consulting engagement—PricewaterhouseCoopers LLP: PricewaterhouseCoopers LLP was engaged to examine the UI Health Compliance Program and its interactions with the Campus and University. They completed a gap analysis focusing on organizational culture, physician relationships, research compliance, privacy and data security, clinical documentation and billing, and quality and patient safety, all critical aspects of the UI Health environment.

Current UI Health compliance activities have been focused upon:

Clinical Documentation: The College of Medicine conducts routine, random audits on the existence of appropriate attestations supporting the clinician role in medical care and education and on the quality of documentation in support of E&M coding. We now have a mature electronic solution for screening clinician documentation for timeliness of entry and distribution of evaluation and management (E&M) codes. The College of Medicine is expanding its use of this screening tool and developing department specific reports to assure compliance with federal and state billing regulations. The College of Medicine has 2 open positions that it is working to fill related to its compliance program.

Within the Hospital, major emphasis has been placed on meeting the requirements under the program for Recovery Audit Contractors (RACs). In the past year, 33 documentation errors were identified resulting in repayment to Medicare of $275,000. The review identified insufficient documentation to justify medical necessity at the codes originally billed.

HIPAA: Information Systems security, particularly as it affects HIPAA compliance, continues to be a priority for the Campus. Recent changes in University Administration have returned responsibility for technology related security to the campus, which is establishing an overall security program to include all Colleges. This will greatly benefit enforcement of the HIPAA regulations. Traditionally, security has been left to the individual Colleges. The Covered Entity includes only those areas with responsibility for UI Health patients, including UI Hospital and Clinics and the employees who engage in patient care and interactions. Other health information, such as that in research data bases or related to contracts outside the health entity are not protected by the practices of the Covered Entity unless specifically adopted by the specific Colleges.

HIPAA privacy is dealt with robustly within UI Hospital and Clinics. Programs for education are required of all new hires and on a yearly basis thereafter. HIPAA training is a critical part of the responsibility of the organization to educate its staff, clinicians and employees about appropriate privacy and security practice. This is accomplished through a web-based module. More than 6,200 people have taken the learning module thus far this year.

Investigations into breaches and reporting as necessary to the Office of Civil Rights are accomplished routinely. Between February 17, 2012 and August 30, 2012, a time frame during which approximately 250,000 office visits and 9,000 inpatient discharges occurred at UI Health, several breaches were identified:

- 20 potential breaches were reported
    - 9 Breaches were found to have occurred affecting 10 patients. All patients were notified.
    - 11 incidents were found not to be breaches.

One incident involved a Business Associate who mailed records to the wrong patient. Nine incidents were related to inadvertent disclosures from human error in the Hospital.

Further organization clarification is needed to identify responsible parties for information security outside the Covered Entity, but within the greater University environment, to assure appropriate education and investigation of all privacy related issues. We are working with the Provost's office to determine an appropriate course of action.

Financial Practices:

Misbilling:

Investigations of incorrect billing arise from time to time from allegations both internal and external to UI Health. These are investigated and resolved subsequent to interview, data collection and assessment, and the creation and execution of appropriate action plans. Two such past issues reported to the BOT involve ongoing negotiations with State Agencies concerning irregularities of billing in part of our primary care practice.

Operation Red Flag:

Operation Red Flag is a federal program aimed at identifying credit card fraud. In the past six months, we have identified and investigated 14 Red Flag Cases.

- 10 were confirmed fraudulent use of credit cards and reported to the authorities.
- 2 investigations demonstrated the proper patient was treated/no fraud was identified.
- 2 investigations indicated that the wrong patient was registered due to human error.

Hot Line Reports:

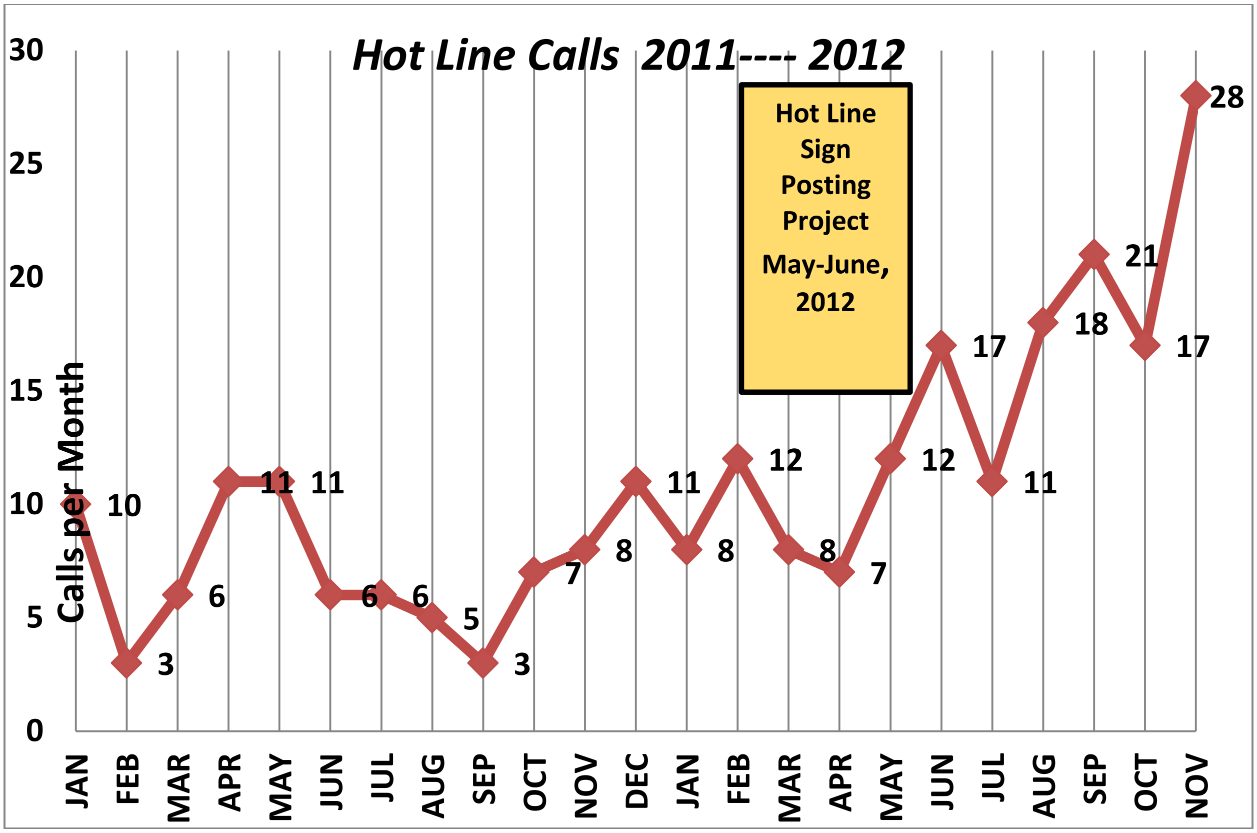
A Compliance Hot Line is maintained as required by federal guidelines. We subcontract to a third party as is commonly done in the industry. We fielded 170 calls in the previous year, broken down as follows:

Source of Call:	25%	Employees	>90% are human resource related
	75%	Patients or family	

Reason for call: 20% Quality of care
30% “attitude” of staff, personalities, etc.
50% systemic (scheduling, difficulty getting med records, etc.)

Almost all complaints are from outpatients. One-third of calls are anonymous (employees tend to call anonymously about their HR issues). All calls are referred to the appropriate internal parties for resolution. Any issues pertaining to potential medical negligence are referred to the Department of Risk and Safety.

The graph below demonstrates the success of efforts to improve reporting through a campaign to assure appropriate use of this important resource.


Hot Line Calls 2011---- 2012
Calls per Month
JAN
FEB
MAR
APR
MAY
JUN
JUL
AUG
SEP
OCT
NOV
DEC
JAN
FEB
MAR
APR
MAY
JUN
JUL
AUG
SEP
OCT
NOV
Hot Line Sign Posting Project
May-June, 2012