



Taking Identity Theft Seriously

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It goes without saying that identity theft is a growing concern worldwide. Unfortunately, health care can be a prime arena for identity theft to occur. In November of 2007 the Federal Trade Commission (FTC) issued a "Red Flags Rule" requiring certain financial institutions to develop and implement a program to prevent or mitigate the risks of identity theft. Originally intended for banks and other traditional creditors, the rule has been broadened to include health care entities and institutions of higher education. As such, UCHC is considered a financial institution that holds "covered accounts" and therefore, must comply with these regulations. A "covered account" offered or maintained by a financial institution or creditor is defined in two parts: 1) An account that is designed to permit multiple payments or transactions; and 2) any other account for which there is reasonable risk of identity theft.

The Red Flags Rule lists four elements that must be included in an identity theft program. The program must be designed to: 1) identify relevant "red flags" (patterns, practices, or specific activities) that signal possible identity theft; 2) detect red flags; 3) respond appropriately to detected red flags to prevent and mitigate identity theft; and 4) ensure that the program is updated periodically. UCHC's identity theft program description is under development in collaboration with UConn Storrs. The program will be reviewed and is expected to be approved by the Joint Audit and Compliance Committee (JACC) of the Board of Trustees in April in order to meet the FTC's May 1st deadline for compliance. Departments including those that handle patient registration and billing and student services are in the process of developing or revising

policies and procedures to meet the requirements of the rule. UCHC must also ensure that the activities of third party providers of materials or services are carried out in accordance with processes to detect, prevent, and mitigate the risk of identity theft. Finally, ongoing training, oversight, program evaluation, appropriate modifications, and annual reports will be required.

An identity theft program is a vital part of UCHC's effort to protect the privacy and well-being of our patients and students.

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Quarterly Compliance Quandary

Robert is a medical assistant at UCHC. Recently, he has grown increasingly concerned about the conduct of one of his co-workers. He has witnessed behaviors that he believes to be unprofessional and possibly unethical. Robert has always had a good working relationship with his colleagues and doesn't want to "get anyone in trouble". He is also concerned that, if he does report his concerns, he will "pay the price". He is struggling as to whether he should come forward and, if so, who he should talk to.

What are Robert's options? Where can he go to discuss his concerns? Go to the Corporate Compliance Program website at <http://www.uchc.edu/compliance/index.html> for a discussion of this quandary.

Let the RACs Begin

In early February 2009 after a three month delay, the Centers for Medicare and Medicaid (CMS) announced that it was resuming implementation of the Recovery Audit Contractor (RAC) Program. The RAC Program was developed to stabilize the Medicare Trust Fund by identifying and recouping improper payments made to health care providers for Medicare Part A and B services.

The Medicare Prescription Drug, Improvement and Modernization Act of 2003 authorized a three year demonstration RAC Program in six states (New York, Florida, California, Massachusetts, South Carolina and Arizona) which returned \$693.6 million to the Medicare Trust Fund. The Tax Relief and Health Care Act of 2006 mandated that the RAC Program be a permanent program and expanded to all fifty states by 2010.

During the demonstration program, the RACs targeted inpatient services and denied 38-40% of the claims they audited

due mainly to incorrect coding or lack of medical necessity. Health care providers do have the right to appeal RAC denials but the appeals process is lengthy, onerous, costly and only moderately successful.

It is clear that health care providers must develop an organized and systematic approach to dealing with the RACs to avoid losing significant Medicare revenues. The approach must address several facets; responding timely to RAC requests for medical records, improving clinical documentation, maintaining a database to track RAC denials and developing a coordinated appeals effort. The RAC Program will force health care providers to expend more resources just to maintain their current Medicare revenues.

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Importance of Time & Effort (T&E) Reporting

At UCHC we take T&E Reporting seriously for a good reason: the federal government is currently focused on proper T&E Reporting at academic medical centers.

Recently Yale University agreed to pay the government \$7.6 million to settle allegations that it violated the False Claims Act in management of federally-funded research grants that were awarded between January 2000 and December 2006. The funding agencies that awarded these grants include the Department of Health and Human Services (DHHS), the National Science Foundation (NSF), the Department of Energy (DOE), the Department of Defense (DOD) and the National Aeronautics and Space Administration (NASA).¹

The problem began in part when researchers knowingly falsified their T&E Reporting by documenting percent effort on one grant, but actually

using that percent effort to work on another unrelated grant.

Yale University agreed to pay \$3.8 million in actual damages for false claims, and \$3.8 million as penalties for false claims.

"This settlement sends a clear message that the regulations applicable to federally-funded research grants must be strictly adhered to", stated Acting United States Attorney Nora R. Dannehy.

The allegations came after a lengthy investigation conducted by the Offices of the Inspector General of the DHHS, NSF, DOE, and NASA. The investigation also included the Defense Criminal Investigative Services; the Department of the Army, Criminal Investigation Command; the Defense Contract Audit Agency; and the Federal Bureau of Investigation.

We would like to congratulate our Principal

Compliance Training

Remember that compliance education is an annual requirement. If you have not yet completed your compliance training for 2008 please go to:

<http://www.healthstream.com/hlc/uchc>

Investigators at UCHC for being 100% compliant with T&E Reporting these last few quarters. Suggestions to improve our research compliance programs are always welcome.

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¹United States Attorney's Office District of Connecticut Press Release

Coding Corner

UCHC Documentation and Coding Program Update & History E/M Documentation Requirements

The UCHC Documentation and Coding Program is moving forward with reviews by specialty area. We are very pleased to offer this educational service to the UMG practice where the response has been overwhelmingly positive and supportive. Physicians have expressed their satisfaction with comments such as, "This is just what we have needed," "This should be done more often since documentation requirements change and education in these changes are necessary," and "The program was a long time coming."

The *History* section of the E/M code is one area where the program has identified additional education is warranted. The history often can be confusing. **What** information should be included and **who** can document on behalf of the physician?

What information should be included in the History? The history is dependent on the clinical judgment and on the nature of the presenting problem. The E/M services recognize four types of history:

1. **Problem focused:** chief complaint, brief history of present illness/problem.
2. **Expanded problem focused:** chief complaint, brief history of present illness, problem pertinent review of systems.
3. **Detailed:** chief complaint, extended history of present illness, problem pertinent review of systems including a review of additional systems (**2-9 systems**), pertinent past, family and/or social history
4. **Comprehensive:** chief complaint, extended history of present illness, problem pertinent review of systems plus a review of all additional body systems (**10 or more systems**), and a complete past, family and social history.

NOTE: It is acceptable in the review of systems (ROS) to document "All other systems negative."

Who can document? The billing provider or their employed non-physician practitioner (NPP), e.g. physician's assistant or nurse practitioner, can perform/document the elements of the history in order for it to be accepted toward the level of E/M service billed. Medical students may document services in the medical record; however, the teaching physician may only refer to the student's documentation of an E/M service that is related to the review of systems (ROS), and the past family and social history. The physician must re-document the history of present illness and perform and re-document the physical examination and treatment plan.

When a resident or fellow is documenting the patient's history in a teaching environment, the teaching physician guidelines allow for the entire resident note to be counted towards the level of service selected with the *appropriate linkage statement and attestation* by the teaching physician. In summary, when documenting the history for new patients, consultation and initial hospital care, it is very important to remember the number of elements required to bill for each level.

If you have documentation questions or concerns, please contact:

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