



## Bite the Bullet

### THE AGONY OF STARTING YOUR COMPLIANCE PLAN

By Shawn Keough-Hartz, CHBME

If you have had difficulty drafting and/or implementing your compliance plan, then this article is for you. My goal is to give *hope* to all of you who are agonizing over the very thought of the process involved in the development and implementation of a plan, and dread the expense in both cash outlay and time. As I believe all HBMA members having plans will agree, a compliance plan is worth both your time and money (now, for those of you who I'm about to lose because I've mentioned money, you may want to know that my company, Provider Resources, is a "typical" HBMA member in size and revenue). I told you—there is hope!

Before we continue, let's review the mental process you must go through before developing a plan.

- **Overcoming Denial.** It wasn't that I didn't want a plan. I certainly wanted one, but, I really didn't know how to go about getting one. So, I attended many low-cost compliance courses, referenced several plans on the Web, obtained several sample plans, and had even found a "canned" plan. The use of a canned plan allowed me to answer an emphatic "yes" if asked if we had a compliance plan in a competitive situation, but the reality was that the "canned" plan was not specific enough to our organization to be helpful and would serve as a liability had we been visited by a friendly representative from the Office of the Inspector General (the OIG—you know, the ones with guns!).
- **Checking in with Reality.** OK. I

had it. The reality is that I didn't like the thought of jail, and in my heart, I wanted to do the "right thing." My search for a quick way to implement a compliance plan for my company was futile. I was going to have to build this for our company.

- **Accepting the Inevitable.** I give up. In order for our plan to be worth more than the paper it is written on, we are going to have to develop it for our organization. But, how?

---

**Your compliance plan is truly a reflection of your company....It is a statement of your values and how you wish to conduct business.**

---

#### SEVEN STEPS TO COMPLIANCE PLAN SUCCESS

**1. Make your life easy.** Attend the HBMA Compliance Course. This recommendation is very sincere. HBMA's Compliance Course is excellent. Once I attended that course, I realized very quickly that it was the single most important thing I could do to streamline the process within my own organization—and the cheapest. Literally. The information shared and gathered can be adapted to your organization and the expenses you incur for conference attendance are easily offset by the time saved by you and your compliance committee.

**2. Think about the requirements.** All of our plans are required to contain the same basic information. (OK, reality: we are not "required," it is merely "recommended" according to the OIG.) There are seven fundamental elements to an effective compliance program.

- Implement written policies, procedures, and standards of conduct
- Designate a compliance officer and compliance committee
- Conduct effective training and education
- Develop effective lines of communication
- Enforce standards through well-publicized disciplinary guidelines
- Conduct internal monitoring and auditing
- Respond promptly to detected offenses and developing corrective action

The points of the plan don't differentiate one company from another; it's the way we encompass these points within our organizations that makes each of our companies so different. That's why we each have to develop our own plan. Your compliance plan is truly a reflection of your company and of you as owner and manager. It is a statement of your values and how you wish to conduct business. It is about who you are, or want to be, and about ensuring that your company and staff conduct themselves in that manner.

**3. Decide what culture you want for your company.** Ask questions. Who are you? What is your company? What type of people do you employ?

*(continued on page 21)*

*(Bite the Bullet continued from page 20)*

What would you like to change? What is your vision for your company? It was during this phase that we at Provider Resources rewrote the company mission statement. Our vision changed and our value statement was written. It serves as our guide.

#### **4. Designate a compliance officer and a compliance committee.**

Again, because we are small, designating the compliance officer was simple. I chose myself, originally. The compliance committee was another story. I selected our operations manager, accountant, and attorney, as needed. It wasn't enough. To have "buy in," I needed input from all levels of our organization. So I simply asked all employees for volunteers and advised of the meeting times and approximate time requirements. It worked! We pulled in members whom I never thought would have participated—and we found their input was invaluable. Buy-in? It was almost immediate.

#### **5. Set the tone of the committee.**

In our company, all members are equal. All votes are equal. All members are required to read the *Federal Register* and become familiar with the *OIG's Guidance for Third-Party Medical Billing Companies*.

**6. Develop the game plan.** Be realistic—this is a process. It's not something you create, complete, and never look at again. It is a way of life, a way of conducting business. It deserves the same energy you expend in buying a computer system, the basis of how you produce your services. It gauges who you are and what you do. It takes time to develop and implement, so set a realistic time table. How much time can you

expend, realistically, on a weekly basis, a biweekly basis? Initially, we met weekly for three to four hours. Meeting times grew shorter as we progressed and we had more assignments outside of the meetings. I believe it took us about 18 months to develop the plan initially, and quite honestly, our monitoring and auditing process is still evolving.

**7. Get started.** Feeling impending dread? Really, no need for agony at this point. You are well under way and you've done the hard part. When I got to this point, I realized that we had *already started!* All that was left was to determine how the seven elements outlined in the *OIG's* program needed to be integrated into our company. We literally took a copy of the *Federal Register*, reviewed each of the elements, and worked through them.

I believe the most important aspect of a compliance program is the development of a culture. We developed a Code of Conduct, which includes the means for reporting infractions. We didn't wait for the entire plan to be written and/or developed. We introduced this to the employees immediately. We set the expectation of compliance and began the development of the culture. In time, the culture was reinforced through job descriptions, non-compete agreements with employees, and employee evaluations.

There is hope. Create the culture. It is the beginning. ▲

---

*Shawn Keough-Hartz, CHBME, is president of Provider Resources in Erie, PA. She can be reached at [skeoughhartz@provider-resources.com](mailto:skeoughhartz@provider-resources.com).*

*(Target Practice continued from page 18)*

reviews should be conducted.

Keep in mind that if your client has a sub-specialized practice, or patients with a higher level of acuity, the provider may be able to justify higher level CPT visit codes or procedures more frequently than his or her peers. However, all coding must be **well documented and medically necessary**.

**The need for detailed documentation and understanding of the Documentation Guidelines cannot be emphasized enough.** Review the Medicare Documentation Guidelines ([www.cms.gov/medlearn/emdoc.asp](http://www.cms.gov/medlearn/emdoc.asp)) with your clients and determine which are more favorable for their practices, 1995 or 1997. Keep in mind every auditor's credo: **If it isn't documented, it didn't happen.** Also, if it is illegible, it won't be considered.

If a managed care company audits a provider, it is strongly advisable that the provider retain an experienced healthcare attorney before returning any money. The attorney or firm may retain a coding expert who can review the provider's notes and analyze the insurance company's findings. Furthermore, legal firms can usually negotiate with insurance companies. Also, proof of ongoing education and development of a compliance plan by the provider will often be taken into consideration.

By taking these measures, your clients will become more compliant, resulting in cleaner claims with faster turnaround, and, in the event of an audit, the documentation to substantiate their coding. ▲

---

*Madelon I. Berger, MPH, MA, CCS-P, CPC, CHBME, is president of Bill of Health Services, Inc. in New City, New York. She can be reached at [mberger@billofhealthservices.com](mailto:mberger@billofhealthservices.com).*