



Building a Strong Compliance House

START WITH A FIRM FOUNDATION

By Karen L. Collier, J.D., CHC

Building a true culture of compliance into your operations is the single most effective way to ensure an effective compliance program—one where employees know what they are supposed to do and do it, where they can easily recognize when something's not right, and where they will bring problems and questions to management's attention, knowing they will be addressed and corrected. Like constructing a high-quality home, building such a culture takes the effort of many people, clear vision, good planning, and attention to all the details.

The best policies and procedures, the most entertaining and up-to-date training, even the best-operated hotline all pale in comparison to your team's genuine desire to do the right thing in difficult situations. Learning the rules and regulations that apply to medical billing is only the first step. It's an immensely important first step, but not the end of the construction by any means. Where there is a clear rule, law or contract provision, your employees should not have much trouble in deciding what to do when a compliance issue arises. The real trouble spots for billing companies occur in between the bright-line rules, where there are gray areas in the regulations or strong interests in conflict.

For example, let's assume your provider client is contracted with a patient's primary and secondary insurance (Medicare and Blue Cross). You submit a bill to Medicare for the patient's service, and subsequently submit a bill to Blue Cross as secondary. Your office should know by heart the allowable amounts and the rules for applying the payments, adjustments, etc. There is no legal leeway in adjusting off any balance over the allowable or contracted amount in this case.

What do you do if both insurers pay as primary, or the secondary pays the entire amount of billed charges? Once again, that's an easy one. Your client is contracted with the payors, and the amounts they can keep (and can't keep) are crystal clear. Your credit balance and refunds protocols should immediately kick into high gear if you are paid too much.

Drawing a Line in the Sand

But what about the situations where the "right thing" is not so clear? That's where the culture of compliance comes into play in an effective compliance program. When the decision is difficult, and the way is not clear, you want your employees

to make the best choices available. Sometimes, doing the "right thing" means doing what's right for all concerned in the long run, not just what the client wants now, what's easiest to do, or whatever's most profitable.

Sometimes, it all comes down to what you won't do in a tough situation. Making this important boundary known throughout the organization can be the key when things go wrong. Your compliance program should give guidance on where the lines are drawn, and your culture should teach which lines aren't to be crossed, no matter what tempting rationalizations may be available.

Sound, ethical decisions come from thoughtfulness and understanding of shared expectations. Somewhere in your policies, code of conduct, training or other employee instruction, there should be a clear vision of the values your company honors and expects of its employees: things like honesty, reliability, responsibility, fairness, cooperation, and attention to detail. If understanding these concepts is built into every aspect of their work, then employee choices about behavior and direction are always made with better outcomes.

Talk to your managers and employees about what the shared goals and expectations for the billing company are. Give concrete examples of what is okay and what is not okay. As mentioned earlier, sometimes drawing a line in the sand over which you will not cross is the most important thing to discuss. A culture of true compliance is built upon many of these discussions, examples, and behaviors over time, like bricks in a strong wall.

Constructing Your Compliance House

Like a well-made house, your culture of compliance is built in stages. You have to start with a good firm foundation, then erect sturdy walls and a tight roof. Last, but certainly not least, you finish out things like doors and windows, interior features and furnishings. Only then do you have a house that is safe, secure and made to last.

The solid foundation to healthcare compliance is understanding and adhering to the various rules, regulations, and laws that apply to our business and correcting mistakes as they are discovered. This is often a complicated task for a billing company. It takes the whole crew to lay an adequate foundation – level, strong and even, and to make sure it is "up to code" in all the ways that affect what the company does.

The walls of a good compliance *(continued on page 23)*

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culture are built around having practical, consistent materials and instructions for every employee to follow. Education regarding the company's various policies and procedures shores up the walls to make them stronger and more useful. Every employee serves as part of the all-important wall structure of the compliance "house" by learning and working to understand exactly what to do, and what to not do, in their jobs.

The roof over it all must be the auditing and monitoring functions. If you don't have a sound, tight roof, then you don't have a good house. If a billing company doesn't take time to check its work and correct mistakes, then how does it have a good work product and compliance program?

To make the house truly livable, doors and windows must be well-placed to perform their functions. Fair and consistent discipline for compliance transgressions and recognition for extra efforts are as important as doors and windows to the compliance program "house." It just won't work as a house if you can't get in and out of it, and a compliance program just won't thrive or even survive if enforcement and disci-

pline isn't adequate. The key to a solid compliance culture is to make sure that all the rules apply to all the people, from the owners and managers to each front-line employee.

Making consistent, informed decisions about how to accomplish tasks and how to behave at work provide the furnishings and touches that make the compliance house a real home for your company. You should decorate your compliance house with light—the habit of shining a light on mistakes, so they can be fixed and learned from. No sweeping the dirt under the rugs in this compliance culture!

Good blueprints, sound construction, and quality details will make your company's cultural "house" worthy of the compliance version of *Architectural Digest*. It will be beautiful, livable, and strong enough to withstand all the storms the billing business can throw your way. ▲

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