

**Texas Tech University Health Sciences Center  
Billing Compliance Program Policy and Procedure**

<b>5.4 Billing Compliance Annual Risk Assessment</b>	
<b>Approved: 6/2/11</b>	<b>Effective Date: June 2, 2011</b>
<b>Last Revision Date:</b>	<b>References:</b>

**A. PURPOSE**

The purpose of this policy is to establish a process to identify and rank potential billing compliance risk areas for purposes of developing and conducting billing risk audits in order to minimize billing compliance risks.

**B. POLICY**

The Institutional Compliance Officer (ICO) and each Billing Compliance Director (Director) shall develop and present an annual written billing compliance risk assessment for their area of oversight as outlined in this policy.

**C. SCOPE**

This policy applies to the ICO, Directors and each School of Medicines' campus Billing Compliance Advisory Committees (BCAC) and billing compliance liaisons in the School of Nursing, School of Pharmacy and School of Allied Health Sciences.

**D. PROCEDURE**

1. Background.

Texas Tech University Health Sciences Center (TTUHSC) bills for patient care items and services through its Schools of Medicine (HSC and Paul L. Foster), School of Nursing, School of Allied Health Sciences and School of Pharmacy as follows:

- The HSC School of Medicine provides multi-specialty patient care services at its campuses located in Amarillo, Lubbock and the Permian Basin. Its Departments include Family Medicine, Internal Medicine, Dermatology, Anesthesiology, OB/GYN, Psychiatry, Neurology, Orthopedics, Surgery, Urology, Pediatrics, Pathology, and Ophthalmology. It also operates an Ambulatory Surgical Center at the Lubbock campus.
- The Paul L. Foster School of Medicine provides multi-specialty patient care at its campus located in El Paso. Its Departments include Family

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Medicine, Internal Medicine, Anesthesiology, Neurology, Orthopedics, Surgery, Pediatrics, Pathology, Psychiatry, Radiology, Ophthalmology, OB/GYN, Emergency Medicine and UBCC,

- The Anita Thigpen Perry School of Nursing bills for primary care and behavioral health services provided through the Larry Combest Wellness Center in Lubbock, which is designated as a Federally Qualified Healthcare Center (FQHC) and at other facilities through contractual arrangements.
- The School of Allied Health bills for hearing and speech language pathology services for services provided at its clinic located at the Lubbock campus.
- The School of Pharmacy operates clinical pharmacies in Lubbock and Amarillo.

### **2. Resources to Identify Potential Billing Compliance Risks.**

- a. During the course of each calendar year, the ICO and Directors shall review and analyze the following information to evaluate and identify potential billing compliance risks.
  - *Top 20 CPT/HCPCS by volume and by value for the Schools of Medicine.*
  - *OIG Fiscal Year Work Plan(s).*
  - *Relevant OIG Audit Reports.*
  - *Internal Monitoring Results.*
  - *External Audit Activity.*
  - *Claims Denial Patterns.*
  - *Physician Fee Schedule and CPT Changes.*
  - *CMS, J-4 MAC and Trailblazer Publications/Notices; Texas Medicaid Notices; Medicare or Medicaid payment policy changes*
  - *Implementation of new processes or programs at the campus or School (i.e., EMRs, ASC, new services/departments).*
  - *Other Relevant Data or Information*
- b. In addition to annual review, most of the information referred to in 2a above should be routinely reviewed and analyzed by the ICO and Directors as relevant to their oversight responsibilities.

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3. Risk Assessment Timeline.

- a) Each year, the ICO and Directors shall follow the timeline outlined in Attachment “A” to collect data utilized in completing the annual risk assessment to present to their BCAC and billing compliance liaisons. This timeline is subject to revision by the ICO based on unique circumstances.
- b) The ICO and Directors shall routinely review data and information (including the resources listed in paragraph 2 above) to identify potential billing risks and if necessary modify and update their risk assessment plan during the current year.

4. Risk Assessment Process.

- a) *Schools of Medicine.* Directors shall evaluate the data based on the types of health care items and services billed by the Departments at their campuses to identify and rank (in order of risk, highest to lowest) a minimum of three (3) billing compliance risk areas. Directors shall prepare a confidential written risk assessment report, which shall include a written summary of the reason/basis in support of his/her risk ranking. Directors shall present their confidential written risk assessment report to their BCAC no later than the last day of May of each year for their review, input and approval of risk audits for the calendar year.
- b) The ICO shall evaluate the data based on health care items and services billed by the School of Nursing, School of Allied Health and School of Pharmacy and present to the School’s billing compliance liaison. The ICO, with input from the School billing compliance liaison, shall identify and rank (in order of risk, highest to lowest) potential billing compliance risk areas. The ICO shall prepare a confidential written risk assessment report, which shall include a written summary of the reason/basis in support of his/her risk ranking.
- c) The ICO shall present a confidential written risk assessment report to the Billing Compliance Committee (BCC) for all Billing Compliance Areas, for their review, input and approval of risk audits for the calendar year based on the information in the risk assessment report.
- d) The ICO and Directors shall conduct appropriate risk audits based on the order of priority approved by the BCAC and/or BCC, as applicable.

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**E. ADMINISTRATION AND INTERPRETATIONS**

Questions regarding this policy may be addressed to the Institutional Compliance Officer.

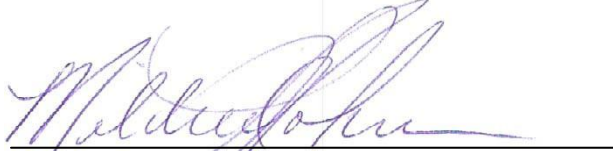
**F. AMENDMENTS, REVISIONS OR TERMINATION**

This policy shall be reviewed no later than June 1 in each odd-numbered year.

This policy may be amended or terminated at any time, subject to approval by the Billing Compliance Committee.

**G. CERTIFICATION**

I certify that this policy was approved by the Billing Compliance Committee, as reflected in the minutes dated June 2, 2011.



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Mildred L. Johnson, JD, CPC, CCEP  
Institutional Compliance Officer

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**Attachment “A”**

**ANNUAL RISK ASSESSMENT TIMELINE**

**ROUTINELY THROUGHOUT THE YEAR**

RAC Audit Plans.

- The Compliance Resource Manager shall routinely review of Medicare (Connelly) and Texas Medicaid RAC audit plans, notifying Directors of audit areas relevant to TTUHSC. Directors shall review this information to determine potential areas of risk related to the RAC audit plans.

OIG Audit Reports.

- The ICO and Directors shall routinely review the [OIG Audit Reports](#) to determine if any physician billing issues pertaining to services billed by their campus/School have been addressed.
- The ICO and Directors shall identify any CPT/HCPCS codes or other billing items (i.e., POS, DOS, Signature, Modifiers, etc.) or areas (i.e., EMR) that may be relevant to their area of direct oversight.

NCD and LCD Review.

- For their area of oversight, the ICO and Directors shall routinely review Medicare and Trailblazer NCDs and LCDs during the calendar year to identify new services, new coverage areas and changes in payment policies that may result in an increased risk of potential non-compliance for their area of oversight.

Claims Denial Reviews.

- The ICO and Directors shall work with the appropriate business office to be notified of any unusual claim denial patterns (i.e., large volume of denials by CPT code and/or provider).

**OCTOBER/NOVEMBER**

OIG Work Plan.

- The ICO shall provide the Directors with a written synopsis of the yearly Office of Inspector General Work Plan within thirty (30) days of its publication on the OIG's website.

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- The ICO and Directors shall review this information for relevant billing risk areas based on CPT/HCPCS, billing areas (i.e., POS, DOS, Signature, Modifiers) or other relevant areas (i.e., EMR).

### **DECEMBER**

#### Data Mining.

- The Institutional Compliance Office shall pull data from GE Centricity during the previous 11 month period to identify the top twenty (20) CPT codes that were billed by the Schools of Medicine based on volume (i.e., number of CPT codes billed during the previous 12 months) and value (i.e., the CPT codes with the highest charges) broken out by Department and campus along with a comparison to the other three (3) campuses. This information shall be provided to the Directors.
- The ICO shall pull billing data for the School of Nursing during the previous 11 month period to identify the top five (5) CPT/HCPCS codes billed based on volume and value.
- The ICO shall meet with the School of Pharmacy and School of Allied Health representatives to identify potential areas to focus on for data mining purposes, as appropriate.

#### Physician Fee Schedule

- The ICO shall provide to each Director, written analysis of the CMS physician fee schedule related to new or revised payment policies, excluding RVUs, within thirty (30) days from publication of the final rule in the federal register.
- The ICO and Directors, as applicable, shall review Physician Fee Schedule changes that may have impact on billing practices in their area of oversight, such as new documentation standards, code changes, coverage changes, new services, etc.

#### External Audit Activities

- The ICO and Directors shall evaluate external audit activity that has occurred in their area of oversight.
- As published by CMS, the ICO shall review and provide written synopsis to the Directors of CERT findings from the most current report as they pertain to health care items and services billed by TTUHSC.

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**JANUARY-FEBRUARY**

Internal Monitoring Results.

- The ICO and Directors shall review and analyze monitoring results from the previous calendar year to identify any potential billing compliance risks and/or trends.