

HCCA



**HEALTH CARE
COMPLIANCE
ASSOCIATION**

COMPLIANCE TODAY

**Volume Twelve
Number Eleven
November 2010
Published Monthly**

Meet

**Chris Bangerter, Corporate
Compliance Officer with
LifePoint Hospitals**

PAGE 14

Feature Focus:

**What every compliance
officer should know
about document retention**

PAGE 26

Earn CEU Credit

WWW.HCCA-INFO.ORG/QUIZ—SEE PAGE 25

**The medical
necessity question:
Physical therapy in
home care**

PAGE 30

Raising the compliance bar: A home health compliance program redesign

By Josh Proffitt, JD, CHC

Editor's note: Josh Proffitt is the Senior Vice President and Chief Compliance Officer with LHC Group, Inc., located in Lafayette, LA. He may be contacted by telephone at 337/233-1307 or by e-mail at Josh.Proffitt@LHCGroup.com.

How many times have we heard the phrase, "Don't fix what's not broken?"

At LHC Group, Inc. we decided to buck that conventional wisdom in early 2009, when we embarked on a redesign of our company's compliance program. To do this, we teamed with the nationally-recognized health care consulting firm Deloitte and Touche. Our redesign efforts may have seemed like an unusual step to some. To begin, we have had a robust compliance program in place since the mid-1990s and were already positioned as a leader in compliance for the home health industry. Add to that the fact that the health care reform bill¹ that was signed into law in 2010 will require, in the near future, home health agencies to have a compliance program. So the fact that we engaged in a redesign of a compliance program that was not broken, before compliance programs are even required, could be seen as an unnecessary step.

Perhaps. But, what we learned in the process is that there is tremendous value to be gained

from the exercise we undertook, and we believe that in order to set compliance best practices and standards for the home health industry, one must always evaluate areas to enhance or improve.

The following are a few key takeaways that we have learned during our most recent redesign efforts.

■ Relying on annual risk assessments to inform and strengthen the compliance program

Without performing a periodic, comprehensive compliance risk assessment, even the best compliance programs are vulnerable to having risks that are not being accounted for and adequately mitigated. Therefore, one of the primary initiatives we undertook as part of our program redesign was to perform a comprehensive assessment of the compliance-related risks within our organization. In addition to learning what compliance-related risks our company faced, we saw the value of having a compliance program that would be continually informed by the risk assessment process. With continuously changing technology and regulations, we realized the importance of regularly assessing risks to ensure that our compliance program was auditing for all the right things. When we redesigned our compliance program, we built in an annual risk assessment process. With

this in place, we are able to keep abreast of changing times and ensure that our compliance program adapts with factors that change. We are now confident that we are auditing for and mitigating all the right and relevant risks.

■ Making continuous auditing and monitoring part of the game

An annual, formalized risk assessment process is key to uncovering what a compliance program must be accountable for, but even that isn't enough. To truly understand all of the risks to which we could be exposed, we believe that we need to have constant auditing and monitoring as a part of our DNA. To do this, we increased our Compliance department staff to allow for more internal audits. Based on an impact and vulnerability analysis we apply to each risk, our Compliance department performs audits on a monthly, bi-monthly, quarterly, semi-annual, or annual basis. We have also developed an extensive set of audit tools used when conducting our audits. In addition to performing routine audits, we also comb through various sets of operational and reimbursement-related data on a monthly basis to monitor each of our home health agencies. If we notice any outlier data as part of this routine data monitoring, we then work to understand the underlying cause by interviewing staff, and we may also conduct a full audit. Additionally, we have formed topic-specific task forces, such as a legislative and regulatory task force and a sales and marketing task force, which help us to determine how policy changes could affect our risks, and ultimately, our compliance auditing and monitoring efforts.

■ Enhancing the lines of communication between the compliance officer and employees

At the onset of our redesign, we knew that our employees understood our company-wide commitment to compliance and to always doing the right thing without exception.

However, we wanted to take steps to improve and increase the communication of our compliance efforts to our employees and any compliance-related matters from our employees back to our Compliance department. With the redesign, we set about to ensure that every employee not only knew who I was and how to contact me, but that they also have frequent opportunities to interact with me and the rest of the Compliance department and to hear more about the compliance efforts of our company.

We began with a simple step: replacing a compliance poster that could be easily passed over, with a larger, colorful poster prominently displayed in every agency. The new poster clearly highlights our compliance program, our compliance officer, and our anonymous compliance hotline. Creating this poster was the beginning of an internal public relations drive to highlight the importance of compliance and to educate employees on how to support our efforts. This internal public relations drive was bolstered by the support and involvement of our entire senior management team, including a letter from our chief executive officer to all employees, and frequent discussions by our chief operating officer on our bi-weekly operations hot topics calls. I have kept the momentum from last year's internal public relations efforts by making a point to communicate on a frequent and regular basis to all of our employees, either in person, via conference call, or via e-mail.

■ **Making mandatory mean mandatory with consistent discipline**

Our compliance program requires that we as a company apply a consistent approach to all disciplinary decisions regarding compliance matters. As another way to enhance the compliance lines of communication within our company, we also gave a critical look to how we could do a better job of communicating how seriously our company takes the issue of

compliance. One practical example of how we applied our principle of consistent discipline to communicating our emphasis on compliance is by putting some teeth in our Code of Conduct and Ethics requirements to actually make "mandatory" mean mandatory. In our case, employees who do not complete and sign a Code of Conduct and Ethics attestation within a certain time frame of being hired, and annually thereafter, are asked to leave our company. To some, it may appear harsh, but we believe it's a necessary message to communicate to maintain the integrity of our compliance efforts.

These are a few of the steps we've taken and areas we've examined in our company's compliance program redesign. No, our compliance program was not broken before, but today we can confidently say that we are, without a doubt, providing the patients and families we are blessed to serve with the absolute highest quality care that is supported by a best-of-class compliance program.

Regardless of the type of health care provider you may work with, we are all adjusting to the new health care reform bill and the heightened level of compliance scrutiny in health care today. Even if you are a health

care company like LHC Group that has had a robust compliance program in place for many years, we believe that everyone in the health care industry should not fall into the "Don't fix what's not broken" trap. Instead, we should all endeavor to evaluate, enhance, and continuously improve our compliance programs each year. This is one way we can all raise the compliance bar. ■

¹ Patient Protection and Affordable Care Act, PL 111-148, signed in March 2010.

Contact Us!

 www.hcca-info.org
info@hcca-info.org

 Fax: 952/988-0146

 HCCA
 6500 Barrie Road, Suite 250
 Minneapolis, MN 55435

 Phone: 888/580-8373

To learn how to place an advertisement in Compliance Today, contact Margaret Dragon:
 e-mail: margaret.dragon@hcca-info.org
 phone: 781/593-4924

Health Care Auditing & Monitoring Tools

More than 100 sample policies, procedures, guidelines, and forms to enhance your compliance auditing and monitoring efforts. Updated biannually with new tools.

For more information, visit www.hcca-info.org/books, or call 888-580-8373.

