



## TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER

### Operating Policy and Procedure

**HSC OP:** 52.07, **Billing Compliance Plan**

**PURPOSE:** The purpose of this Health Sciences Center Operating Policy and Procedure (HSC OP) is to protect the integrity of the institution by providing a framework for an effective billing compliance plan encompassing the clinical services billing activities within the Schools of Medicine, School of Nursing, School of Pharmacy and School of Allied Health Sciences at Texas Tech University Health Sciences Center (TTUHSC)<sup>1</sup>.

**REVIEW:** This HSC OP will be reviewed on June 1<sup>st</sup> of each even-numbered year (ENY) by the Institutional Compliance Officer (IC Officer), the Billing Compliance Officer (BC Officer), and the Institutional Compliance Working Committee, with recommendations forwarded to the Institutional Compliance Committee by September 1.

### POLICY AND PROCEDURE:

#### 1. **Defined Terms**

The following terms are defined for purposes this OP:

- a. **Employees** are Providers, Residents, and staff who receive W-2 wages from TTUHSC and provide health care services/items, make entries into medical records, or participate in the preparation of claims for health care services/items.
- b. **Providers** are Employees and Agents of the TTUHSC School of Medicine, Paul L. Foster School of Medicine, School of Nursing, School of Allied Health Sciences, or School of Pharmacy who engage or participate in the provision of health care services/items billed under a TTUHSC Federal Tax Identification Number. This term includes (but is not limited to) Physicians, Nurse Practitioners, Physicians' Assistants, Speech-Language Pathologists, Audiologists, Clinical Pharmacists, and Clinical Psychologists. This term excludes Residents.
- c. **Agents** are individuals and entities that have contracted with TTUHSC to provide health care services/items. This term also includes individuals contracted with TTUHSC whose duties include making entries into medical records and/or participating in the preparation of claims for health care services/items.
- d. **Residents** are individuals who participate in a TTUHSC-approved graduate medical education (GME) program. This term includes Interns and Fellows in GME programs recognized as approved for purposes of direct GME payments made by a Medicare Contractor.
- e. **Fraud** has the same meaning as contained in TTUS Regents' Rule 07.03.
- f. **Violation of Law** means failure or refusal to follow any applicable state or federal law such that criminal and/or civil penalties may be imposed.
- g. **Non-compliance** means failure or refusal to follow applicable state or federal laws or institutional policies whether or not such conduct results in financial risk to TTUHSC. It can include acts that constitute fraud, violations-of-law, or failure to comply with the Billing Compliance Plan (BCP) or related policies and procedures.

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<sup>1</sup> This OP replaces the Texas Tech University Health Sciences Center (TTUHSC) School of Medicine Institutional Compliance Plan dated September 16, 2002.

## 2. Billing Standards of Conduct

- a. Employees and Agents are expected to comply with all laws, regulations and policies governing the documentation and submission of claims for health care services/items, including, but not limited to, the following standards.
- Provide health care services/items in accordance with applicable laws and standards of conduct.
  - Document the provision of health care services/items in accordance with federal documentation guidelines, third-party payor standards, and TTUHSC policies and procedures.
  - Follow Medicare teaching physician rules regarding presence, participation, and documentation of services involving both a teaching physician and a resident. *Exceptions to this rule will only be allowed when the payor has a written standard that has been recognized and approved in writing by the Billing Compliance Committee (BCC).*
  - Follow Medicare teaching physician rules regarding documentation of services/items involving a medical student.
  - Bill only for services/items that have been appropriately documented.
  - Bill only for health care services/items that have been provided by qualified individuals in accordance with state or federal laws, and applicable licensing, privileging, and credentialing standards.
  - Bill only health care services/items specified in appropriately documented providers' orders.
  - Follow the National Correct Coding Initiative when billing for bundled services.
  - Accurately represent the information required on health care claims.
  - Perform, prescribe, certify, order and bill only health care services/items that are medically necessary.
  - Request and obtain from patients only the co-payments or deductible amounts for which they are responsible.
  - Comply with limiting charge requirements when billing federal programs.
  - Maintain medical records and billing records in accordance with applicable laws and policies.
- b. Employees and Agents will not be in compliance with the Billing Standards of Conduct if they:
- Fail to follow the billing standards listed above, or related policies and procedures.
  - Falsify or misrepresent health care services/items provided.
  - Falsify or misrepresent information on a claim.
  - Falsify, destroy, or withhold records relating to the billing and claims submissions process.
  - Modify the medical record after the service has been provided *solely* for the reason of increasing reimbursement.
  - Alter claims to obtain a higher payment amount.
  - Intentionally engage in duplicate billing.
  - Intentionally certify, prescribe, order, or bill for health care services/items that are not reasonable and medically necessary.
  - Submit a claim for health care services/items not provided by an appropriately licensed and credentialed provider within the scope of his/her credentials and privileges.
  - Engage in any billing activity prohibited by applicable laws, regulations, and policies.

### 3. Billing Compliance Oversight

Under the authority of the Institutional Compliance Plan (TTUHSC OP 52.01), the IC Officer designates a BC Officer to develop, implement, manage, and direct the TTUHSC Billing Compliance Plan (BCP), operating under the guidance of the committees described below.

#### a. TTUHSC Billing Compliance Committee

- 1) Membership: The TTUHSC Council of Deans is designated as the Billing Compliance Committee (BCC). The BCC (and any subcommittees established by the BCC) shall each be considered a “medical committee” as defined under Texas Health and Safety Code §161.031(a), and/or other applicable state and federal laws. **All documents generated by the BCC, submitted to the BCC or created for the purposes of fulfilling the BCC’s duties are confidential and privileged and shall be identified as a “Confidential – Medical Committee Document”.** The BC Officer shall serve as an ex-officio member and Chair of the BCC.
- 2) Meetings: The BCC shall meet at least twice each year (or more often as necessary) before or after regularly scheduled Council of Deans meetings. The Deans, or their designees, of all the Schools, except the School of Biomedical Sciences, must be present for the Council of Deans to conduct business as the BCC.
- 3) Role and Responsibilities: The BCC shall:
  - a) Review and approve billing compliance policies, and any subsequent amendments to the BCP.
  - b) Provide adequate resources for and support of the BCP.
  - c) Provide guidance to the BC Officer regarding billing compliance issues and operations.
  - d) Review risk assessments and reports presented by the BC Officer, and make recommendations based on them.
  - e) Provide advice on billing compliance issues raised by the Regional Billing Compliance Advisory Committees and/or the BC Officer.
  - f) Enforce fair, equitable, and consistent application of billing compliance standards, including corrective actions.
  - g) Confirm that corrective action plans and/or disciplinary actions have been carried out.

#### b. Billing Compliance Officer

- 1) The BC Officer reports to the IC Officer and has overall responsibility for the implementation and effectiveness of the BCP. The BC Officer shall be given adequate resources and authority to carry out such responsibility and shall report on the implementation and effectiveness of the BCP directly to the IC Officer and to the BCC.
- 2) Responsibilities of the BC Officer. The BC Officer shall:
  - a) Develop, implement, oversee and monitor the BCP.
  - b) Periodically review and propose revisions to the BCP and related policies and education/training programs to ensure that the billing compliance plan remains current and effective.
  - c) Develop, coordinate, and implement billing compliance education and training programs for Employees and Agents.
  - d) Collaborate with the IC Officer to initiate, design, and oversee risk-based audits and investigations related to billing compliance issues.

- e) Report results of risk-based audits and billing compliance investigations to the IC Officer and the BCC.
- f) Maintain current knowledge of laws and regulations that may affect TTUHSC's clinical billing policies, procedures and processes, share best practices and communicate that information throughout TTUHSC.
- g) Prepare and submit an annual billing compliance report outlining compliance with the BCP to the IC Officer and the BCC.
- h) Directly supervise the Billing Compliance Directors on each regional campus.
- i) Conduct or directly supervise education and training, monitoring, auditing, and investigations related to the billing compliance plan for the Schools of Nursing, Pharmacy, and Allied Health Sciences.

c. Regional Billing Compliance Advisory Committees

Billing Compliance oversight for the TTUHSC School of Medicine and Paul L. Foster School of Medicine on each regional campus shall be provided by a Regional Billing Compliance Advisory Committee (BCAC). **The BCAC, and any subcommittees or workgroups established by the BCAC, shall each be considered a "medical committee" as defined under Texas Health and Safety Code §161.031(a), and/or other applicable state and federal laws.** All documents generated by the BCAC, submitted to the BCAC or created for the purposes of fulfilling the BCAC's duties under TTUHSC's BCP are confidential and privileged and shall be identified as a "Confidential – Medical Committee Document".

- 1) Membership: The School of Medicine Deans and Regional Deans shall appoint members to the BCAC at their campus, to include, at a minimum the following:
  - the Dean/Regional Dean or his/her designee,
  - the Regional Medical Practice Income Plan (MPIP) Director or his/her designee,
  - the Chair of the Regional MPIP Committee or his/her designee,
  - the Medical Records Manager (ex-officio), and
  - other individuals based on recommendations from the Billing Compliance Director (Director) and/or BC Officer.

The Director and at least one Billing Compliance Analyst (as applicable) shall be ex-officio members of the BCAC. BCAC membership may vary between campuses.

- 2) Meetings: The BCAC shall meet at least every other month, or more often as necessary to meet its responsibilities under the BCP. The Director shall chair the meetings. In the Director's absence, the Billing Compliance Analyst, the BC Officer, or the IC Officer may serve as chair. The presence of a simple majority of members shall constitute a quorum.
- 3) Role and Responsibilities: Each BCAC is responsible for oversight of the billing compliance plan for the School of Medicine at its regional campus. Each campus BCAC shall:
  - a) Receive reports from the Director on the status of the billing compliance plan and related activities.
  - b) Recommend and/or approve corrective action based on the findings from routine monitoring, risk-based audits, and/or investigations.
  - c) Provide guidance to the Director regarding proposed billing compliance policies and procedures, disciplinary action due to Non-compliance, and on issues not covered under existing policies or requiring the attention of the BC Officer and/or BCC.
  - d) Assist the Director in identifying risk areas and high risk activities.
  - e) Provide support to the Director in carrying out the various aspect of the BCP, including corrective action.

f) Verify that appropriate billing compliance education and training has been provided.

d. School Liaisons.

Each of the Deans of the Schools of Nursing, Pharmacy, and Allied Health Sciences shall appoint a designee to coordinate billing compliance oversight with the BC Officer for their respective Schools.

#### 4. Billing Compliance Education and Training

a. Billing Compliance Orientation

The BC Officer shall post the BCP on the TTUHSC Billing Compliance website at <http://www.ttuhs.edu/billingcompliance>. The BC Officer and Directors shall periodically distribute billing compliance information and updates. Employees and Agents shall receive orientation to the BCP, and shall be required to sign an acknowledgement, Attachment A.

b. Billing Compliance Education

1) Initial and On-going Education and Training

Employees and Agents shall receive initial and on-going billing compliance education. The BCC, BCAC, or BC Officer may require additional billing compliance education as new developments or concerns arise. The BC Officer and BCC shall establish frequency and time periods for completion of required education and training.

2) Content and Delivery

The BC Officer shall establish the topics and mode of delivery for Billing Compliance education and training, which shall include, but not be limited to:

- A periodic review of laws and regulations governing billing compliance and the documentation of health care services/items.
- New and emerging issues related to billing compliance.
- Practical instruction on how to comply with laws, regulations, and policies.
- Practical instruction on how to address the risks identified by monitoring and auditing activities.

The BC Officer and/or Directors shall present billing compliance education to the TTUHSC School of Medicine and Paul L. Foster School of Medicine. The BC Officer shall present billing compliance education to the Schools of Pharmacy, Allied Health Sciences, and Nursing.

3) Reporting and Maintenance of Billing Compliance Education Materials

Records of billing compliance orientation, education, and training shall be maintained in a format to be determined by the BC Officer.

Billing compliance education materials (electronic and/or hard copy) shall be retained in accordance with HSC OP 10.09 and/or legal and regulatory requirements, whichever is most strict.

## 5. Monitoring, Risk-Based Audits and Investigations

### a. Routine Monitoring

The Billing Compliance Office shall conduct and/or supervise the annual monitoring of clinical encounters for each Provider, utilizing tools based on federal documentation guidelines, carrier guidelines, payer standards, and other applicable regulations. The monitoring results shall be communicated to each Provider (and other Employees as applicable).

### b. Risk-Based Audits

The BC Officer shall design, initiate, and oversee risk-based audits based on billing compliance risk areas identified from external regulations, governmental reports, internal monitoring, auditing and investigations, as well as other resources.

### c. Billing Compliance Investigations

#### 1) Internal:

In collaboration with the IC Officer, the BC Officer shall plan, initiate, and oversee investigations arising from identified or suspected non-compliant billing activity. The BC Officer shall report the results of investigations to the IC Officer, the BCC, and as necessary to the affected BCACs, unless otherwise limited by the IC Officer.

#### 2) External:

Any external investigations related to documentation and/or billing of health care items/services shall be reported to the BC Officer and/or IC Officer as soon as possible. Requests for information from external investigators must be reviewed by the IC Officer and/or General Counsel.

## 6. Reporting Responsibilities and Resources

### a. An Employee or Agent with a good faith belief that any conduct or practice violates the BCP has a responsibility to report it using one or more of the steps below:

- 1) Discuss the issue with their immediate supervisor.
- 2) Discuss the issue with higher level management, such as the Department Administrator, Department Chair, or Dean.
- 3) Bring the issue to the attention of the regional Billing Compliance Director, or the BC Officer.
- 4) Make a confidential and/or anonymous report by:

- **Calling the Compliance Hotline toll free at (866) 294-9352 or**
- **Using the confidential reporting website for TTUHSC at [www.ethicspoint.com](http://www.ethicspoint.com)**

Reporting responsibilities and resources are further described in the Institutional Compliance Plan at <http://www.ttuhs.edu/compliance>.

The Billing Compliance Office welcomes the willingness of individuals and departments to address billing compliance issues. **However, to ensure confidentiality under Texas law, any billing compliance investigation extending beyond the identification and correction of simple errors must be initiated and conducted by the Billing Compliance Office as outlined in the BCP.**

## 7. Response and Corrective Action

### a. Response to Allegations

Allegations of billing compliance Non-compliance shall be investigated by the Billing Compliance Office under the direction of the BC Officer and IC Officer. Responses to findings of Non-compliance may include, but are not limited to:

- Refunding of health care services/items.
- Mandatory re-education of individuals and/or departments.
- Escalating corrective action as listed below in paragraph b.
- Modification of the BCP, related policies and procedures and/or education materials.

Suspected fraud or violations of law shall be addressed in accordance with the Institutional Compliance Plan.

TTUHSC Employees and Agents shall cooperate during any billing compliance investigation and shall not alter or destroy any documentation during the course of any internal or external investigation.

### b. Corrective Action and Appeal Rights

Failure or refusal to comply with applicable laws and regulations or with the BCP and related regulations may result in corrective action. An Employee's supervisor, Chair, or Dean may also be subject to corrective action when s/he

- (i) directs or approves the Employee's improper actions;
- (ii) is aware of the improper actions and fails to correct them, or
- (iii) otherwise fails to exercise appropriate supervision.

Corrective action may also be imposed in accordance with the Institutional Compliance Plan. Corrective action may include, but is not limited to, any of the following:

- counseling,
- mandatory education,
- increased monitoring/auditing,
- verbal warning,
- written warning,
- reclassification or reassignment of duties,
- suspension of billing privileges for Providers,
- suspension of clinical privileges for Residents,
- termination of employment or contractual relationship with TTUHSC.

Corrective action and appeal rights will be addressed in accordance with existing policies including, but not limited to, each Schools' Faculty Handbook, the School of Medicine Housestaff Policies and Procedures, HSC OP 70.31, and Regents' Rule 04.03.

## 8. Right to Change Policy

TTUHSC reserves the right to interpret, change, modify, amend or rescind any policy in whole or in part at any time without the consent of its Employees.