

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

5.7 Oversight Audits	
Original Approval: December 1, 2011	Effective Date: December 1, 2011
Last Revised:	References:

A. PURPOSE

The purpose of this policy is to establish oversight audits of billing monitoring activity conducted pursuant to [BC Policy 5.2, Routine Billing Compliance Monitoring](#) to verify the accuracy of the findings and compliance with BC Policy 5.2 and the Monitoring Handbook as referenced therein.

B. POLICY

Oversight audits shall be conducted for those who monitor health care items and/or services pursuant to [BC Policy 5.2, Routine Billing Compliance Monitoring](#) with the results reported confidentially to the appropriate Billing Compliance Oversight Committee (i.e., the Billing Compliance Advisory Committee – BCAC and/or Billing Compliance Committee – BCC).

C. SCOPE

This policy applies to the Billing Compliance Office (BCO) and Institutional Compliance Office (IC Office).

D. PROCEDURE

1. Purpose & Focus. Oversight audits are conducted for the primary purposes of determining that:
 - a. Monitors understand how to properly use the monitoring tools as outlined in written policies and the Monitoring Handbook;
 - b. Monitors have timely reported the monitoring results to the provider and his/her Department Administrator and/or Chair, where appropriate;
 - c. Appropriate education and/or corrective action has been undertaken in accordance with [BC Policy 3.0, Coding and Documentation Improvement Program](#);
 - d. Findings reported by monitors are accurate and that any identified refunds have been processed (returned) to the appropriate payers and/or patient; and

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- e. Accurately monitor the health care items selected for monitoring in accordance with accepted coding practices, payer standards and TTUHSC policies.
2. Selection
- a. Selections made for Oversight Audits shall include a representative sample of monitoring records, both those with findings and those without findings.
 - b. *Schools of Medicine*
 - 1) Department Based Monitors. The Billing Compliance Office shall identify one or more Departments for oversight audits and randomly select ten (10) encounters monitored for each monitor in that Department during the period under audit.
 - 2) Centralized Monitors. The Billing Compliance Office shall identify the monitor(s) for oversight audit and randomly select ten (10) encounters monitored during the period under audit.
 - c. *Schools of Nursing, Allied Health and Pharmacy.* Every two (2) years, the Compliance Resource Manager shall select ten (10) encounters monitored by the Institutional Compliance Officer (ICO) during the period under audit and conduct an Oversight Audit in accordance with paragraphs 4 and 5 below.
3. Initial Meeting – Schools of Medicine. Prior to initiation of the Oversight Audit, the Billing Compliance Office shall schedule a meeting with the Department and/or Coding Supervisor (as applicable) to address the following items.
- a. Provide a copy of this policy;
 - b. Explain the oversight audit process, including what and who is being audited;
 - c. Establish a timeline for production of any documents by the Department (i.e., medical records, etc.) or information requested by the BCO during the course of the oversight audit, providing notice that requested documents or information not provided according to the established timeline will not be considered as part of the final audit findings;
 - d. Identify individuals to be interviewed, as necessary, and establish date(s) for such interviews.

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- e. Establish a tentative date (not more than 3 months from the in-take meeting) for the BCO's preliminary report of findings and a time period for response from the Department/Area subject to the oversight audit.

The Billing Compliance Director (BCD) shall prepare and provide to the Department/Area, with a copy to the Billing Compliance Advisory Committee (BCAC), a written oversight audit report based on the outcome of the initial meeting.

4. Oversight Audit. The person(s) conducting the oversight audit for the Schools shall:
 - a. Interview the monitor(s) and supervisor regarding their understanding of the monitoring process to including, but not limited to:
 - Verify that the monitor(s) has attended (or viewed on-line) the most recent annual Monitoring Education session provided by the BCO on the monitoring process and Monitoring Handbook;
 - Verify the billing/coding flow process in light of the most current billing/coding flowchart received by the BCO and verify the names, positions and credentials of coders in the Department/Area;
 - With respect to the Supervisor, determine whether he/she receives information related to the monitoring findings for purposes of taking appropriate steps in accordance with [BC Policy 3.0, Coding and Documentation Improvement Program](#); and
 - Any other information necessary to accomplish the oversight audit.
 - b. Meet with one or more providers to verify that they receive feedback regarding his/her findings and review the results with the monitor and/or coder.
 - c. Audit the selected encounters using the same monitoring tools in effect at the time of the original monitoring.
 - d. Verify that any action plan identified during the monitoring (i.e., refunds, corrections, etc) have been timely completed. This may involve checking in GE Centricity billing module and/or campus EHR.
 - e. Prepare a confidential written preliminary report of the findings from the oversight audit (to include work papers). The preliminary report and all work papers shall be marked "draft" and "Confidential – Medical Committee Document" and shall include, but not limited to, the following information:

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- Introduction and Basis for the Oversight Audit, including monitor(s) included within the Oversight Audit and time period involved.
 - Overview of the monitoring process in the Department/Area.
 - Compliance with BC policies related to monitoring, including monitor(s) attendance at mandatory trainings during the calendar year in which the audit period falls.
 - Audit findings, including the basis of all findings and “root cause analysis” and corrective action, including, but not limited to refunds, additional education, etc. The Department/Area is responsible for determining any disciplinary action in the absence of specific corrective action recommended by the campus BCAC and/or BCC. Significant findings that indicate a potential fraud, waste or abuse risk shall be reported to the ICO for further action.
- f. Schedule a meeting with appropriate individuals within the Department/Area to provide them with the preliminary report to include the Department Administrator and coding supervisor. Establish a deadline for a response from the Department/Area (no later than 45 days from the meeting date).
5. Oversight Audit Final Report.
- a. Upon receipt of the Department/Area’s response to the preliminary oversight audit report, a final report (including work papers) shall be prepared and submitted to the BCAC and/or BCC, as applicable. The final report (including work papers) shall be marked “Confidential – Medical Committee Document” and shall incorporate the Department/Area’s response, as appropriate and include any recommendations from the BCO or Resource Compliance Manager, as appropriate.
 - b. A copy of the final report shall be provided to the Department/Area to address the recommendations, but shall not include copies of the audit work papers. The final report shall be marked “Confidential – Medical Committee Document”
6. Post Oversight Audit Follow-up
- a. The BCO or Compliance Resource Manager, as applicable shall follow-up to verify that any refunds recommended as part of the Oversight Audit have been processed in accordance with TTUHSC policies.

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E. ADMINISTRATION AND INTERPRETATIONS

Questions regarding this policy may be addressed to the Regional Billing Compliance Director assigned to the campus or Institutional Compliance Officer

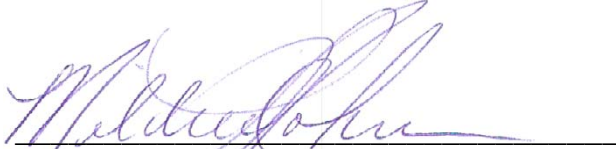
F. AMENDMENTS, REVISIONS OR TERMINATION

This policy shall be reviewed no later than November 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 December 1, 2011.



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Institutional Compliance Officer