

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

| 5.7 Oversight Audits – Amarillo and Permian Basin Campuses | |
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| Original Approval: December 1, 2011 | Effective Date: December 1, 2011 |
| | Last Revised: July 1, 2016 |

A. PURPOSE

At the Amarillo and Permian Basin campuses, monitoring of provider coding and billing is conducted by staff coders, i.e., monitors. The oversight audits are conducted by the respective campus' Billing Compliance Officer and/or Billing Compliance Analyst. The purpose of this policy is to establish procedures for the oversight audits of the coders' monitoring activity.

At the Lubbock campus, provider billing/ coding monitoring is conducted by the Billing Compliance staff, i.e., Billing Compliance Officer and/or Billing Analysts as indicated in BC Policy 5.2, *Billing Compliance Monitoring*.

B. POLICY

Oversight audits shall be conducted for those who monitor health care services pursuant to BC Policy 5.2, Billing Compliance Monitoring. Results are reported confidentially to the respective campus' Billing Compliance Advisory Committee (BCAC).

C. SCOPE

This policy applies to all TTUHSC clinical coding and billing areas in the School of Medicine, School of Nursing, School of Health Professions and School of Pharmacy

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. Accurately monitor the health care items selected for monitoring in accordance with accepted coding practices, payer standards and TTUHSC policies;
 - c. Monitors have timely reported the monitoring results to the provider and his/her Department Administrator and/or Chair, where appropriate;

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- d. Appropriate education and/or corrective action have been undertaken in accordance with BC Policy 3.0, *Coding and Documentation Improvement Program*;
- e. Findings reported by monitors are accurate and that any identified refunds have been processed (returned) to the appropriate payers and/or patient;

2. Selection

- a. Encounters for audit are randomly selected by MD Audit program and shall include a representative sample of monitoring records, both those with findings and those without findings.
- b. School of Medicine, Schools of Nursing, Health Professions and Pharmacy
 - 1) The Billing Compliance Office shall identify the monitor(s) for oversight audit and randomly select ten (10) encounters during the period under audit. This may be done either through MD Audit or by manual selection of random encounters.
 - 2) Frequency. Goal is to conduct oversight audits of all monitors every two (2) years. Circumstances such as special projects, risk-based audits and/or other activities requested by Institutional leadership may require suspension of oversight audits until resources are available to resume.

3. Oversight Audit. The person(s) conducting the oversight audit shall:

- a. Audit the selected encounters using the same monitoring tools in effect at the time of the original monitoring;
- b. Prepare a confidential written report of the findings from the oversight audit. The report shall be marked "Confidential – Medical Committee Document" and shall include, but not limited to, the following information:
 - Audit findings, including the basis of all findings corrective action, including, but not limited to refunds, additional education, etc.
 - Significant findings that indicate a potential fraud, waste or abuse risk shall be reported to the ICO for further action.
- c. A copy of the report shall be provided to the Department to address the recommendations.

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NOTE: For the **60 day repayment rule** (BCP 3.1 *Report and Return of Overpayments*), the 60 day countdown will start upon the date of issuance of the report.

4. Oversight Audit Follow-up

- a. The BCO shall follow-up to verify refunds recommended as part of the Oversight Audit have been processed in accordance with TTUHSC policies (BCP 3.1 *Report and Return of Overpayments* and MPIP Business Office policy on Charge Correction process).

E. ADMINISTRATION AND INTERPRETATION, REVISIONS OR TERMINATION

Refer to Billing Compliance Program Policy and Procedure [1.0 Policy Development and Implementation](#)

Failure to comply with this policy shall result in appropriate disciplinary action.

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