

AGENDA

JOINT MEETING OF THE EL CAMINO HOSPITAL BOARD AND THE CORPORATE COMPLIANCE/PRIVACY AND INTERNAL AUDIT COMMITTEE

Wednesday, November 9, 2016 – 5:30 pm

El Camino Hospital | Conference Rooms E, F & G (ground floor)
2500 Grant Road, Mountain View, CA 94040

EL CAMINO HOSPITAL BOARD OF DIRECTORS MISSION: To be an innovative, publicly accountable, and locally controlled comprehensive healthcare organization which cares for the sick, relieves suffering, and provides quality, cost competitive services to improve the health and well-being of our community.

CORPORATE COMPLIANCE/PRIVACY AND INTERNAL AUDIT COMMITTEE PURPOSE: The Corporate Compliance/Privacy and Internal Audit Committee is responsible for providing direction for both the Corporate Compliance and Internal Audit programs at all locations of El Camino Hospital (ECH). Responsibilities include providing oversight on compliance issues requiring executive-level interaction, assessing physician relationship risk as it relates to compliance, reviewing HIPAA/ Privacy laws as they relate to compliance, and directing ECH on compliance strategies. The Committee also serves as the ad-hoc mobilization team for any external investigations and/or actions. Further, additional responsibilities include providing direction and oversight to ongoing internal audit activity and determining appropriate organizational response in order to identify and mitigate organizational risk.

AGENDA ITEM	PRESENTED BY		ESTIMATED TIMES
1. CALL TO ORDER / ROLL CALL	Neal Cohen, MD, Board Chair		5:30 – 5:32 pm
2. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Neal Cohen, MD, Board Chair		5:32 – 5:33
3. PUBLIC COMMUNICATION a. Oral Comments <i>This opportunity is provided for persons in the audience to make a brief statement, not to exceed 3 minutes on issues or concerns not covered by the agenda.</i> b. Written Correspondence	Neal Cohen, MD, Board Chair		information 5:33 – 5:36
4. OFFICE OF INSPECTOR GENERAL WORK PLAN <u>ATTACHMENT 4</u>	Diane Wigglesworth, Sr. Director, Corporate Compliance		information 5:36 – 5:54
5. ADJOURN TO CLOSED SESSION	Neal Cohen, MD, Board Chair		motion required 5:54 – 5:55
6. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Neal Cohen, MD, Board Chair		5:55 – 5:56
7. Conference with legal counsel – pending or threatened litigation - <i>Gov't Code Section 54956.9(d)(2).</i> - IT Security Update	Deb Muro, Interim CIO		information 5:56 – 6:28
8. ADJOURN TO OPEN SESSION	Neal Cohen, MD, Board Chair		6:28 – 6:29
9. RECONVENE OPEN SESSION / REPORT OUT To report any required disclosures regarding permissible actions taken during Closed Session.	Neal Cohen, MD, Board Chair		6:29 – 6:30
10. ADJOURNMENT	Neal Cohen, MD, Board Chair		motion required 6:30 pm

A copy of the agenda for the Regular Meeting will be posted and distributed at least seventy-two (72) hours prior to the meeting. In observance of the Americans with Disabilities Act, please notify us at 650-988-7504 prior to the meeting so that we may provide the agenda in alternative formats or make disability-related modifications and accommodations.

ATTACHMENT 4



El Camino Hospital

THE HOSPITAL OF SILICON VALLEY

Office of Inspector General (OIG) Work Plan

Diane Wigglesworth
Corporate Compliance Officer

ECH Board of Directors November 9, 2016

Purpose of the OIG

Mission: Protect the integrity of Health and Human Services (HHS) Programs and the welfare of the people they serve. Detect and prevent fraud, waste and abuse; identify opportunities to improve and hold accountable those who do not meet program requirements or violate Federal health care laws.

- 100 programs are administered by HHS including Medicare & Medicaid
- 1,550+ employees
- 70+ offices

The OIG is Composed of Multiple Components



Purpose of OIG Audit Work Plan

The OIG issues an annual Work Plan which summarizes new and ongoing OIG reviews, as well as areas of focused attention for the coming year and beyond.

Goals:

- To guide hospital to risk areas that should be internally monitored
- To outline current focus areas and provide a brief description of new and ongoing reviews which OIG plans to pursue
- To be a dynamic plan with adjustments made throughout the year
- To lend some predictability to Medicare oversight
- To use data analysis to select hospitals for focused reviews of claims that may be at risk of overpayment

OIG High Risk Priorities

The OIG identifies high risk priority areas perceived as federal health program vulnerabilities



- **Fraud:** includes obtaining a benefit through intentional misrepresentation or concealment of material facts
- **Waste:** includes incurring unnecessary costs as a result of deficient management, practices, or controls
- **Abuse:** includes excessive or improper use of government resources

OIG Dollars Recovered

The Work Plan is framed around fighting fraud, waste and abuse in Medicare.

- In 2016 the OIG expects to recover over *\$3 billion*, including nearly \$1.13 billion in audit receivables and 2.2 billion in investigative receivables.



Deliberate Ignorance Is Not An Excuse



Fraud and Abuse Laws

- False Claims Act
- Anti-Kickback Statute
- Physician Self-Referral Statute (Stark)
- Exclusion Statute
- Civil Monetary Penalties Law





False Claims Act (a significant enforcement tool used by the OIG)

Prohibits the submission of false or fraudulent claims to the Government

Penalties: as of 8/1/16
\$10,781.40 - \$21,562.80 per
claim *plus* three times the
damages government sustained

2016 OIG Work Plan Focus Areas

- ***Hospitals***
- Nursing Homes
- Hospice Inpatient Care
- Medical Equipment and Supplies
- Ambulatory Surgical Centers
- Prescription Drug Programs
- Medicare Advantage and Managed Care Plans
- Encounter Data: CMS Oversight of Data Integrity(new)



OIG 2016 Hospital-Related Focus Areas

- **Comparison of Hospital Based & Freestanding Clinics**
- Reconciliation of Outlier Payments
- **Outpatient and Inpatient Stays under two-midnight rule**
- Medicare Costs associated with defective medical devices
- Medical device credits for replaced medical devices
- Analysis of hospital salaries included in cost reports
- Inpatient claims for mechanical ventilation
- **Payment for Modulated Radiation Therapy and Part B Services**
- Payments for right heart catheterizations and endomyocardial biopsies
- Hospital wage data used to calculate Medicare payments
- **Validation of hospital submitted quality reporting data**

Note: bolded items indicate audits the Hospital plans to perform this year



El Camino Hospital uses the OIG Work Plan as a Roadmap

All OIG *Hospital* focused areas have been evaluated to assess compliance with regulations, our level of risk, whether further auditing is necessary, and opportunities for improvement.

Historical Internal Audits by FY

Areas Impacted	Report Title	Fiscal Year:	2017	2016	2015	2014	2013	2012
Accounting / Finance / Payroll	Acctng: Accounts Payable & Spend Controls			X				X
	Acctng: Financial Cash Controls		X					
	Acctng: Controls Audits (Petty Cash, AP, Payroll)						X	
	Acctng: IRS Governance Stds for Insured Revenue Bonds		X					
	Finance: Case Management & Length of Stay				X			
	Finance: Case Management: Two – Midnight Rule		X					
	Finance: Charge Capture: Emergency Dept.							
	Finance: Charge Description Master Accuracy				X			
	Finance: Charge Description Master Maintenance			X				
	Finance: Contract: Lucile Packard Operating Agreement							X
	Finance: Internal Controls Over Financial Reporting					X		
	Finance: Pharmacy Operations Review					X		
	Payroll: E-Time Post Implementation Review						X	
							X	
Administration	ECH District Insurance Program Review						X	
	EMTALA Compliance		X					
	External Audit of Consolidated Financial Statements		X	X	X	X	X	X
	HR Employee Termination Process			X				
	Marketing Assessment			X				
	Strategic Project Valuation					X		
	Patient Centered Medical Home		X					
HIMS	Coding: Clinical Accuracy					X	X	
	Medical Records: Duplicate Records					X		
	Release of Protected Health Information		X					X
	ICD-10 Coding		X					

Areas Impacted	Report Title	Fiscal Year:	2017	2016	2015	2014	2013	2012
Patient Accounts	Billing: Accuracy for Transfers					X		
	Billing: Charity Care				X			
	Billing: Clinical Trials						X	
	Billing: OB ED Charges			X				
	Billing: OR Charges - Revenue Cycle						X	
	Billing: Provider Based				X			
	Billing: Revenue Cycle Senior Health Center						X	
	Billing: Warranty Device					X		
	Billing Integrity of Two OIG Focus Areas		X					
	Contracting Audit: Managed Care & Contract Validation For Claims Collection			X				
	Denial Claims Management & Reporting						X	
	Medicare Secondary Payer Review			X				
	IT Asset Management						X	
	IT Data Security Incident Management						X	
IT	IT Vendor Security				X			
	IT: HIPAA Security Rule				X			
	IT System Integration of Ambulatory Clinics		X					
	Vendor - Business Associate Agreement Validation							X
	OCR Audit Readiness		X					
Physician Contracts	Real Estate: Physician Real Estate Lease			X		X		
	Contracting Audit: Payments to Physicians				X			X

- **Bold** text indicates audits put in place in response to an OIG Work Plan
- Audits to be completed during FY 2017 are marked in **GREEN** Column

Questions??