
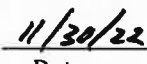


Policy Title:	Auditing, Detecting, Preventing Fraud, Waste, and Abuse
Policy Number:	100-12
Effective Date:	8/1/2019
Revised Date(s):	11/29/2022
Purpose:	See below
Regulation Reference (if applicable):	NYS Social Services Law (SSL) §363-d and 18 NYCRR Part 521; Deficit Reduction Act of 2005, Section 6032; Health Insurance Portability and Accountability Act of 1996 (HIPAA)
Reviewed/Approved By:	
 Michael Rulffes, Executive Director	
 Date	

## Policy

It is the policy of Crouse Medical Practice (“CMP”) to adhere to all applicable state and federal laws and regulations concerning the delivery of patient care, billing and reimbursement for such care, and our business practices in general. CMP is committed to conducting its operations in an ethical and lawful manner and has therefore developed and implemented a Corporate Compliance Program.

The Compliance Program is intended to prevent and detect health care fraud, waste and abuse, and to detect and correct violations of applicable law, regulations, third-party payer requirements, CMP’s policies and procedures, the Code of Conduct, and other applicable standards. The policy ensures that employees, staff, providers and vendors are familiar with CMP’s efforts to detect and prevent health care fraud, waste and abuse as required by CMP’s Code of Conduct, Corporate Compliance Program and the Deficit Reduction Act of 2005. The policy assists employees, staff, providers and vendors in recognizing instances of potential fraud, waste and abuse, and encourages good faith reporting.

Ongoing and periodic reviews of the Compliance Program’s operations and systems will be audited. This process will be used to determine whether the elements of the Compliance Program are consistently being addressed and satisfied. Also, all departments will be audited at least annually for compliance with the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and New York State laws pertaining to privacy and confidentiality.

### I. Scope

This Policy applies to all CMP employees, contractors, subcontractors and agents who, on behalf of Crouse Medical Practice, furnish or authorize the furnishing of, Medicare/Medicaid health care items or services, perform billing or coding functions, or are involved in the monitoring of health care provided by Crouse Medical Practice.

### II. Procedure

The Practice is committed to ensuring that the Plan is properly implemented through periodic monitoring and establishment of an annual Work Plan that will list audit priorities based on risk areas. The Corporate Compliance Officer shall be responsible for conducting and/or ensuring the performance of ongoing and periodic reviews of all aspects of the Compliance Program to monitor its effectiveness and to take appropriate steps as necessary to assure adherence to the Compliance Program.

The Practice will conduct audits at regular intervals, not less than annually, to evaluate priorities identified in the Practice's Work Plan and to ensure ongoing claims processing accuracy and compliance with any new rule or regulation implemented while taking into consideration the results of previous internal/external audits. Significant variations will be investigated to determine their cause. In some instances, a legitimate explanation may exist and no systemic error is at fault. In such cases no corrective action may be required. If deviation is due to improper procedures, misunderstandings of rules, fraud or systemic problems, prompt corrective action will be taken.

1. The Compliance Officer ("CO") or his/her designee, shall ensure that employees and staff are provided information concerning CMP's efforts to detect and prevent health care fraud, waste or abuse, in accordance with CMP's *Compliance Education and Training Policy*. The Corporate Compliance Department and the Corporate Compliance Committee meet regularly to monitor and review developments in applicable laws influencing CMP's legal duties under the Compliance Program and to revise and update the Compliance Program as necessary.
2. The CO, or his/her designee, shall ensure that CMP's contractors, subcontractors and agents who are covered under this policy are provided access to this policy and other information concerning CMP's efforts to maintain an effective Compliance Program that includes preventing and detecting health care fraud, waste or abuse. This includes access to CMP's Corporate Compliance Program Handbook, the Code of Conduct and any compliance-related policies. Access to such information may be via the Internet. CMP shall document the design, implementation, and results of its effectiveness review and any corrective action implemented. Reviews will include on-site visits, interviews with affected individuals, review of records, surveys or any other comparable method deemed appropriate, provided that such method does not compromise the independence or integrity of the review.
3. The CO, or his/her designee, shall ensure that internal and/or external audits are conducted on a periodic, regular basis, to verify the accuracy of CMP's claims submission processes and reimbursement practices and for the purposes of preventing and detecting potential instances of fraud, abuse and waste. Such audits will be conducted in accordance with CMP's Corporate Compliance Program and the results shared with appropriate CMP departments and committees, including without limitation, the Corporate Compliance Committee. Prompt action shall be taken to correct any improper practices or deviation from the Compliance Program, Code of Conduct, other Crouse Medical Practice (CMP) policies and procedures, applicable laws and regulations and third-party payer requirements. Documentation shall be retained in accordance with CMP's record retention policies and procedures.
  - a. In collaboration with any relevant CMP department, the Corporate Compliance Officer shall conduct and/or ensure audits are conducted, which may include, but is not limited to, the following:
    - i. Periodic review of the coding and claims processing systems, including but not limited to audits of claims to be submitted to federal healthcare programs, including Medicare and Medicaid;
    - ii. Review of documentation generated by providers and other personnel who have a direct

- impact on claim development and submission, including claims prepared by new employees to ensure proper training and knowledge of the claims processing system;
- iii. Follow up audits in response to complaints and/or concerns raised related to the claims processing and other Compliance Program processes;
  - iv. Review of physician and allied health professional licensing and credentialing requirements;
  - v. Review of government disqualified/excluded provider lists;
  - vi. Review of adherence to CMP's Compliance Program/Code of Conduct; for example, assess compliance with education and training requirements for employees;
  - vii. Review of CMP's complaint and reporting logs to determine if complaints or reports were handled appropriately and whether there have been repeated inquiries regarding the same topic or issues of concern
  - viii. Review of compliance with CMP's various mandatory reporting obligations;
  - ix. Review of compliance with standards applicable to governance;
  - x. Review of patient quality of care for services rendered to Medicare, Medicaid and other patients; and
  - xi. Other reviews and risk areas identified by the Corporate Compliance Department, the Compliance Board Committee and/or individual departments.
- b. Reviews/audits shall be periodically updated to reflect changes in applicable laws, regulations, coding guidelines and third-party payer requirements. Risk areas may include:
1. Results of all internal and external audits, or audits conducted by the state or federal government;
  2. Billing;
  3. Payments;
  4. Ordered services;
  5. Medical necessity;
  6. Quality of care;
  7. Governance;
  8. Mandatory reporting;
  9. Credentialing;
  10. Contractor, subcontractor, agent or independent contractor oversight;
  11. Other risk areas identified by the hospital.

Any risk areas identified will be included in updates to the compliance work plan.

- c. Reviews/audits shall include both internal audits conducted by CMP and external audits conducted by an outside auditor engaged by CMP or through its legal counsel.
- d. Reviews/audits will evaluate CMP's compliance with the requirements of the MA program and the overall effectiveness of the compliance program.
- e. CMP shall devote resources that are reasonably necessary to ensure audits are adequately staffed

by persons with appropriate knowledge and experience.

4. While the Compliance Officer is responsible for coordinating formal audits, the audits themselves may be performed by internal or external auditors with expertise in federal and state health care statutes, regulations and policies. Audits of coders will be conducted periodically by Practice Resources, LLC ("PRL"). PRL will provide CMP with a written report of its audit findings, which provides data for the Practice to evaluate the Coder's accuracy and competence for the audit period.
5. The results of the audit process may be communicated to and discussed with legal counsel to determine whether any corrective action is required.
6. The Compliance Officer or designee will report the design, implementation and results of any internal or external audits to the Corporate Compliance Committee as well as appropriate management and governing body, as applicable. Depending on the results, the Compliance Officer may request that a corrective action plan be completed. The corrective action plan is due back to the Compliance Officer within 14 calendar days from the date it was sent.
7. Employees, staff, providers and vendors covered by this policy should report questions, concerns, and/or suspected violations of CMP's policies and procedures and applicable law, and/or instances of potential fraud, waste and abuse to the Compliance Officer, use the reporting form on <https://crousemed.com/compliance> or go to the applicable department's supervisor or manager. In addition, they can report anonymously using the hotline (315-479-5070 ext. 66107). CMP has adopted a strict non-retaliation policy for good faith reporting of compliance issues or concerns. For further information, refer to CMP's Corporate Compliance policy: *Reporting Compliance Issues and Non-Retaliation*.

### 8. Department Monitoring of HIPAA

- a. The Corporate Compliance/ HIPAA Privacy Officer and HIPAA Security Officer will conduct an audit of each department at least annually to determine their compliance with privacy standards.
- b. A predetermined set of criteria, formatted on an audit tool will be utilized for each audit.
- c. A summary and list of recommendations will be forwarded to the director/manager of that area. A copy will also be kept on file in Corporate Compliance.
- d. If any issues and/or recommendations are given, the manager will be asked to provide a response to each item with a due date of 14 calendar days from the date it was sent.

### III. Definitions:

- **Fraud:** Intentional deception or misrepresentation that a person knows to be false or does not believe to be true, when it is known that the deception could result in an unauthorized benefit to such person or another party. This could include payment under a governmental healthcare program such as Medicare and/or Medicaid or another third-party payer.
- **Waste:** Acting in a manner that results in unnecessary costs or consumption of healthcare resources
- **Abuse:** Improper or excessive incidents that are inconsistent with accepted medical or business practices

The following are just a few examples of fraud, waste and abuse in a health care setting. This list is for purposes of illustration and is not intended to be a complete list of fraud, waste and abuse situations.

**Examples include:**

- Billing for services or items not provided;
- Billing for care already reimbursed by another payer;
- Assigning incorrect codes to secure higher reimbursement;
- Falsifying claim forms;
- Characterizing non-covered services or costs in a way that secures reimbursement;
- Offering or receiving kickbacks, bribes or illegal rebates;
- Using another person's Medicare or Medicaid number to obtain services or payment;
- Not seeking payment from beneficiaries who may have other primary payment sources;
- Excessive charges for services or supplies;
- Claims for services that are not medically necessary
- Breach of the Medicare and Medicaid participation or assignment agreements;
- Improper documentation and/or billing practices

