



Children's Hospital Los Angeles Medical Group Compliance Plan

**Approved by the CHLA Medical Group Board of Directors
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Introduction

Children’s Hospital Los Angeles Medical Group (CHLAMG) is subject to federal, state and local laws and regulations as they carry out their mission as world leaders in pediatric patient care, teaching and research. The laws and regulations that impact this mission are complex and changing. The Compliance Plan provides a summary of the CHLAMG Compliance Program, an organization-wide endeavor to foster our commitment to ethical principles, our values, and compliance with applicable laws and regulations. The CHLAMG Executive Compliance Committee and the CHLAMG Board have adopted this Compliance Plan.

This plan establishes an overall framework for internal policies, procedures and mechanisms that guide and assist us in complying with the laws and regulations that apply to our healthcare activities. This plan is not designed to provide detailed guidance, but rather serves as a roadmap to our compliance efforts. This Compliance Plan supplements current compliance policies and procedures such as the Conflict of Interest Disclosure Policy, Detecting and Preventing Fraud, Waste and Abuse Policy, Excluded Individuals and Screening Policy, and other compliance documents.

This plan is designed to incorporate recommendations enumerated in the Department of Health and Human Services Office of the Inspector General’s (“OIG”) Compliance Program Guidance for Physicians and Physician Group Practices, the elements of an effective compliance plan as described in the U.S. Sentencing Guidelines, the U.S. Department of Justice guidance on Evaluation of Corporate Compliance Programs (updated June 2020) and the OIG/HCCA industry-wide guidance, Measuring Compliance Program Effectiveness: A Resource Guide (January 2017). This Plan explains fraud and abuse as it relates to the provision and billing of healthcare services and the applicable enforcement laws that may be used both by the government and individuals should such activities be identified. The Plan is a guide and a resource to help all personnel ensure their behavior complies with all laws and regulations that affect their business dealings on behalf of CHLAMG. It is also intended to serve as a resource for Board Members regarding their compliance responsibilities.

Why is the Compliance Plan Important?

CHLAMG is committed to providing its patients with compassionate care, and to do so according to the highest ethical, business and legal standards. Our compliance program supports an organizational culture that promotes the prevention, detection, and timely resolution of conduct that does not conform to federal and state laws and to government and private payor healthcare program requirements.

The Compliance Plan is especially critical as an internal control in the areas of reimbursement and payment. Claims and billing operations often raise potential fraud and abuse concerns and are frequently the focus of governmental reviews and sanctions. Compliance with applicable laws and regulations is essential to alleviating the risk of civil and criminal liability. Government inquiries can be damaging to our reputation. The Compliance Program is designed to help us maintain our reputation and commitment to integrity.

It is CHLAMG and PMG policy that:

- All personnel will be educated about applicable laws and the role of the compliance program;
- There is periodic auditing, monitoring and oversight of compliance with those laws;
- The organization encourages and supports the reporting of non-compliance without fear of retaliation;
- Processes exist to investigate, correct, and discipline non-compliance.

The Compliance Program is reviewed annually. An annual work plan is used to guide the organization's compliance efforts. In consultation with the CHLAMG Executive Compliance Committee, the Physician Compliance Officer and the Compliance Director may recommend amendments to the Compliance Plan subject to the approval of the CHLAMG Board of Directors.

Who Must Follow the Compliance Plan?

Physicians, dentists, and other professional members of CHLAMG who provide healthcare services at Children’s Hospital Los Angeles and other healthcare delivery sites, and employees of its wholly owned subsidiary, the Pediatric Management Group (PMG) are required to comply with the Compliance Program. Medi-Cal Managed Care payers, contractors and vendors shall also be informed of the Compliance Program.

Purpose of the Compliance Plan

CHLAMG promotes an organizational culture that supports ethical conduct and a commitment to compliances with laws and regulations. The Compliance Program incorporates compliance program guidance from the Department of Health and Human Services Office of the Inspector General.

The purpose of the Compliance Plan is to guide CHLAMG in its management and operation of compliance-related activities. The Compliance Plan has at its foundation, specific elements that federal guidelines have deemed necessary for an effective, high-quality compliance program:

1. Written Policies, Procedures and Standards of Conduct
2. A Designated Compliance Officer and Compliance Committee
3. Effective Training and Education
4. Effective Lines of Communication
5. Internal Auditing and Monitoring
6. Enforcement of Standards through Well-Publicized Disciplinary Guidelines
7. Prompt Response to Detected Offenses (Investigation) and Implementation of Corrective Action

Through these elements, CHLAMG's Compliance Program provides added assurance that the organization:

- Complies in all material respects with federal, state and local laws and regulations that are applicable to its operations;
- Satisfies the conditions of participation in healthcare programs funded by the state and federal governments and the terms of its contractual arrangements with managed care and commercial payers;
- Detects and deters misconduct by CHLAMG members and support staff;
- Promotes self-monitoring and provides for, in appropriate circumstances, voluntary disclosure of violations of laws and regulations; and,
- Establishes, monitors and enforces high professional and ethical standards.

Elements of the Compliance Program

Written Policies, Procedures and Standards of Conduct

Written policies and procedures govern key compliance and privacy risk areas and are available to all CHLAMG members and PMG employees. There are also specific policies that apply to the internal work of the Compliance Department. The Compliance Department reviews policies on a biannual basis or more frequently if there are changes in legal or regulatory requirements.

The organization also has a written Code of Conduct which promotes integrity and ethical business practices and compliance with legal and regulatory requirements for healthcare services and payment. CHLAMG members and PMG employees attest annually to the Code of Conduct.

The Compliance Department reviews and recommends updates to the Code of Conduct if appropriate every two years.

Designated Compliance Officer and Compliance Committee

The Compliance Program is administered by the CHLAMG Board of Directors through the Executive Compliance Committee which is chaired by the Physician Chief Compliance Officer. The Executive Compliance Committee is responsible for overseeing compliance with federal and state regulations related to coding, documentation, billing practices and patient privacy. The committee ensures ongoing commitment to the highest ethical, legal and professional standards for physicians, leadership and staff. Day-to-day compliance program management is delegated to the Compliance Director who reports to the Physician Chief Compliance Officer and the organization's Chief Executive Officer. Key activities of Compliance Program Administration include:

1. Oversight and monitoring compliance activities.
2. Ensuring the effectiveness of the Compliance Program and the integration of integrity and compliance activities throughout the organization.

3. Ensuring the alignment of the Compliance Program with the organization's mission, values, policies, procedures and guidelines; and applicable federal, state, and local laws and regulations.
4. Periodically reporting the status of Compliance Program activities through the Executive Compliance Committee.
5. Periodically reviewing the Compliance Program and recommending revisions as necessary to meet changes in the business and regulatory environments.
6. Serving as a knowledgeable resource for organizational and operational matters related to integrity and compliance.
7. Developing and coordinating a compliance education program that covers a variety of healthcare and other relevant compliance concerns, including education on the Code of Conduct and compliance policies and standards that support the organization in complying with legal and regulatory requirements.
8. Auditing and monitoring identified risks.
9. Receiving and investigating reports of possible unethical or illegal conduct or other conduct that violates the Code of Conduct, laws, regulations, or policies and procedures.
10. Conducting periodic risk assessments to prevent and detect emergent areas of concern.

The Compliance Director works with outside counsel and regulatory authorities in connection with the administration of the Compliance Program and, when appropriate, consults with outside counsel when significant compliance issues arise.

All Compliance Department staff possess certifications appropriate to their roles in the department to include coding certifications (CCS, CCS-P, CPC, CPC-H, CPMA, CIRCC) Registered Health Information Administrator (RHIA), Certified in Healthcare Compliance (CHC) and Certified in Healthcare Privacy Compliance (CHPC). New staff without job-related certifications are expected to become appropriately certified within one year of hire.

Conducting Effective Training and Education

CHLAMG Members and PMG staff are required to attend or participate in specific training programs on an annual basis. Training programs include appropriate training on applicable laws and regulations relating to federal healthcare programs, Compliance Program policies including

HIPAA privacy requirements, and other topics relating to documentation, coding and billing for clinical staff. Training requirements and delivery methods are tailored according to an individual's responsibilities.

Initial compliance education consists of an overview of the Code of Conduct, a summary of key elements of the Compliance Program, including the reporting process, significant compliance and privacy policies, and a discussion of the organization's commitment to integrity. New personnel will generally receive initial education within the first 30 days of hire.

Additional education is provided to healthcare professionals and Revenue Cycle employees on fraud and abuse laws to include: documentation; claim development and submission process; fraud, waste and abuse requirements, and relevant Medicaid and other state and federal program requirements. Specific compliance topics include:

- Government and private payer reimbursement guidelines;
- General prohibitions on paying or receiving remuneration for referrals;
- Provision of health care services with proper authorization;
- Proper documentation of services rendered, and proper alterations to records and files where necessary;
- Compliance with Medicare conditions of participation, Medicare Advantage, Medicare Part D requirements, and other Medicare requirements if they are applicable to our operations; and
- Obligation to report misconduct.

CHLAMG Compliance communicates monthly to all CHLAMG and PMG on significant regulatory events and privacy matters through its monthly newsletter. It also develops compliance advisories on key documentation and coding topics which it disseminates with provider audits and in response to other inquiries.

Effective Lines of Communication

The CHLAMG Compliance Program supports an open-door policy for the discussion of concerns and dialogue on compliance policies and program requirements. The Compliance Director communicates directly with the Executive Compliance Committee, the Physician Chief

Executive Officer, Department Chairs, Division Chiefs and healthcare practitioners on a regular basis. Any person may also contact the Compliance Department through its direct email address (CHLAMGCompliance@usc.chla.edu).

The Compliance Program's 24/7 Compliance Line (1.877.658.8022) is operated under contract with an independent third party. Any person may confidentially or anonymously report compliance or privacy concerns through the Compliance Line.

Reported concerns are logged and investigated. Substantiated compliance and privacy violations are reported quarterly to the Executive Compliance Committee.

The organization maintains a non-retaliation policy. Persons who report suspected misconduct or alleged violations of laws and regulations in good faith will not be retaliated against or disciplined for having raise a concern or providing information in connection with an investigation of a concern. A person who does not report in good faith, or who participated in misconduct or an alleged violation, may be subject to disciplinary action.

CHLAMG members and PMG staff who leave the organization are offered the opportunity to participate in an exit interview with the Director of Human Resources or other leadership personnel. If a compliance or privacy matter is identified through an exit interview, such matter will be referred to the CHLAMG Compliance Department for further review and investigation.

Internal Auditing and Monitoring

The Compliance Department routinely conducts documentation and coding audits for professional services. In addition, the department conducts OIG- and other risk-based audits. The Compliance Department may also engage external auditors. These auditors have expertise in healthcare laws and program requirements and may review HIPAA compliance as well as coding, documentation, claims submission and reimbursement. Results of audits are reported to division chairs and periodically to the Executive Compliance Committee.

The audit process includes:

- On-going review of trends in audit findings

- Review of billing documentation including medical records and financial records supporting claims for reimbursement
- Identification of billing questions through iterative discussions with specialty divisions and the Revenue Cycle department
- Written reports on Compliance Program activities to the Executive Compliance Committee which identify corrective actions.

The Compliance Program performs periodic risk assessments through interviews with key clinical leaders, organizational leaders in Finance, Human Resources, Revenue Cycle, Decision Support, Payer Contracting and Provider Enrollment, and the Chief Executive Officer to assess potential risk areas for inclusion in the annual Compliance work plan. The risk assessment may be revised to incorporate emergent risks based on consultation with the Executive Compliance Committee.

Enforcement of Standards through Well-Publicized Disciplinary Guidelines

All CHLAMG members and PMG employees are expected to abide by the organizational Code of Conduct, associated policies and procedures, and the requirements of the Compliance Plan. The organization encourages adherence through a variety of mechanisms including:

- Informing and discussing with relevant persons both the violation and how it should be avoided in the future;
- Providing remedial education (formal or informal) to ensure that the relevant persons understand applicable rules, regulations and policies;
- Conducting follow-up review to ensure a problem is not recurring;
- Refunding any past payments that resulted from improper bills as required by law;
- Imposing discipline, as set forth below;
- Suspending all billing of services provided, as set forth below; and
- When appropriate, voluntary disclosing to an appropriate governmental agency.

Violations may also be subject to discipline in accordance with applicable contracts or policies up to, and including, termination.

Prompt Response to Detected Offenses and Undertaking Corrective Actions

Upon receipt of audit findings, Compliance Line reports or other information raising potential compliance issues, the Compliance Department records the information and determines whether to investigate the matter or to engage legal counsel. Investigations may include interviews of the complainant and other relevant parties, a review of documents and applicable laws, regulations, or policies; preparation of a written report that identifies the allegation, summarizes the investigation, determines whether there is reason to believe a violation has occurred, and identifies corrective actions. A root cause analysis will be conducted and management will write a Corrective Action Plan which may include completion of additional education, changes in policies and procedures to prevent recurrence, recommendations for appropriate personnel action to be taken with respect to persons involved in non-compliance activity and reporting investigation results to the Executive Compliance Committee. The Director of Compliance will monitor the Corrective Action Plans. Verified overpayments will be repaid as required by law or payer contract. There may be additional reporting to, and cooperation with, appropriate State and Federal agencies upon advice of counsel.

Compliance and HIPAA Policies

Annual Compliance Audit Protocol and Risk Assessment Process

Business Associate Agreements

Compliance and Privacy Education and Training

Conflicts of Interest

Delegated Credentialing Review

Detecting and Preventing Fraud, Waste and Abuse

Documentation and Billing for Non-Physician Practitioners (NP/PA)

Gifts, Gratuities and Business Courtesies

Excluded Individuals and Entities Screening Policy

Medical Student Documentation in the Medical Record

Professional Fee Discounts

Records Retention

Reporting Alleged Violations and Improper Conduct

Requests from External Regulatory Agencies

Use of Scribes and Documentation Requirements

Breach Risk Assessment

Facility Access Control

National Provider Identification (NPI) under HIPAA

Protection of Patient Health Information

This list of Compliance and HIPAA Policies may be amended from time to time as policies are revised or implemented.

Billing and Reimbursement Policies

Charge Capture and Charge Ticket Accuracy

Claims Denials

Coding Guidelines

Credit Balances

Financial Assistance and Charity Care

HAWC Discount Program for Federal Section 330(h) Grant Funding

Patient Relations and Risk Management Write-Offs

Professional Charge Master Maintenance

Self-Pay Discounts

Signature and Approving Authority Requirements for Patient Account Adjustments

Timely Submission of Claims

This list of Billing and Reimbursement Policies may be amended from time to time as policies are revised or implemented.