

Texas Tech University Health Sciences Center El Paso Billing Compliance Policy

Policy: BCP EP 5.1 Responding to External Billing Audit Requests	Effective Date: December 2, 2020
	Last Revision Date: July 26, 2023
References: N/A	

Policy Statement

The purpose of this policy is to establish a process to promptly respond to audits by third-party payers and their agents/contractors related to the billing of health care items or services and to notify the appropriate billing compliance office of such audits.

Scope

This policy applies to all Texas Tech University Health Sciences Center El Paso (TTUHSC El Paso) Schools that bill health care items or services to any third-party payer.

This policy only applies to audits of health care items or services by government payers, government agencies or third-party payers, or their agents where the focus of the audit is on the proper coding and billing of health care items or services. This policy DOES NOT apply to payer quality of care audits.

Policy

TTUHSC El Paso intends to respond and cooperate with third-party Billing Compliance audit requests as outlined in this policy.

The Office of Institutional Compliance shall be notified of any third-party billing compliance audit request as set forth in this policy.

Procedure

1. Background

Both government and private third-party payers have increased their audit activities in an effort to identify fraud, waste, and abuse and reduce improper payment of health care items or services. Audits may occur for various reasons, including, but not limited to:

- Random selection;
- Audits required by federal or state laws;
- Data Analysis that shows a provider is outside the norm of his/her peer and/or unusual utilization; or
- Complaints of billing irregularities

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A routine audit may result in a more focused government investigation if the initial findings indicate a high error rate or pattern of improper billing. Therefore, it is important to make sure that complete medical record documentation is submitted. Clinical Departments will designate staff who are familiar with the clinical medical record related to the audit requests. The Medical Record Director (custodian of medical records) will be responsible for responding to third-party payer audits as outlined in this policy.

The Office of Institutional Compliance will be notified of these billing audit request(s) and their results.

2. Screening of Mail

All mail will be opened by department personnel who will forward any identified audit requests to the Unit Manager/ Coding Manager(s) in the department and the Medical Records Director or designee.

3. Designation of Audit Response Staff

- a. Each Clinical Department's personnel, as applicable to TTUHSC El Paso, will designate one or more individuals ("Unit Manager/Coding Manager(s)") who will be responsible for responding to third-party payer billing audit requests and/or coordinating appeals of audit findings.
- b. Designated individuals must have a working knowledge of the medical record both within the TTUHSC El Paso clinic setting and affiliated hospitals where faculty and staff provide health care services or items billed by TTUHSC El Paso. These individuals must be familiar with the information and will educate staff in their Department/area on how to identify third-party payer billing audit requests and notify the appropriate Staff.
- c. Medical Records Director will designate one or more individuals to assist in identifying and collecting the necessary TTUHSC El Paso medical records necessary to appropriately respond to billing audit requests.

4. Responsibilities of Audit Response Staff

In order to adequately evaluate and identify potential billing compliance risks, designated individuals will provide -notification of audits, responses, and findings - as follows

- a. Notification of Audit Request
 - i. Designated individual(s) will notify the Office of Institutional Compliance and the Medical Records Director within five business days of receipt of a Billing Compliance audit from a third-party payer or its agent.
- b. Responding to Audit Request
 - i. Timely Response - Designated individuals will coordinate with coders/billers, and provider(s), when required within 1-2 business days of audit request notification. This will allow sufficient time to complete payer/agent request. Information will not be added to the

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Medical record to correct deficiencies after a notification of third-party payer billing audit.

- ii. Payer Affidavits - The Medical Records Director will sign any required payer affidavit attesting to the completeness of the documentation submitted in response to the audit request.
- iii. Copies - Medical Records designee will make and maintain a copy (paper or electronic) of all documentation, including any signed payer affidavit that is submitted to the third-party payer in response to a billing audit request.

c. Audits Performed On-Site

- i. TTUHSC El Paso faculty and staff will cooperate with any on-site billing audit team to the extent necessary to provide them access to the necessary medical record information to conduct the audit.
- ii. Staff Oversight. The Medical Record Staff or designee shall make sure that a TTUHSC El Paso employee is in the room with the auditors during the review. This individual will be familiar with the medical record organization system in order to direct auditors to records they need to complete the audit, minimizing the risk of erroneous denials due to lack of documentation.
- iii. Entrance and Exit Interviews. The designated individual(s) and/or ICO may attend any entrance and/or exit interview related to a billing compliance audit. These individuals must understand that any statements made during the entrance and/or exit interviews may be used in the audit findings.

d. Audit Results or Findings

- i. The Office of Institutional Compliance/Designee will be notified within five business days from receipt of any audit results pertaining to any third-party billing audit.
- ii. The designated individual(s), in coordination with the ICO or designee, will designate one or more individuals to address the audit findings, which may include an internal review of the findings and taking action to appeal any findings. The ICO or designee shall not be responsible for appealing any findings.

5. Responsibilities of ICO or Designee

- a. Notification of Provider(s). The ICO or designee, as applicable, will provide written notice (i.e., memorandum or e-mail) to the provider(s) who are the subject of any third-party payer billing audit and the Chair of the department.
- b. Audit Request/Findings. The ICO or designee, in its sole discretion, may assist in responding to audit requests and/or audit findings to the extent it is necessary to maintain an effective compliance program.
 - i. Notification. The Billing Compliance Advisory Committee (BCAC) Chair will notify their committee members of all known third-party billing compliance audit requests as part of regularly scheduled meetings or at

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any other time the BCAC Chair determines is appropriate to maintain an effective compliance program.

- ii. The BCAC Chair will immediately and confidentially notify the ICO and their BCAC members of any audit findings that:
 - i. state the matter has been referred to the third-party payers fraud unit;
 - ii. Indicate potential billing compliance risks for TTUHSC EL Paso.

Administration and Interpretation, Revisions, or Termination

Questions regarding this policy may be addressed to the TTUHSC El Paso Institutional Compliance Officer or Billing Compliance Unit Manager.

This policy may be amended or terminated at any time, subject to approval by the Billing Compliance Advisory Committee.

Frequency of Review

This policy shall be reviewed no later than October in each odd-numbered year.

Review Date: March 2018, January 8, 2020, July 26, 2023

Revision Date: March 2018, January 8, 2020, July 26, 2023