

Improved Compliance Strengthens Business



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Problem to Solve

Compliance is often an unsung hero in health care organizations, as it keeps tabs on the rules, regulations and laws that relate to an organization’s health care practices. Compliance is vital for keeping operations running smoothly and ensuring that everyone follows proper procedures and understands expectations. Like any health care department, however, compliance also needs to be regularly assessed, to ensure that it is meeting the needs of the entire organization.

When a large medical group’s compliance team had a gap in its management, the organization’s leaders recognized this time as an opportunity to assess the compliance program and ensure it was current with industry best practices and the medical group’s operations. Critically, however, the organization lacked an internal resource with the knowledge or experience to conduct this assessment.

Owing to the importance of compliance to its core business, the medical group partnered with Freed Associates (Freed) to support the organization and assess and potentially implement best practices and tools to enhance compliance operations. Freed was selected based on its extensive experience and ability to identify and apply

strategic and tactical operational improvements.

Strategy and Tactics

Freed knew up-front that its engagement with the compliance team would be challenging, due in part to increased compliance complexity, particularly around new industry standards regarding claims and medical management fraud and abuse reduction. In addition, a management services organization (MSO) used by the medical group for claims processing and medical management had abruptly shut down, forcing the team to transition to a new MSO in less than a month.

Due to these multiple challenges and operational issues, Freed quickly identified that the compliance team's functionality was substandard. The team, which handled utilization management and medical management compliance with nine different health plans, was dealing with numerous compliance risks. The team needed to address multiple health plan corrective actions plans, as well as several recurring audits.

With key input from the medical group's senior leadership, particularly its head of managed care operations, Freed analyzed and identified three principal areas for compliance team improvement. These were:

1. Compliance project management and communication
2. Health plan audit road maps, final audit documentation and corrective action plans
3. Meeting management

Much of Freed's engagement was spent developing various tools to support the compliance team's most critical need: improving compliance management and communication. Freed identified an opportunity to develop the following tools:

- Health plan audit and corrective action plan tracker
- Monthly compliance report for senior leadership
- Year-to-date health plan reporting matrix
- Health plan delegation matrix, summarizing the medical group's contractual obligations
- Audit plan, with recommendations
- Policy and procedure tracker
- Department roles and responsibilities overview, and activity tracker

The compliance team began using these tools to ensure more accurate and timely audit compliance, as well as address its outstanding corrective action plans. Improved meeting management was critical for ensuring the compliance team's consistency, collaboration and productivity. Freed facilitated a new, weekly medical management workgroup, comprised of all pertinent medical group staff, including from outside the compliance

team, to convey operational updates and foster collaboration and contributions from all attendees. Suddenly, improved compliance effectiveness became an ongoing mindset not just for the compliance team, but also for an array of other colleague stakeholders.

Results and Conclusion

By the end of this initiative, Freed developed and implemented several needed compliance changes, including closing out all outstanding corrective action plans and managing 14 audits. Ten of the audits were closed with a compliance score of over 95 percent.

In addition, Freed helped the compliance team achieve several notable gains:

- Improved audit process teamwork and efficiency, through the use of new tools and tracking mechanisms
- Improved audit scores and more timely completion of corrective actions plans, resulting enhanced compliance with health plan delegation compliance and requests
- Improved compliance communication, reporting and transparency across all facets of the medical group, including its senior management team, functional leads and frontline staff

All of the compliance team's changes and improvements were made with eye toward sustainability and further refinement and improvement. Through these gains in compliance, the medical group is now also in a much stronger financial and business position.