I. **PURPOSE**

This policy is to provide a uniform mechanism for each clinical department, as appropriate, to conduct quarterly internal audits of providers in accordance with the University's Billing Compliance Program.

II. **POLICY**

Each clinical department shall conduct initial and continuing audits of all of its providers who bill for health care services under Creighton University's tax identification number. In addition, the Department of Pathology (CML) shall conduct quarterly audits of its clinical laboratory billing activity.

III. **SCOPE**

This policy applies to all billing providers who bill health care services under Creighton University’s tax identification number and clinical departments within the School of Medicine.

IV. **PROCEDURE**

A. Provider Audits

1. **New Provider Audits.**

   The department shall audit ten (10) encounters for each new provider joining the Department, using the procedures set forth below, prior to submitting any claims to payers. Upon request, the Compliance Office may allow audited claims to be submitted to payers prior to completion of the New Provider Audit in those instances where timely filing deadlines may be missed.

2. **Current Provider Audits.**

   a. Except as otherwise provided in subsection "b" below, each clinical department shall audit a minimum of ten (10) encounters in a calendar year for each billing provider using the audit procedures set forth below. Audits shall be conducted in blocks of ten (10) encounters for each provider ("audit block"). The individual provider audit block (of ten encounters) shall occur within at least one of four calendar quarters annually.
Departments may audit their providers more often than one quarter per calendar year.

b. If an audit score (for all errors, regardless of the responsible party) for a provider's audit block is 3 points or less in a calendar year, the department is not required to audit that provider's encounters during the next calendar year. In all cases a Department shall audit a provider whose audit score is 3 points or less at least every two years.

B. Clinical Laboratory Audits

The Department of Pathology shall conduct quarterly audits of its clinical laboratory billing activity.

C. Prospective v. Retrospective Audits

All new provider audits shall be conducted prospectively. While departments are encouraged to conduct audits for current providers on a prospective basis, the department has the discretion to either audit prospectively (i.e. before the encounter is entered into the electronic billing system) or retrospectively (i.e. after the encounter is entered into the electronic billing system). Departments must indicate in their report to the Compliance Office whether they audited prospectively or retrospectively.

D. Designated Individual Responsible for Department Audits

1. Department Designated Individual. Each clinical department shall designate an individual responsible for ensuring that audits are performed in accordance with the procedures set forth in this policy. Departments are encouraged to use individuals certified by the American Academy of Professional Coders (AAPC) or other recognized accrediting organization to perform the audits. The audit results shall be reported to the Compliance Coordinator thirty (30) days after the end of each calendar quarter, unless otherwise specified by the Compliance Office. The Compliance Coordinator shall timely report quarterly audit findings to the Billing Compliance Committee.

2. Training Requirements. Individuals designated by the Department to conduct the provider audits shall participate in any training provided by the Compliance Office addressing University billing audit procedures.
E. Audit Process

The most current Creighton University Billing Audit Handbook and Appendices (http://www.creighton.edu/billingcompliance/MSPP.htm) as updated, shall be utilized in auditing provider records for determining billing compliance and completing the audit Worksheets. In addition to completing the Audit Face Sheet and applicable Worksheets, Departments shall complete a Provider Report of Audit Findings, Appendix "B" of the Audit Handbook for each provider audited and a Departmental Audit Report Summary Sheet, Appendix L of the Audit Handbook. In addition to the above minimum audit requirements, individual departments may choose to audit other aspects of the medical record, patient information collection process, etc. during the billing audit conducted under this policy.

F. Reports of Audit Findings

1. Audit Findings. For corrective action/training purposes only, audit findings (i.e., points) should correspond to the individual responsible for the identified error. In all cases, the provider is responsible for any "B-1", "B-4" and "B-5" findings (see below). Findings under "B-2", "B-3", "A" and/or "C" may either be a provider or staff error depending on who is responsible for final selection of the CPT-4 code(s) and/or ICD-9 code(s) under the department's coding policies. Findings under "D" also may be either a provider or staff error depending upon department coding policies. Any questions regarding allocation of points should be addressed to the Compliance Office. All audit findings, regardless of who is responsible for the error, shall be used to determine whether or not a provider's audit block has three points or less for purposes of paragraph A.2.b above.

2. Provider Encounters - Audit Face Sheets. An appropriate Audit Face Sheet (See Billing Audit Handbook Appendices) shall be completed for each provider encounter audited by the clinical department. All findings from the Audit Worksheets (excluding clinical laboratory Worksheet, see below) shall be marked on the appropriate Audit Face Sheet.

The findings from the Audit Face Sheet for provider encounters shall be transferred to the department audit excel spreadsheet, which shall be provided by the Compliance Office to each department. A copy of the quarterly audit findings transferred from the Audit Face Sheet to
the audit spreadsheet shall be given to the Billing Compliance Coordinator as part of the Department's quarterly report.

3. Clinical Laboratory - Audit Worksheet. The Department of Pathology shall perform quarterly audits of clinical laboratory pathology billing, using the appropriate Audit Worksheet contained in the Billing Audit Handbook, Appendix. The Department of Pathology shall take appropriate remedial action, including education and training based on audit findings identified.

G. Audit Record Maintenance and Retention

1. Provider Report of Audit Findings. In order to facilitate provider review of audit findings and education, the Provider Report of Audit Findings, along with any documentation supporting audit findings shall be given to the affected provider and his/her staff for response. Any action required shall be tracked and confirmed on the Provider Report of Audit Findings, Appendix "B" of the Audit Handbook. The Provider Report of Audit Findings shall be retained by the department for at least one (1) year from the date of the audit report.

2. Documentation Supporting Audit Findings. A copy of the documentation supporting the audit finding(s) for provider encounters audited should be attached to the Audit Face Sheet and retained with the Audit Face Sheet and applicable Worksheet(s) in a secure location for at least one (1) year from the date of the audit report. Upon demand, the Department shall make this information available to the Compliance Director, his/her staff or the Internal Audit Department for review. Any copies of documentation supporting audit findings retained by the Department may be destroyed (in a confidential manner) one (1) year from the date of the audit report.

3. Audit Face Sheet and Worksheet. The Department shall retain the Audit Face Sheet and applicable Worksheet from completed audits for at least one (1) year from the date of the issuance of the quarterly audit report, that contains those audit findings, to the Compliance Office. Retention can include scanning the paper form onto a computer disk as long as the information can be accurately retrieved and copied.
V. ADMINISTRATION AND INTERPRETATION

Questions regarding this policy may be addressed to your Billing Supervisor, the Chief Operating Officer of Creighton Medical Associates, or the Compliance Office.

VI. AMENDMENTS OR TERMINATION OF THIS POLICY

This policy may be amended or terminated at any time.

VII. REFERENCES

Creighton University's Billing Audit Handbook and Appendices.