



pro health
PARTNERS
A Medical Group, Inc.



MEDICAL MANAGEMENT, LLC
The Physician Practice Management Company[®]

PROHEALTH PARTNERS, A MEDICAL GROUP, INC.

AND

ARGUS MEDICAL MANAGEMENT

COMPLIANCE PLAN

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**PROHEALTH PARTNERS, A MEDICAL GROUP, INC. AND
ARGUS MEDICAL MANAGEMENT (PHP-ARGUS)**

COMPLIANCE PLAN

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I. INTRODUCTION

1. **Benefits of a Compliance Program.** To demonstrate our commitment to honest and responsible conduct, decrease the likelihood of unlawful and unethical behavior at an early stage, and to encourage employees to report potential problems to allow for appropriate internal inquiry and corrective action, ProHealth Partners and Argus Medical Management (PHP-Argus) Physicians and Employees will follow this Compliance Plan and Argus will perform regularly scheduled compliance audits. The following is the PHP-Argus, Compliance Plan structured to meet the guidelines as set forth by the Surgeon General and the Office of the Inspector General of the Department of Health and Human Services.
2. **Application of Compliance Program Guidance.** The purpose of the (PHP-ARGUS) Compliance Plan is to provide uniform guidance for (PHP-ARGUS) billing and accounting activities. This plan outlines collection compliance guidance for the Medical Services Account (MSA), Third Party Collection Program (TPCP), and Medical Affirmative Claims (MAC). The (PHP-ARGUS) Compliance Plan is a comprehensive strategy to ensure
 - a. That claims submitted to all payers, including private, government (Medicare and Medicaid), and other Federal agencies and individuals are consistently accurate.
 - b. That accounting of collections is consistently accurate.
 - c. That (PHP-ARGUS) employees comply with the applicable laws, DoD policies and regulations, and payer requirements relating to its participation in these programs.
3. **(PHP-ARGUS) Purpose and Mission.** The (PHP-ARGUS)'s purpose is to consolidate billing, collection processing, analysis, and reporting of accounting-related activities under one umbrella to maximize allowable healthcare cost recovery within compliance guidelines to support the operational and readiness mission of the Military Health System (MHS). TPCP, MSA, and MAC are the three programs within (PHP-ARGUS).

II. COMPLIANCE PROGRAM ELEMENTS 1 – 7

Element 1: Written Policies and Procedures

- A. Standards of Conduct for (PHP-ARGUS) Personnel.
 - 1) Employees are expected to follow the standards set forth in this Compliance Plan, as well as all applicable laws.
 - 2) Employees will conduct business and personal activities with the highest level of integrity.
 - 3) No employee shall make, file, or use any false, fictitious, or fraudulent statements or documents in connection with the delivery of, or payment for, health care benefits, items, or services.
 - 4) No employee shall falsify, conceal, or cover up a material fact in the performance of their duties.
 - 5) Each employee will be responsible for reporting any violations of this plan to their immediate supervisor or the Compliance Officer, as appropriate.
 - 6) Employees will follow the business rules and procedures outlined in outlined in this Compliance Plan, and service specific guidelines.

- 7) Employees will possess the necessary skills, quality assurance processes, systems, and appropriate procedures to ensure that all billing for government and commercial insurance programs are accurate and complete.

B. Potential Risk Areas.

- 1) Billing for procedures, items or services that were not provided;
- 2) Billing for procedures, items or services that are not documented;
- 3) Submitting duplicate claims:
 - i. More than one claim for the same service;
 - ii. Claim is submitted to more than one primary payor at the same time;
 - iii. Billing for non-physician outpatient services that are already included in the hospital's inpatient rate;
- 4) Up-coding:
 - i. Using a billing code that provides a higher payment rate than the billing code that accurately reflects the service furnished to the patient;
 - ii. Using a DRG code that provides a higher payment rate than the DRG code that accurately reflects the service furnished to the patient;
- 5) Unbundling: the practice of submitting bills in fragmented fashion to maximize the reimbursement for various tests or procedures that are required to be billed together and therefore at a reduced cost;
- 6) Using improper Department of Defense (DoD) billing rates;
- 7) Billing for services without an established DoD billing rate, unless service is an authorized pass-through item (32 C.F.R. 220.8(g));
- 8) Billing health care plans excluded under 32 C.F.R. 220.6;
- 9) Inappropriate balance billing;
- 10) Inadequate resolution of overpayments;
- 11) Incorrectly or improperly recording receivables;
- 12) Failing to implement or follow marginal internal fiscal controls, including separation of duties;
- 13) Failure to maintain the confidentiality of information/records;
- 14) Lack of integrity in computer systems;
- 15) Alteration of documentation;
- 16) Destroying records/documentation without proper authority.
- 17) Blocking investigations;
- 18) MTF administration overlooking, disregarding, defending, or affirmatively concealing illegal billing practices.

C. Claim Development and Submission Process. PHP-Argus will:

- 1) Provide a mechanism for the billing or reimbursement staff to communicate effectively and accurately with the clinical and coding staff;

- 2) Provide for proper and timely documentation of all physician and other professional services prior to billing to ensure that only accurate and properly documented services are billed;
- 3) Emphasize that claims will be submitted only when appropriate documentation supports the claims and only when such documentation is maintained, appropriately organized in legible form, and available for audit and review. The documentation, which may include patient records, should record the time spent in conducting the activity leading to the record entry and the identity of the individual providing the service; the hospital will consult with its medical staff to establish other appropriate documentation guidelines;
- 4) Ensure medical staff, physician and hospital records and medical notes used as a basis for a claim submission are appropriately organized in a legible form so they can be audited and reviewed;
- 5) Ensure that the diagnosis and procedures reported on the reimbursement claim are based on the medical record and other authorized documentation;
- 6) Establish a process for pre- and post-submission review of claims to ensure claims submitted for reimbursement accurately represent services provided, are supported by sufficient documentation and are in conformity with any applicable coverage criteria for reimbursement;
- 7) Ensure all billings to government and private insurance payers reflect true and accurate information and conform to all pertinent Federal and state laws and regulations.
- 8) Implement a periodic manual review to determine the appropriateness of billing each outpatient service claim, to be conducted by one or more appropriately trained individuals familiar with applicable billing rules; or with regard to each inpatient stay, scrutinize the propriety of any potential bills for outpatient services rendered to that patient at the hospital within the applicable time period.
- 9) Ensure claims submitted on behalf of teaching physicians are only for services actually provided and that his or her presence during the key portion of any service or procedure for which payment is sought is properly documented.

D. Health Insurance Portability and Accountability Act of 1996 (HIPAA). (PHP-ARGUS) personnel will comply with requirements as mandated by HIPAA and will complete annual HIPAA training. There are essentially three areas of HIPAA Compliance of concern to (PHP-ARGUS) personnel:

- 1) Privacy
 - i. (PHP-ARGUS) personnel may not use or disclose protected health information unless the patient has authorized or consented, or unless HIPAA specifically permits or requires.
 - ii. HIPAA permits (PHP-ARGUS) personnel to use or disclose PHI without patient consent only for Treatment, Payment and Healthcare Operations.
- 2) Security
 - i. (PHP-ARGUS) personnel will ensure that they do not disclose information that compromises the security, confidentiality, or integrity of personally identifiable information (PII).
 - ii. (PHP-ARGUS) personnel will adhere to [PHP-Argus] established policies and procedures and administrative, physical and technical controls to ensure protection of PII.

- 3) Standard Electronic Transactions
 - i. (PHP-ARGUS) personnel with adhere to the HIPAA requirement that providers doing business electronically will use the same standardized health care transactions, code sets, and identifiers.
 - ii. Standard transactions for Electronic Data Interchange (EDI) to transmit health care data include: Claims and encounter information, payment and remittance advice, and claims status and inquiry
- E. Credit Balances. Credit balances occur when payments, allowances, or charge reversals posted to an account exceed the charges to the account. The appropriate manager will diligently review the claims/account reports for credit balances and determine the reason for occurrence and required action.
- F. Integrity of Data Systems Procedures. To ensure and maintain the accuracy and integrity of electronic data systems used for claims submission, collections, credit balances and other relevant reports, [PHP-Argus] will:
 - 1) Ensure data is backed up either by cloud, or other means on a regular basis;
 - 2) Ensure regularly scheduled virus checks are performed;
 - 3) Ensure electronic data is protected against unauthorized access or disclosure by limiting access to data systems to only authorized personnel (password protected)
- G. Retention of Records.
 - 1) Each employee is responsible for the integrity and accuracy of [PHP-Argus] documents and records, not only to comply with regulatory and legal requirements but also to ensure that records are available to defend business practices and actions.
 - 2) No one may tamper with, alter, or falsify information on any record or document.
 - 3) Medical and business documents and records are retained in accordance with the law and service specific records retention policy.
 - i. Medical and business documents include paper documents such as letters and memos, computer-based information such as e-mail or computer files on disk or tape, and any other medium that contains information about PHP-Argus or its business activities.
 - ii. This also includes
 1. All records and documentation required by either Federal or State law and the program requirements of Federal, State and private health plans (for billing companies, this will include all documents related to the billing and coding process).
 2. Records listing the persons responsible for implementing each part of the compliance plan.
 3. All records necessary to protect the integrity of the billing office's compliance process and confirm the effectiveness of the program.
 - iii. No one may remove or destroy these documents prior to the specified destruction date.
- H. Compliance as an Element of a Performance Plan. The promotion of and adherence to the elements of this compliance program will be a factor in evaluating the performance of all employees. All managers and supervisors involved in the claims submission, collection, auditing, etc., processes will:

- 1) Discuss with all supervised employees and relevant contractors the compliance policies and legal requirements applicable to their function;
- 2) Ensure employees are periodically trained in new compliance policies and procedures.
- 3) Inform all supervised personnel that strict compliance with these policies and requirements is a condition of employment;
- 4) Disclose to all supervised personnel that (PHP-ARGUS) will take disciplinary action up to and including termination for violation of these policies or requirements.
- 5) Be sanctioned for failure to instruct adequately their subordinates or for failure to detect noncompliance with applicable policies and legal requirements, where reasonable diligence on the part of the manager or supervisor should have led to the discovery of any problems or violations.

Element 2: Designation of a Compliance Officer and a Compliance Committee. To ensure an effective compliance program, will designate a (PHP-ARGUS) compliance officer not assigned directly to (PHP-ARGUS) but has oversight authority over the (PHP-ARGUS) services and has direct access to the command group.

A. The (PHP-Argus) Compliance Officer, Linda Grow, Risk Manager, Telephone #562-299-5203, will:

- 1) Oversee and monitor implementation of the Compliance Program.
- 2) Review the program to ensure relevance and compliance with current Federal laws, and DoD and Service policy.
- 3) Ensure the components of the Compliance Program are implemented to reduce fraud, waste, abuse, and mismanagement within the business office and throughout the revenue cycle.
- 4) Ensure that contractors, vendors, and agents who furnish medical services to the facility are aware of the facility's compliance program and its respective coding and billing policies and procedures.
- 5) Have the authority to review all documents and other information relevant to compliance activities.
- 6) Assist the business office and internal review activities in conducting internal compliance reviews, including reviews of departments involved in the revenue cycle within the facility.
- 7) Investigate issues related to compliance.
- 8) Take corrective action and document compliance issues as necessary.
- 9) Encourage reporting of suspected fraud, waste, abuse, or mismanagement (without fear of retaliation) through training and other means of communication.
- 10) Notify employees of applicable regulations, procedures, and guidelines.
- 11) Ensure the separation of duties are maintained pursuant to the guidelines set fourth in DoD 6010.15-M, and (PHP-Argus) Compliance Plan, HIPAA Manual and Employee Handbook.
- 12) Report through the appropriate chain-of-command to the Service (PHP-ARGUS) Board of Directors, progress of the compliance program. Similarly, report the results of any audits, fraud, waste, abuse, and mismanagement investigations, and any resulting employee discipline.

B. The (PHP-Argus) Compliance Committee will:

- 1) At a minimum, be comprised of representatives from: the (PHP-ARGUS), Risk Management, Coding, Clinical Operations Regional Management, and Human Resource Management.
- 2) Advise the Compliance Officer and assist in the implementation of the compliance program.
- 3) Assess compliance violation investigations to determine whether a violation of the compliance plan actually exists.
- 4) Continually assess current policies and procedures to ensure compliance, relevance, and practicability.
- 5) Work with appropriate personnel to develop standards of conduct and policies and procedures, to promote adherence to the (PHP-ARGUS) compliance program.
- 6) Monitor internal controls to implement the program and recommend changes as needed.
- 7) Ensure periodic audits of claims development and claims processing procedures are performed and that internal fiscal and administrative controls are implemented and adhered to.

Element 3: Conducting Effective Training and Education.

- A. Initial Compliance Training. All new employees involved with the (PHP-ARGUS) process will receive an initial training session that will cover the topics and guidance set forth in this plan before they begin their assigned duties. Statement acknowledging employee's commitment to and receipt of the compliance plan and code conduct will be signed and dated, and retained in the employee's personnel file.
- B. Annual Compliance Training. All personnel will attend training on an annual basis, including appropriate training in Federal and State statutes, regulations and guidelines, and ethics. Sessions will emphasize the organization's commitment to compliance with these legal requirements and policies, compliance program, summarizing fraud and abuse statutes and regulations, Federal, State, coding requirements, claim submission processes, and employee code of conduct. Statement acknowledging employee's commitment to the code conduct will be signed and dated, updated as needed, and retained in the employee's personnel file.

Element 4: Developing Effective Lines of Communication.

- A. Access to the Compliance Officer: Access to the compliance officer is available through question/complaint email prohealth@prohealthpartners.com and hotline (562-299-5203). The compliance officer will make every attempt to be visible for any member of PHP-ARGUS that needs assistance in determining compliance issues and conduct. The compliance officer is the lead representative in preserving the ethical and legal stance of the organization. As an advocate of compliance related issues and conduct he or she works and communicates closely with the chain of command to ensure the organization is operating within the state and federal laws:
 - 1) The (PHP-ARGUS) Compliance Officer, (Linda Grow, telephone direct dial at 562-299-5203, email lgrow@argusmso.com);
 - 2) The Compliance Question/Complaint Dept., located (5150 E. Pacific Coast Hwy. #500, Long Beach CA 90804);
 - 3) [Telephone Hotline]; 562-299-5203
 - 4) [E-mail Hotline]; Compliance@prohealthpartners.com

- 5) [Web based Hotline]; www.prohealthpartners.com or www.argusmso.com
- B. Additionally, employees may use other agencies to report suspected healthcare billing-related fraud, waste, abuse or mismanagement:
 - 1) (PHP-Argus) Internal Review [Telephone # and or Hotline # listed above]
 - 2) Office of Inspector General [Telephone # and or Hotline # 1-800-447-8477]
 - 3) Inspector General www.oig.hhs.gov/report-fraud
 - 4) DoD Inspector General:
 - Website: <http://www.dodig.osd.mil/HOTLINE/index.html>
 - Hotline: 800-424-9098,
 - E-mail: hotline@dodig.mil

Element 5: Enforcing Standards through Well-Publicized Disciplinary Guidelines.

Disciplinary action will be applicable to all individuals within (PHP-ARGUS) who fail to comply with their obligations. When there is information of potential violations or misconduct, the Compliance Officer has the responsibility of conducting an investigation. An internal investigation would include interviews and a review of medical record, billing, and other relevant documents. To assure protections from coerced disclosure of information gained through investigative interviews, the investigation maybe referred to qualified legal counsel. The attorney/client privilege will afford a level of protection in the event that the OIG or other agency requests information developed in the course of an internal investigation.

- A. New Employee Policy. New employees and other individuals new to (PHP-ARGUS) or position will be trained to ensure that their work is consistent with standards to prevent fraud, waste, abuse, or mismanagement. PHP-ARGUS is responsible for providing the same training to individuals who may provide services for (PHP-ARGUS) (such as an independent contractor) even though these individuals are not employees of (PHP-ARGUS).
- B. (PHP-Argus) disciplinary policy in the Compliance Plan and Employee Handbook outlining disciplinary actions against (PHP-ARGUS) staff members and contract employees who do not follow the policies and procedures of PHP-Argus Compliance Plan/Program include such actions as possible suspension without pay up to possible termination and criminal prosecution.

Element 6: Auditing and Monitoring.

- A. Post-submission Reviews: Periodic post-submission review of claims will be performed to ensure claims submitted for reimbursement accurately represent services provided, are supported by sufficient documentation, conform with applicable coverage criteria for reimbursement, revenue is recorded properly and the account is finalized appropriately;
- B. (PHP-ARGUS) Annual Compliance Audits: PHP-ARGUS Compliance Audit Checklist is to be completed at least annually. The (PHP-ARGUS) Compliance Officer will appoint the reviewer. The checklist covers the main points of the Uniform Business Office (TPCP, MSA, and MAC) programs. The results of this audit will be reported to the (PHP-ARGUS) Compliance Officer for review and recommended action, as appropriate;
- C. (PHP-ARGUS) Compliance Program Effectiveness: The (PHP-ARGUS) Compliance Officer must regularly review the implementation and execution of the compliance program elements. The review will be conducted as least annually and includes an assessment of each of the basic elements individually, as well as the overall success of the program. This review will help identify

any weaknesses in the ProHealth-Argus compliance program and implement appropriate changes. A copy of this review should be provided to the C.E.O and ProHealth Partners Board of Directors.

Element 7: Responding to Detected Offenses and Developing Corrective Action Initiatives.

- A. Common compliance violations that can result in disciplinary action.
 - 1) Involvement in non-compliant conduct and/or activity;
 - 2) Failure to report known non-compliant conduct and/or activity.
 - 3) Supervisors who were aware or should have been aware of non-compliant conduct or activity and failed to correct deficiencies.
- B. Investigations and Reporting Procedures: All violations will be assessed by the (PHP-ARGUS) Compliance Committee to determine whether a violation of the compliance plan actually exists. If so and the individual(s) involved are part of the (PHP-ARGUS) staff, then a determination that the conduct was negligence and/or inadvertent or willful and/or knowingly conducted should be made. If the individual(s) involved are outside the (PHP-ARGUS) staff, the (PHP-ARGUS) Compliance Committee will forward their findings to the appropriate Department chief.
 - 1) Negligence and/or Inadvertent Conduct: If it is determined, after investigation that non-compliant conduct occurred because of negligence or inadvertence, the matter shall be handled by the appropriate supervisor, who shall inform the (PHP-ARGUS) Compliance Officer of the offense and corrective action taken to address the problem. Any individual dissatisfied with the corrective action imposed by his/her supervisor may appeal the decision to the (PHP-ARGUS) Compliance Officer within ten (10) business days from the date of imposition of the corrective action. Such appeal shall be by written letter to the (PHP-ARGUS) Compliance Officer stating the reasons why the corrective action is not appropriate. The (PHP-ARGUS) Compliance Officer shall schedule a meeting within a reasonable time to review the request and either affirm or modify the corrective action.
 - 2) Willful, Knowing Conduct and/or Gross Negligence: If it is determined, after investigation, that non-compliant conduct occurred as a result of willful and knowing action or gross negligence, then the matter shall be referred to the (PHP-ARGUS) Compliance Officer for corrective action. The (PHP-ARGUS) Compliance Officer shall determine the response and appropriate corrective action, in light of all available information. An individual dissatisfied with the corrective action imposed by the (PHP-ARGUS) Compliance Officer may utilize standard appeal procedures.
- C. Corrective Actions: Appropriate corrective action measures shall be determined on a case-by-case basis. Disciplinary action, if required, and in the support of the (PHP-ARGUS) Compliance Program will be managed in accordance with the disciplinary policies outlined in Element 5 of this plan.

III. (PHP-ARGUS) COMPLIANCE PROGRAM EFFECTIVENESS.

- 1. Code of Conduct. The following general principles apply to every employee. Where a situation is not covered by the standards set forth, employees shall apply the principles set forth in this plan in determining whether their conduct is proper. Each covered individual is expected to abide by the following general principles:
 - A. Serve the public, and treat all persons employed by or associated with the facility with respect, concern, courtesy, and responsiveness.
 - B. Support equal treatment of all patients, employees and other persons associated with the facility, or obtaining or providing services to the facility, without regard to race, gender, color, age,

religion, national origin, veterans' status, marital status, sexual orientation, or individual disabilities.

- C. Avoid actual or potential conflicts of interest including the appearance of a conflict of interest, except as allowed by this policy or other facility policies.
 - D. Promptly report to your supervisor any situation in which a covered individual reasonably feels that they may be or may become involved in a conflict of interest, whether or not such situation is specifically described in this policy.
 - E. Recognize that personal gains from employment or service to the facility are limited to respect, recognition, salary, and normal employee benefits.
 - F. Demonstrate the highest standards of personal integrity in all actions related to or affecting the business of the facility.
 - G. Not use your relationship with the facility to bestow any benefit on anyone related to the person by family, business, or social relationship.
 - H. Not disclose or use or allow others to use confidential information obtained as the result of your relationship with the facility for private gain or private purposes.
 - I. Not accept any fee, compensation, gift, payment of expense, or any other thing of monetary value except as authorized by policies of the facility.
 - J. Not engage in outside employment except as authorized by policies of the facility. No covered individual shall hold a public office or employment that is incompatible with their duties and obligations.
 - K. Not use facility time, property, equipment, supplies, or support services for private gain, or private purposes, except such limited use as authorized by policies of the facility.
2. Regular Review of Compliance Program Effectiveness. This (PHP-ARGUS) Compliance Plan is intended to be flexible and readily adaptable to changes in regulatory requirements and in the healthcare system as a whole. This plan shall be reviewed annually and modified, as necessary.

IV. SELF-REPORTING.

If credible evidence of misconduct is discovered and, after reasonable inquiry, it is determined that this misconduct may have violated criminal, civil, or administrative law, ProHealth-Argus' legal office/counsel should be contacted promptly to determine self-reporting requirements.

V. CONCLUSION.

The compliance program as presented in this document establishes a framework for effective billing and legal compliance by PHP-ARGUS). It does not set forth all of (PHP-ARGUS)'s substantive programs and policies that are designed to achieve compliance. (PHP-ARGUS) has already established various compliance policies. Those and future policies will be a part of its overall compliance enforcement program.