UNIVERSITY OF CALIFORNIA, SAN FRANCISCO
AUDIT AND ADVISORY SERVICES

AHP Billing Validation
Project #19-053

June 2019

University of California
San Francisco

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SUBJECT: Advanced Health Professionals Billing Validation
Project #19-053

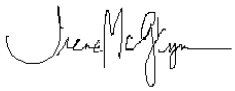
As a planned internal audit for Fiscal Year 2019, Audit and Advisory Services (A&AS) conducted a review of the Advanced Health Professional (AHP) billing process. The purpose of this review was to validate that the UCSF APeX update to identify correct billing and service providers for claim submissions that involve AHPs is functioning as intended.

Our services were performed in accordance with the applicable International Standards for the Professional Practice of Internal Auditing as prescribed by the Institute of Internal Auditors.

Our review was completed and the preliminary draft report was provided to the department management in January 2019. Management provided us with their final comment and responses to our observations in June 2019. The observations and corrective actions have been discussed and agreed upon with department management and it is management's responsibility to implement the corrective actions stated in the report. In accordance with the University of California audit policy, A&AS will periodically follow up to confirm that the agreed upon management corrective actions are completed within the dates specified in the final report.

This report is intended solely for the information and internal use of UCSF management and the Ethics, Compliance and Audit Board, and is not intended to be and should not be used by any other person or entity.

Sincerely,



Irene McGlynn
Chief Audit Officer
UCSF Audit and Advisory Services

EXECUTIVE SUMMARY

I. BACKGROUND

As a planned audit for Fiscal Year 2019, Audit and Advisory Services (A&AS) conducted a billing process review to validate that the UCSF APeX update to identify correct billing and service providers for claim submissions that involve Advanced Health Professionals (AHPs) is functioning as intended. This review was performed in coordination with the UCSF Clinical Enterprise Compliance Program (CECP), who will be issuing a report under separate cover.

In 2017, APeX Clinical Systems custom developed the AHP shared visit logic because Epic did not include a native system to indicate an AHP shared visit for Nurse Practitioners (NPs) and Physician Assistants (PAs). There are two types of evaluation and management (E/M) visits that an AHP can provide: 1) an independent AHP visit, and 2) a shared or split visit with a physician. Not being able to correctly indicate the visit type creates the risk of incorrect billing, resulting in underpayments or overpayments.

According to UCSF Medical Center Policy 3.08.01 "NPs and PAs as Billing Providers," during a shared visit a qualified AHP and physician provide a complete Evaluation and Management (E/M) service. The requirements, per the policy, of a shared E/M visit are: 1) the services are exclusively E/M services; 2) the setting is hospital-based; 3) there are two separate portions of the progress note, completed by the AHP and the physician, respectively; and 4) both the AHP and the physician have face-to-face interaction with the patient. Further, the physician's contribution must be substantive and most often supported the medical decision-making component of the E/M service.

Both the AHP and the physician, each logged into their unique APeX account, document a substantive portion of an Evaluation and Management (E/M) visit in the same note during a shared visit. The AHP and the physician indicate their respective portion of the encounter using a unique APeX SmartPhrase. If documented appropriately, and the visit is successfully billed as a shared visit, UCSF is reimbursed at 100% of the physician fee schedule or 85% for Medicare only. Medi-Cal reimburses at the same rate for the physician and AHP regardless of the type of visit. For shared visits, 60% of the wRVUs in funds flow will be allocated to the physician and 40% will be allocated to the AHP.

II. AUDIT PURPOSE AND SCOPE

The workflow was initially scheduled to roll out in March 2017; however, due to delays there was a bill hold until the second go-live in December 2017.

The purpose of this review was to assess the process and documentation of billing for visits that had AHP involvement between April – June 2018 in the following departments:

- Neuro Spine Parnassus 3
- Orthopedic Arthroscopy Mission Bay
- Orthopedic Sports Mission Bay

Hospital Billing, Emergency Department, Bay Children's Hospital Oakland, non-E/M visits (e.g. procedures) and scope of practice were all excluded from the scope of our review.

A judgmental sample was performed for these three departments, which were selected because they focused on areas identified as having potential concerns and had higher instances of AHP involvement. Additionally, sampling was performed for the specified period to ensure the data reflected the workflow post go-live. Insofar as funds flow activity was tested, A&AS did not validate that the payments based on RVUs are correct due to ongoing work in that area. The review of funds flow was limited to reviewing the process as it fits within the AHP Billing model as a whole.

Procedures performed as part of the review included interviewing UCSF process owners for AHP credentialing and enrollment, billing and coding; reviewing routing and processing of charges to validate that billing logic is complete, accurate and sufficient to ensure proper billing; and assessing UCSF monitoring of AHP billing to ensure issues are identified and rectified in a timely manner.

Work performed was limited to the specific activities and procedures described above. As such, this report is not intended to, nor can it be relied upon to provide an assessment of compliance beyond those areas specifically reviewed. Fieldwork was completed in December 2018.

III. SUMMARY

Based on work performed, the billing logic has been successfully implemented within APeX and there are documentation guidelines available to assist in the AHP billing process.

Opportunities for improvement exist in the areas of process documentation and monitoring and communication of AHP billing procedures.

The specific observations from this review are listed below.

A. Monitoring and Communication of Procedures

1. There are inconsistencies in the use of SmartPhrases and claim routing relating to the type of AHP visit.
2. The MD AHP Shared Visit Compliance Report generated to monitor AHP billing compliance is not being utilized on a regular basis or optimized to monitor whether AHPs are documenting appropriately.
3. Providers are not given the opportunity to address APeX documentation issues in a timely manner as use of the AHP SmartPhrase does not affect the billing logic on the claim.
4. Office of Medical Affairs and Governance (OMAG) is not always notified when an AHP transfers from one department to another which could lead to denials.

B. Process Documentation

5. AHP Billing policies and procedures have not been updated since the 2017 APeX update.
6. As the AHP billing process was updated, concurrent process documentation of the updates did not occur which impaired the understanding of potential downstream effects.

Additionally, during the course of this review, a potential opportunity for improvement was noted for enhanced process efficiency. Continuous monitoring and reassessment of the AHP billing should occur as the process continues to evolve.

IV. OBSERVATIONS AND MANAGEMENT CORRECTIVE ACTIONS ("MCA")

A. Monitoring and Communication of AHP Billing Process Functions

No.	Observation	Risk/Effect	Recommendation	MCA
1	***There are inconsistencies in the use of SmartPhrases and claim routing relating to the type of AHP visit.*** Of the 30 samples reviewed for E/M visits involving an AHP, the following exceptions were found: <u>AHP Visits with Independent SmartPhrase</u> • There was one instance where the AHP documented the visit as an independent AHP visit and no documentation from the MD was included, but an external coding vendor changed the visit to a "forced shared visit." <u>AHP Visits with Differing SmartPhrases</u> • 11 samples contained conflicting SmartPhrases, representing a difference in whether the visit was interpreted as independent or shared by the AHP and MD. • There were eight instances where the AHP indicated a shared visit in the note, but the claim was submitted as an independent visit due to a missing MD SmartPhrase. <u>AHP Visits without AHP SmartPhrase</u> • There were five instances where no SmartPhrase was used to indicate the type of visit (independent vs. shared). All of these visits were submitted as independent. <u>AHP Visits with Scribes</u> • Seven out of nine samples that utilized a scribe resulted in claims submitted as an independent visit, though the note contains "shared" language. These exceptions suggest that the SmartPhrase used by the AHP does not drive the final claim for reimbursement. Further, at the time of review, the inconsistencies were not being addressed or resolved. However,	Using the appropriate language to indicate the type of visit as well as the appropriate SmartPhrase is critical for accurate billing of AHP visits for Medicare. Inconsistencies in the SmartPhrase used during a visit indicate deviation from approved workflows and could invite additional scrutiny.	Inconsistent documentation in the progress note and the disparate use of the appropriate SmartPhrase by AHPs, physicians and scribes should be addressed by performing further training to promote compliance and consistency in documentation. Improving the technical solution would enhance the likelihood of increased compliance with the workflow, which is otherwise challenging to remember for all parties involved.	The inconsistencies in SmartPhrase usage will be reviewed in: • Biannual Advanced Practice meetings (April and October) • Monthly Advanced Practice Newsletter • Advanced Practice SharePoint site (April 2019) The AHP billing tip sheets will be redistributed and any outstanding questions addressed. The AHP visits identified as having inconsistent SmartPhrases were reviewed by CECP and no Medicare overpayments were identified. Revenue Cycle Management will communicate with vendors to ensure coding staff are appropriately trained on UCSF AHP billing policies. **Target Completion Date:** October 2019

No.	Observation	Risk/Effect	Recommendation	MCA
	examination of these discrepancies showed no overpayments have been made. Possible reasons for a discrepancy between the SmartPhrase and what was actually billed on the claim include copying and pasting a SmartPhrase (which causes the SmartPhrase to lose functionality), insufficient documentation in the progress note to merit a shared visit as determined by coding review, or a visit beginning as an independent visit evolved into a shared visit, or vice versa. The various inconsistencies in the progress note and SmartPhrase documentation by the AHP and the physician may demonstrate a lack of clarity or confusion in how to document appropriately during a shared visit.			**Responsible Party:** Director of Advanced Practice in conjunction with Revenue Cycle Management
2	***The MD AHP Shared Visit Compliance Report generated to monitor AHP billing compliance is not being utilized on a regular basis or optimized to monitor whether AHPs are documenting appropriately.*** "MD AHP Shared Visit Compliance Report" contains relevant information to help assess whether AHPs and physicians are documenting and billing correctly for services. However, based on interviews with various process owners, no regular reports are being reviewed that are specific to AHPs to address concerns. Moreover, there are known data integrity issues in the report. In the course of our review, we noted that the report may show the SmartPhrase as missing when it was actually present in the note. A new report is currently being built and tested.	The AHP Report is a valuable tool that could be used to monitor areas for improvement. By not utilizing the report, there are missed opportunities to identify discrepancies in the process. However, data inaccuracies make the report less usable for issue identification.	The updated AHP monitoring report should be reviewed for data integrity, and used for subsequent monitoring to address issues within the AHP documentation process. The option of embedding the SmartPhrase in the workflow and requiring selection should be considered.	The availability of the Shared Visit Compliance Report in APeX will be announced at the biannual Advanced Practice meetings as well as in the monthly Advanced Practice Newsletter. On a regular basis, the Director of Advanced Practice will distribute to providers who are non-compliant and work to identify drivers of non-compliance. **Target Completion Date:** August 2019 **Responsible Party:** Director of Advanced Practice
3	***Providers are not given the opportunity to address APeX documentation issues in a timely manner, as use of the AHP SmartPhrase does not affect the billing logic on the claim.***	The lack of timely feedback, makes it difficult for providers (either	Regular feedback should be provided on AHP shared visits to	The Director of Advanced Practice will distribute a wRVU attribution report directly to AHPs when

No.	Observation	Risk/Effect	Recommendation	MCA
	Although training on documentation procedures in APeX for visits involving AHPs in included in onboarding procedures for AHPs and has been provided for physicians, there is currently no feedback mechanism to providers when incorrect SmartPhrases are used. While feedback on shared AHP visits through the funds flow process is available via reports on wRVUs, which is one of the metrics used to demonstrate the value they provide to the organization, details on visit type are not provided. AHPs do have wRVU goals, but use of the AHP SmartPhrase is not critical to the APeX billing logic. Additionally, providers are not uniformly able to see the implication of wRVU attribution. This causes issues in the reinforcement of training and the feedback loop to providers regarding documentation.	AHPs or physicians) to correct issues going forward and increases the likelihood that there are a larger number of corrections needing to be made.	address any questions or issues about the process and to promote appropriate documentation during the shared AHP visit.	requested to address non-compliant billing. **Target Completion Date:** August 2019 **Responsible Party:** Director of Advanced Practice
4	***Office of Medical Affairs and Governance is not always notified when an AHP transfers from one department to another which could lead to denials.*** The department or unit at UCSF Health that an AHP is associated with has a unique Tax Identification Number (TIN). During our interview with OMAG, it was noted that AHPs sometimes transfer units without notifying the appropriate parties. When this occurs, they will be associated with the incorrect TIN, resulting in a denial on the claim. Additionally, state regulations require that a Delegation of Services Agreement (DSA) be executed to delineate the services that a supervising physician "delegates" to a PA. The DSA is ideally filled out upon transfer to a new department.	Without timely notification that an AHP is transferring departments, claims are at risk of being denied if the AHP is identified with an incorrect TIN. Further, monitoring of the AHP billing process and funds flow attribution is impaired when it is unclear in which department an AHP works.	There should be a process to automatically inform all necessary parties once an AHP transfers to another department or unit.	The Committee on Interdisciplinary Practice (CIDP) Chair will work with Human Resources (HR) to develop a process for providing OMAG with the job description to identify an AHP's department at on-boarding and upon any subsequent changes. **Target Completion Date:** September 2019 **Responsible Party:** CIDP Chair

B. Process Documentation

No.	Observation	Risk/Effect	Recommendation	MCA
5	***AHP Billing policies and procedures have not been updated since the 2017 APeX update.*** **AHP Billing Policy** UCSF Medical Center Policy 3.08.01, "Nurse Practitioners and Physician Assistants as Billing Providers," was last updated in 2011 and does not include billing information. It provides guidance on the eligibility of AHPs to bill for independent and shared services. Tip sheets were created to address the 2017 APeX update, but these updates have not yet been incorporated to provide guidance for all process owners involved. Upon review of the policy, the following issues were identified: - A "charge encounter form" is referenced but no longer in use at UCSF - It is incorrectly stated that "reimbursement will be made directly to the physician, organized outpatient clinic or hospital outpatient department utilizing the PA," which should be updated to reflect the UCSF funds flow model. - There are several broken or non-functioning links referenced in the policy that should be updated or removed if no longer relevant. - Department Names or units should be updated (i.e., "UCSF Medical Group Credentialing" has merged with Office of Medical Affairs & Governance (OMAG). Further, it was noted during our interviews with CECP and OMAG that providers are not submitting required forms as required by the policy. **Funds Flow Model Guide** The UCSF Funds Flow Model Guide ("Model Guide") was last updated in 2016. A point person in the Faculty Practice Organization has been designated to address the areas pertaining to AHPs, but it is only detailed in the Technical Documentation and not documented in the Model Guide.	Without a consistent and updated policy documenting the process for AHP billing, inconsistencies and inefficiencies in workflow could occur. Insufficient or outdated documentation presents challenges in monitoring, management and improvement of processes. Moreover, with the expansion of AHP billing, there needs to be a consistent and well-documented process in place.	Specific updates to the AHP Billing Policy should be documented to address the issues, and the policy should be updated to reflect Centers for Medicare & Medicaid Services (CMS) Guidance. This may require dividing the policy to address different functions within the process. Additionally, language from the Funds Flow Technical Guide should be incorporated into the Funds Flow Model Guide to ensure consistency.	The current policy will be rescinded and separated into separate documents. One guidance document will address AHP billing procedures specifically and another will address other functional areas of the AHP billing process to include CECP and OMAG involvement. **Target Completion Date:** October 2019 **Responsible Party:** Director of Advanced Practice in coordination with Chief Healthcare Compliance & Privacy Officer and OMAG
6	***As the AHP billing process was updated, concurrent process documentation of the updates did not occur which impaired the understanding of potential downstream effects.***	Not clearly documenting changes in the	As part of this review, A&AS developed a	The process flow will be maintained and updated as needed on a periodic basis

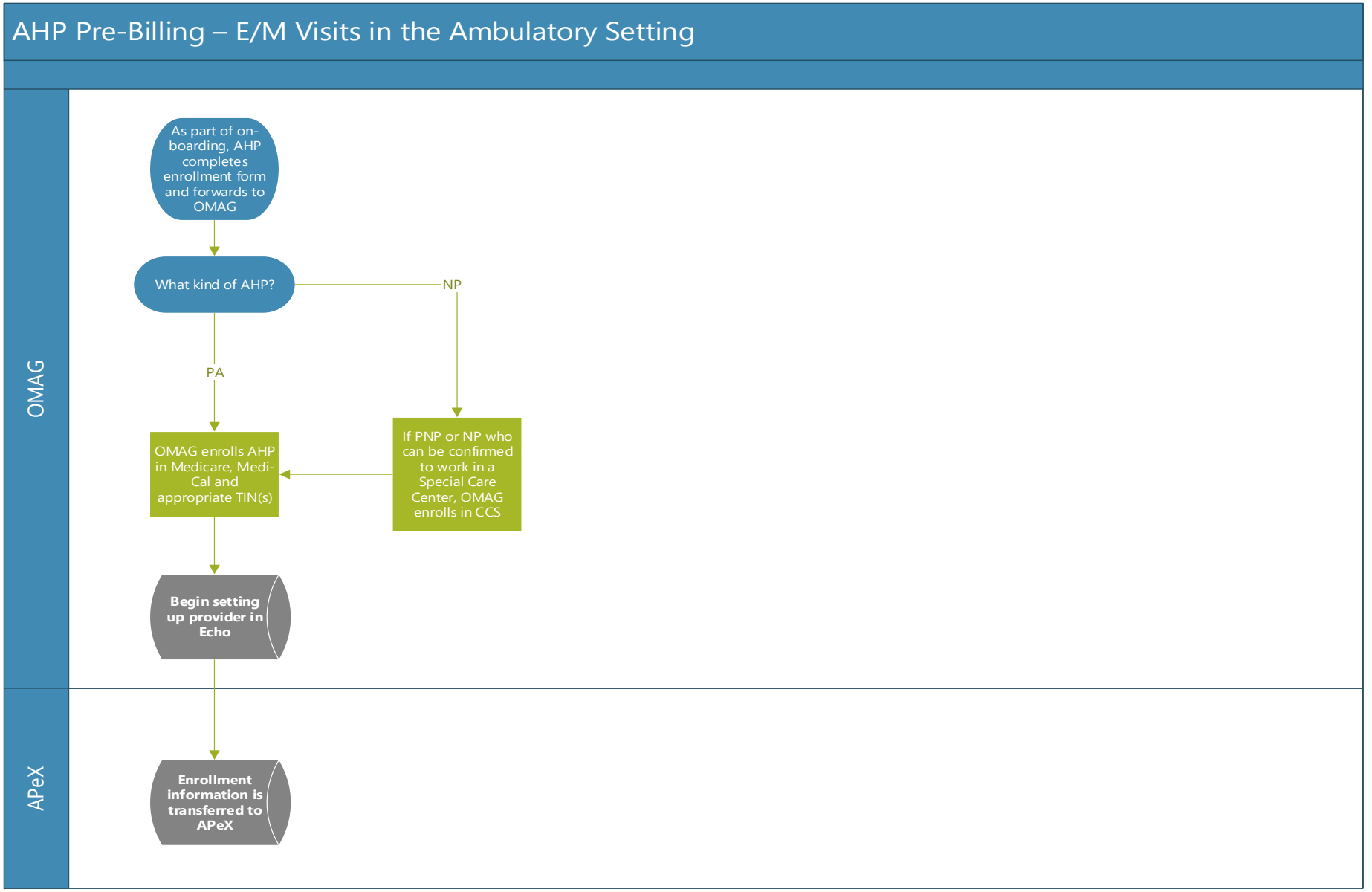
No.	Observation	Risk/Effect	Recommendation	MCA
	The new workflow for AHP shared visits was introduced in March 2017 with the goal of achieving billing compliance and standardization. There was a subsequent bill hold until December 2017, as the billing logic required more work and the physicians needed more time to adjust to the new process. Process owners involved in the AHP billing process update in APeX included: **Process Owner** / **Responsibility** Clinical Systems/APeX — Backend logic within APeX Revenue Integrity/Coding — Coding and workqueue review Office of Medical Affairs & Governance (OMAG) — Credentialing/Provider Enrollment Faculty Practice Organization (FPO) — wRVU calculation and funds flow Medical Group Business Services (MGBS) — Billing and claims submission Office of Advanced Practice — Monitoring, training, communication Each of the various groups involved with the AHP billing logic update met regularly to discuss updates, but process documentation from each group was not created. A process flow outlining all aspects of the process, from pre-billing until funds flow, should have been performed to not only visually illustrate how the process flows, but also to communicate changes effectively. Documentation of the process updates are essential to obtaining an understanding by all process owners and end users of new requirements and understanding of internal controls.	AHP billing procedures as they occur could cause downstream impacts, because changes may not be communicated clearly or efficiently collaboration in the on-going monitoring of the process may be prevented.	process flow that incorporates the functional processes from the back-end logic in APeX to funds flow (attached in Appendix A), but it will need to be managed and updated going forward.	going forward. **Responsible Party:** Executive Vice President, Physician Services

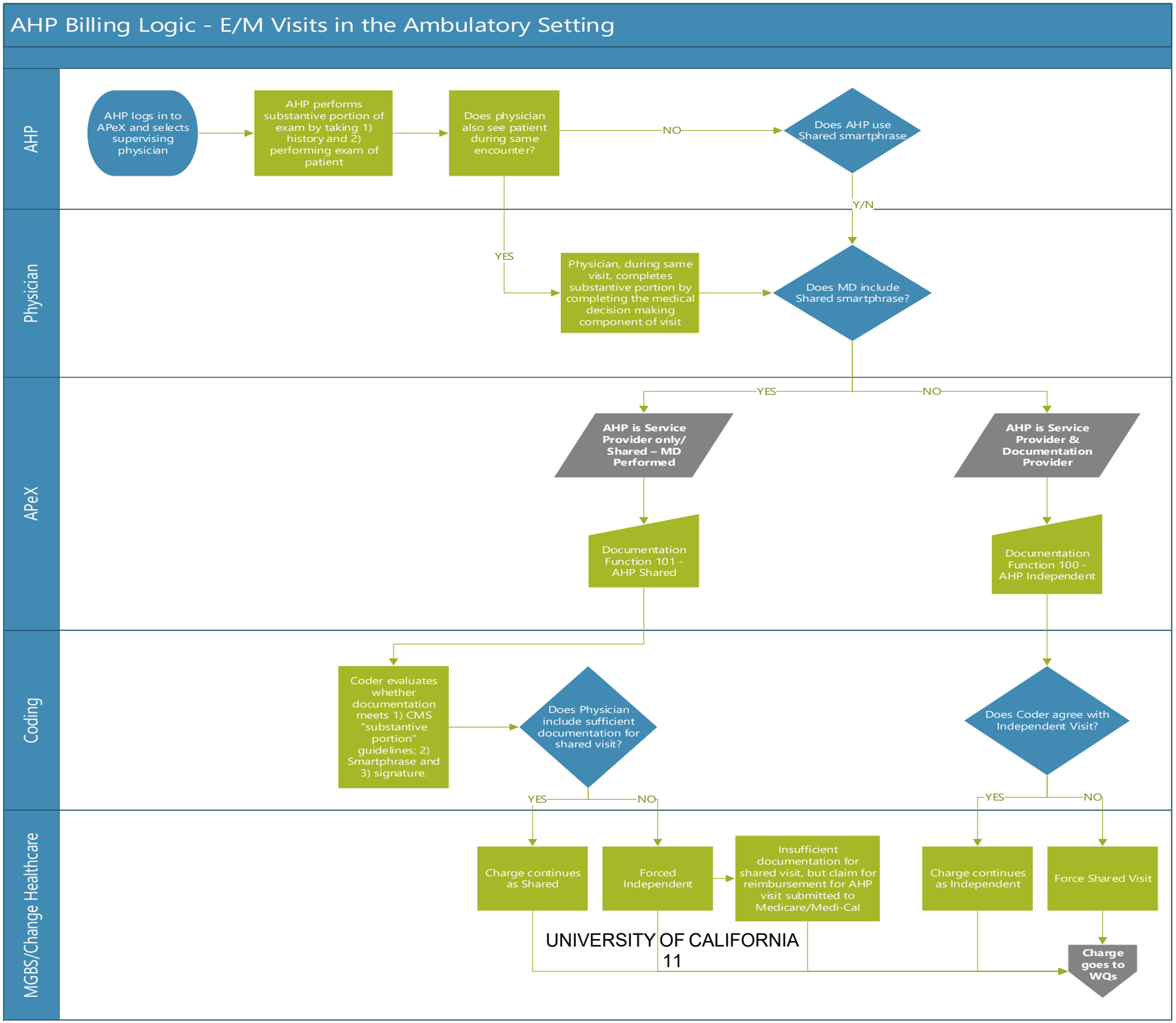
V. OPPORTUNITY FOR IMPROVEMENT

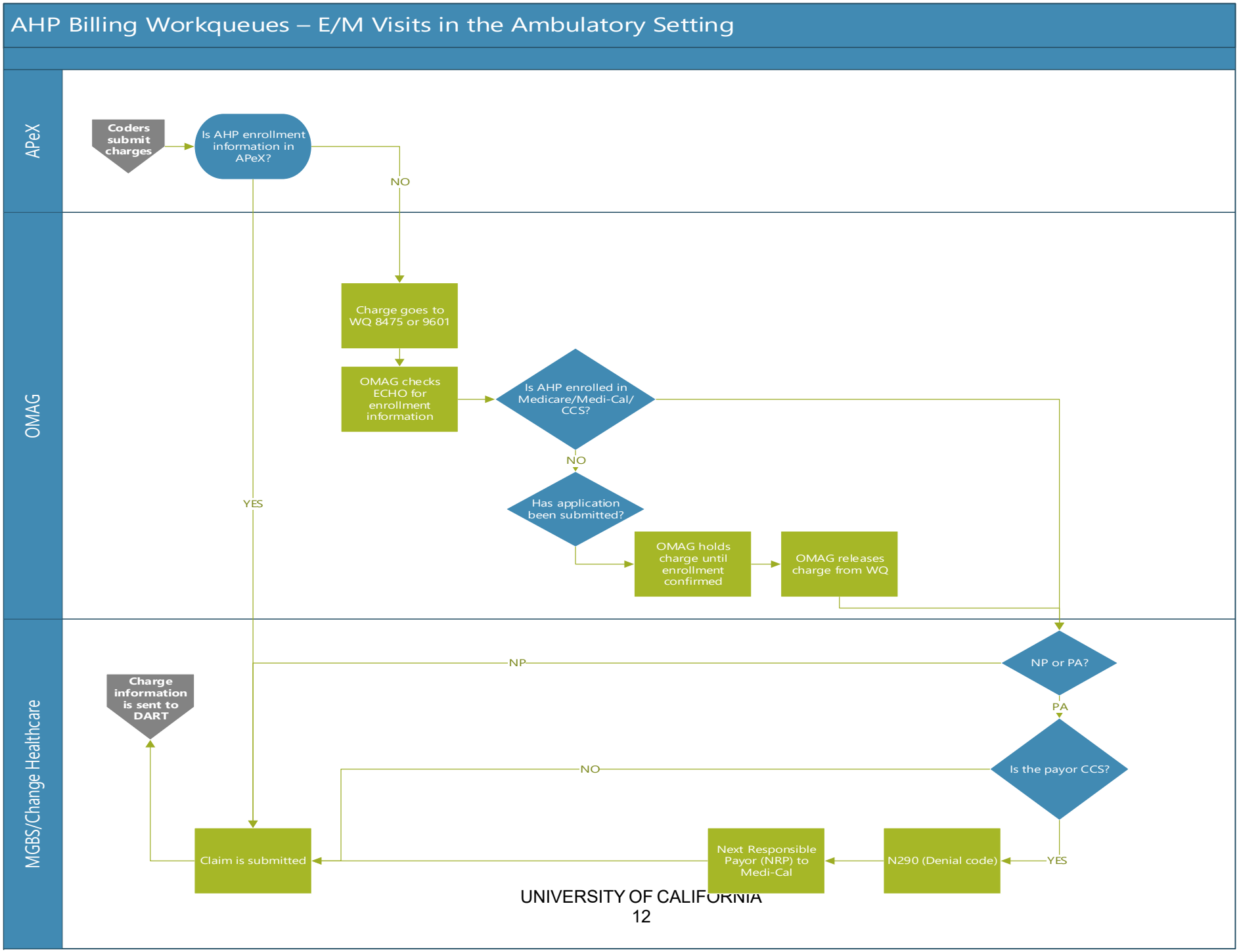
No.	Observation	Risk/Effect	Recommendation
1	***Continuous monitoring and reassessment of the AHP billing should occur as the process continues to evolve.*** As the whole AHP billing process continues to refine its workflow, the process remains in flux, making it challenging to perform continuous review. At the time of review, Revenue Integrity has begun to monitor to ensure appropriate charge capture. Oversight of this process should be in place to ensure that continued review, as well as documentation of that review, occurs. Additionally, the new AHP	Without a holistic approach to consistently and regularly monitor the AHP billing process, the risk of inaccurate and delayed billing is	Ongoing evaluation of the process should be conducted with all relevant groups involved.

	billing process has not been fully incorporated into funds flow, but efforts are ongoing. Lastly, as we receive feedback from CMS on the process as to whether AHPs are billing correctly, reassessment of the process should occur to address any issues.	increased, which could potentially lead to improperly submitted claims.	

Appendix A: AHP Billing Process Flow




AHP Billing Logic - E/M Visits in the Ambulatory Setting
AHP
Physician
APeX
Coding
MGBS/Change Healthcare
AHP logs in to APeX and selects supervising physician
AHP performs substantive portion of exam by taking 1) history and 2) performing exam of patient
Does physician also see patient during same encounter?
NO
Does AHP use Shared smartphrase
Y/N
YES
Physician, during same visit, completes substantive portion by completing the medical decision making component of visit
Does MD include Shared smartphrase?
YES
NO
AHP is Service Provider only/ Shared – MD Performed
AHP is Service Provider & Documentation Provider
Documentation Function 101 - AHP Shared
Documentation Function 100 - AHP Independent
Coder evaluates whether documentation meets 1) CMS "substantive portion" guidelines; 2) Smartphrase and 3) signature.
Does Physician include sufficient documentation for shared visit?
Does Coder agree with Independent Visit?
YES
NO
YES
NO
Charge continues as Shared
Forced Independent
Insufficient documentation for shared visit, but claim for reimbursement for AHP visit submitted to Medicare/Medi-Cal
Charge continues as Independent
Force Shared Visit
Charge goes to WQs


AHP Billing Workqueues – E/M Visits in the Ambulatory Setting
APeX
OMAG
MGBS/Change Healthcare
Coders submit charges
Is AHP enrollment information in APeX?
NO
YES
Charge goes to WQ 8475 or 9601
OMAG checks ECHO for enrollment information
Is AHP enrolled in Medicare/Medi-Cal/ CCS?
NO
Has application been submitted?
OMAG holds charge until enrollment confirmed
OMAG releases charge from WQ
NP or PA?
NP
PA
Is the payor CCS?
NO
YES
N290 (Denial code)
Next Responsible Payor (NRP) to Medi-Cal
Claim is submitted
Charge information is sent to DART

AHP Billing – Funds Flow for E/M Visits in the Ambulatory Setting