UNIVERSITY OF CALIFORNIA, SAN FRANCISCO

AUDIT AND ADVISORY SERVICES

Langley Porter Psychiatric Hospital & Clinics
Financial Management Review

Project #19-059

November 2018

University of California
San Francisco

Audit & Advisory Services
UCSF Box 0818
1855 Folsom Street
San Francisco, CA 94143
tel: 415.476.3851
fax: 415.476.3326
www.ucsf.edu

November 2, 2018

Sheila Antrum
Senior Vice President / Chief Operating Officer
UCSF Health

SUBJECT: LPPH&C Financial Management Review

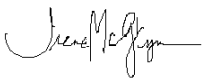
Audit and Advisory Services ("A&AS") conducted a review of the financial management processes at Langley Porter Psychiatric Hospital & Clinics (LPPH&C). The purpose of this review was to assess the internal controls and processes in place to appropriately allocate expenses between clinic-related and Department-related activities and to assess controls to appropriately capture revenue received at LPPH&C.

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 (the "IIA Standards").

Our review was completed and the preliminary draft report was provided to department management in October 2018. Management provided us with their final comments and responses to our observations in October 2018. 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

EXECUTIVE SUMMARY

I. BACKGROUND

At the request of Senior Management, Audit and Advisory Services (A&AS) conducted a review of financial management processes at Langley Porter Psychiatric Institute (LPPI) in Fiscal Year 2019.

LPPI was founded in 1941 as California's first neuropsychiatric institute. In 1973, the Institute was formally transferred to the control of the University of California and merged with UCSF's academic Department of Psychiatry. Together they provide services in the fields of child, adolescent, adult and geriatric mental health. LPPI continues its mission today, which is focused on research (basic, translational, clinical), teaching, patient care and public service.

LPPI is comprised of the Langley Porter Psychiatric Hospital & Clinics ("LPPH&C" or the "Clinic") and Langley Porter Instruction & Research (the "Department"), both located at 401 Parnassus with an independent hospital license. Though LPPH&C began its integration with the UCSF Medical Center in 2015, financial management within the Department of Psychiatry, LPPH&C and with UCSF Health is still bifurcated. Psychiatry has not yet adopted the clinical funds flow model under UCSF Health, which was implemented to create greater financial alignment among the School of Medicine, Clinical Departments and the Medical Center.

LPPI receives revenue from various funding streams, including clinical and affiliation revenue, general state appropriations, campus core funds, gifts, endowments and sponsored project support. Financial positions for both LPPH&C and the Department from fiscal years (FY) 2016 – 2018 are shown below:

LPPH&C	FY 2016	FY 2017	FY 2018
Total Operating Revenue[1]	$20,334,934	$26,703,785	$23,860,273
Operating Expenses	$28,404,973	$34,760,002	$34,119,671
Net Income/(Loss) from Operations	($8,070,039)	($8,056,217)	($10,259,398)

Department of Psychiatry	FY 2016	FY 2017	FY 2018
Total Operating Revenue	$128,504,281	$129,208,217	$139,009,145[2]
Operating Expenses	$125,789,238	$132,876,123	$141,709,863
Net Income/(Loss) from Operations	$2,715,043	($ 3,667,905)	($2,700,718)

[1] Includes $2.5 million in teaching support

[2] Increase in revenue in FY18 due to notable increases in: 1) MC-strategic support of $1.5M, 2) Affiliations/Contract revenue of over $3.3M, 3) sponsored project revenue of over $3.7M , and 4) an increase in general state appropriations

Net Transfers [3]	$2,553,295	$2,049,954	$109,802
Increase/(Decrease) in Net Position	$5,268,338	($1,617,951)	($2,810,520)

It should be noted that the figures above for both LPPH&C and the Department of Psychiatry were drawn from PeopleSoft General Ledger system. The Department uses the SOM Dean's Office PLUS system for financial monitoring which may have some variances due to timing difference of transactions posting.

The higher than anticipated deficit for LPPH&C can be attributed to unforeseen circumstances (e.g., provider departures that reduced productivity volumes and revenues) and delayed timing where the benefits and impact will appear in FY19. LPPH&C consists of an adult inpatient unit, an adult Partial Hospitalization Program, and adult/child outpatient services accounting for more than 20,000 visits per year. Specific programs within its operations are: Adult Intensive Outpatient Program, Adult Psychiatry, Attending Service, Cancer Center – Psychiatric Services, Psychiatry Oncology, Outpatient Electroconvulsive Therapy, Eating Disorders, Child Psychiatry, Autism and Faculty Private Practice (FPP).

In the FPP, patients are seen by faculty in Langley Porter facilities, normally outside of normal clinic hours. Revenue generated from these visits flow through to the Department of Psychiatry as part of the Faculty Compensation Plan distribution. Physicians typically schedule these patients on their own, and these encounters are documented in APeX. In FY18, FPP revenue totaled $1,708,264.

As part of this review, two programs within LPPH&C - Autism and Young Adult and Family Center (YAFC) - were selected for detailed financial review. These programs primarily serving children and adolescents provide assessments, psychotherapies, group support and medication treatments. One service in particular provided by the Autism Program is Intensive Family Training (IFT), which are sessions with parents and caregivers to support the patients as well as promote family growth and development. These sessions are led by Board Certified Behavioral Analysts (BCBAs) and a speech pathologist. Recently, as a result of various outreach efforts, the Autism program began seeing international patients in FY18.

II. AUDIT PURPOSE AND SCOPE

The purpose of this review was to evaluate the processes in place to appropriately allocate expenses between hospital/clinic-related and non-clinical/Department-related activities and to assess controls to appropriately capture revenue received at LPPH&C. The two programs within the scope of our review are the Autism Program and YAFC.

[3] Includes funding transfer for Dean's Office support commitments

The scope of the review covered transactions and activities between FY16 - FY18.

Procedures performed as part of the review included: interviews with clinic personnel and walkthroughs to 1) understand resource, effort and space allocation methodology and 2) determine sources of revenue; and evaluating controls to appropriately capture revenue. Furthermore, in reviewing Faculty Private Practice, procedures performed were limited to assessing the patient assignment process and expense allocation.

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 September 2018.

III. SUMMARY

Based on work performed, LPPI has demonstrated efforts to align with UCSF Health, and has identified and separated expenses between its clinical and non-clinical activities to ensure an accurate reflection of its robust operations. The specific observations from this review are listed below.

A. Expense Allocation

1. LPPH&C personnel effort is not being allocated with complete accuracy to either clinical or Department activities.
2. LPPI is a mixed-use facility whereby both clinical and instruction and research activities occur, creating challenges in appropriate and accurate space allocation.
3. For one program reviewed, expenses are not being matched with the related revenue for non-clinical activity.
4. Recharges of office equipment utilized by both LPPH&C and the Department have not been occurring or calculated with complete accuracy.

B. Tracking of Revenue

5. In the absence of adopting Central Scheduling, reconciliation of charges between the scheduling and billing of patients is not occurring, creating challenges in accounting for all patient revenue due to LPPH&C.
6. There is a lack of clarity into whether international patients should be billed for facility fees, which delayed the collections process for these patients.
7. Co-payment collection rates are below target, resulting in additional administrative billing costs and potential missed revenue.

C. Faculty Private Practice (FPP)

8. FPP does not operationally align with UCSF Health, creating challenges for LPPH&C in tracking its revenue.
9. There is a lack of clarity as to how patients are selected and assigned to the FPP.
10. The FPP Clinic, though a Department activity, utilizes LPPH&C-designated space and staffing resources.

Additionally, during the course of this review, potential opportunities for improvement were noted for enhanced process efficiency. Non-physician Practitioners (NPPs) performing services in the Autism Program are not credentialed as part of the UCSF Health Medical Group, and thus are unable to bill independently for their services. As a result, there are inefficiencies in clinic workflow. Additionally, there is a high percentage of cancelled visits in the Autism Program, which requires further analysis to determine whether it is inflated when re-booked appointments are taken into account and how cancelled appointments impact access to services and revenue to LPPH&C

Recommendations for improvement and management corrective actions are outlined below in Section IV. Observations and Management Corrective Actions and Section V. Opportunities for Improvement.

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

A. Expense Allocation

No.	Observation	Risk/Effect	Recommendation	MCA
1	***LPPH&C personnel effort is not being allocated with complete accuracy to either clinical or Department activities.*** There is a historical practice of charging personnel expenses to the Department when clinicians were hired for solely clinical activities, which had caused LPPH&C and Department funds to blend. In an effort to allocate effort more precisely, Department Finance and Administration conducted an analysis during FY 2018 to identify all Psychiatry Department personnel involved in clinical programs and their percentage of effort allocated to LPPH&C. The allocation is documented in a position chart and identified an estimated 5.05 FTE of unfunded effort by Department staff for UCSF Health activities such as coordination of clinical staff hiring; scheduling of patient appointments; administrative duties and general oversight and governance activities. Though this analysis has been shared with LPPH&C Administrative personnel for review and assessment, complete agreement as to effort allocation has not been achieved. Our review of the position chart did highlight that one departmental administrative officer's effort (10%) allocated to clinical activity was not accurate as this was for scheduling the faculty member's private patients and not UCSF Health patients. Additionally, there is a need for greater clarity in determining the Department Chair's and Chief of Staff allocation of effort related to clinic activities in terms of whether this should be direct charging or part of program infrastructure support allocation.	Without a consistent methodology, agreed upon by both LPPH&C and the Department of Psychiatry, to allocate effort and thereby expenses between clinical and non-clinical activities, inaccuracies in the allocation of funds and reporting of costs may result.	The position chart should be dually reviewed by LPPH&C and the Department to validate its accuracy and make adjustments to effort/salary allocations accordingly, and determine whether certain duties/functions performed by Department personnel can be transferred to LPPH&C or vice versa. Effort allocation should be reviewed quarterly to ensure that activities performed by LPPH&C and Department personnel are accurate.	An initial review of personnel effort was conducted in August 2018. Another review after current recommended changes have been made will be initiated to determine appropriate clinical effort allocation for Department employees — both those paid for by UCSF Health and those paid for by the Department that will guide future quarterly reviews and LPPH&C budget development for FY20. **Target Completion Date:** November 30, 2018 **Responsible Party:** Executive Director of Clinical Operations at LPPH&C in conjunction with the Associate Chair, Administration & Finance, Department of Psychiatry

No.	Observation	Risk/Effect	Recommendation	MCA
2	***LPPI is a mixed-use facility whereby clinical, instruction and research activities occur, creating challenges in appropriate and accurate space allocation.*** The building at 401 Parnassus houses all LPPI activities, including patient care, research (clinical and non-clinical), and instruction. A space allocation analysis was last performed in January 2017 whereby 69% of space was allocated to LPPH&C, and 31% was allocated to non-clinical usage. As some spaces are commonly used for both clinic and non-clinical activities, it is difficult to allocate space with complete accuracy. Based on interviews conducted, the space allocation methodology does not necessarily align with the level of activity that occurs. An assumption that existed during the space allocation analysis was that a space would automatically be designated as clinical space, and subsequently allocated fully to LPPH&C, regardless of the actual percentage of clinical activity occurring. A more recent space audit was conducted in September 2018, for which the same approach was used, resulting in slight change from the January 2017 figure to 68% clinical and 32% non-clinical.	Without a more accurate activity-based methodology in assigning space for clinical or non-clinical use, UCSF Health may be incorrectly absorbing the costs.	An evaluation of the assumptions used to determine space allocation between clinical and non-clinical activities should be performed in conjunction with clinical schedules.	a) The current binary system of accounting of space as LPPH&C versus non-LPPH&C will be replaced by a clinical activity assignment based approach. This new approach will improve the accuracy of space utilization data by parsing out all activities conducted in a given space. The newly developed clinical activity coefficient shall be applied to all spaces at 401 Parnassus for future space audits. b) Quarterly reviews will be performed to accurately quantify LPPH&C's space footprint. **Target Completion Date:** Next audit will be performed by December 28, 2018; Quarterly meetings to review any changes to space allocation will be established by March 31, 2019. **Responsible Party:** Executive Director of Clinical Operations at LPPH&C in conjunction with the Associate Chair, Operations, Department of Psychiatry

No.	Observation	Risk/Effect	Recommendation	MCA
3	***For one program reviewed, expenses are not being matched with the related revenue for non-clinical activity.*** One activity within the Autism Program is Intensive Parent Training (IPT) whereby parents or caregivers of patients are educated on managing the patient at home.[4] The therapy sessions are led by the NPPs, including two BCBAs and a speech pathologist. IPT invoices are prepared by personnel whose effort is fully allocated to LPPH&C, but the revenue from IPT flows through to the Department via a training account. At the time of review, IPT revenue totaled $59,609, with 294 hours of dedicated clinician time. Apart from this, no other clinical staff interviewed indicated that they conducted non-clinical activities. Conversely, a Research Assistant whose effort is allocated to the Department stated that she assists in child care activities for the clinic, but we did not find this to be significant as it occurred one to two hours per week.	Without revenue and expenses being charged to the same account, it is difficult to determine the true cost of the program and its viability.	A process should be developed for either transferring the revenue from the IPT activity to LPPH&C as non-patient revenue or estimate clinician and support staffs' effort spent and recharge costs to the Department.	a) During the review, Administration & Finance, Department of Psychiatry initiated a transfer of IPT expenses from LPPH&C. b) On a quarterly basis with an annual true up, expense transfers from LPPH&C for effort on the Department side will be initiated. The Autism Clinic will provide an annual estimate of activity to guide LPPH&C budget development going forward. **Target Completion Date:** March 31, 2019 **Responsible Party:** Executive Director of Clinical Operations at LPPH&C in conjunction with the Associate Chair, Administration & Finance, Department of Psychiatry

[4] Intensive Patient Therapy is not billable to insurance as there is no CPT code for this service and so this is chargeable to the patient

No.	Observation	Risk/Effect	Recommendation	MCA
4	***Recharges of office equipment utilized by both LPPH&C and the Department have not been occurring or calculated with complete accuracy.*** Personnel from both LPPH&C and the Department utilize the same printers located in the clinic, though LPPH&C has not recharged printing costs to the Department. Based on interviews with the Clinic Coordinator of the Autism Program, there are two centralized printers utilized by both clinic and Department staff. However, as indicated by the operating income statements, there are no recharges to the Department for their use of the printers.	LPPH&C has not been recharging the Department for use of the LPPH&C printers, resulting in total costs being borne by the clinic.	LPPH&C should perform a review of printing cost allocation, and determine a methodology for recharging and allocating printing costs to the Department, and vice versa where clinic personnel use Department printers/copiers.	All LPPH&C-related office equipment expenses are reviewed and approved by the Executive Director of Clinical Operations at LPPH&C. The threshold for any LPPH&C-related office equipment expenses is that the equipment must be associated with 50% or greater direct patient care. With the establishment of a new chart of accounts for both the Department and LPPH&C, copiers, printers, and scanners will be linked to each respective cost center. This will allow for an accurate expense allocation for LPPH&C. This linking will take place over the next 60 days. **Target Completion Date:** December 28, 2018 **Responsible Party:** Executive Director of Clinical Operations at LPPH&C in conjunction with the Associate Chair, Operations, Department of Psychiatry

B. Tracking of Revenue

No.	Observation	Risk/Effect	Recommendation	MCA
5	***In the absence of adopting Central Scheduling, reconciliation of charges between the scheduling and billing of patients is not occurring, creating challenges in accounting for all patient revenue due to LPPH&C.*** Prior to the adoption of APeX in 2015, providers maintained their own schedules. Beginning in January 2018, a pilot program for providers to adopt Central Scheduling in APeX was launched. However, none of the Child Behavioral Service providers (31), have adopted Central Scheduling as part of their normal business operations, and the practice has not been enforced. Instead, providers in the Autism and YAFC Clinics continue to schedule appointments themselves or through support staff in the clinic. Interviews with clinic personnel indicated that scheduling within the clinic is more efficient, and provide better patient experience. They did however, confirm that patients from these clinics are scheduled within APeX as well as encounters are documented in APeX. Bypassing Central Scheduling has allowed providers to hold varied clinic hours. Due to the lack of visibility into provider schedules, we were unable to clearly delineate between providers' clinic and non-clinic hours, or between UCSF Health patients and FPP patients, respectively. Consequently, it is difficult to reconcile UCSF Health patient revenue when there are inconsistencies and a lack of visibility into the scheduling process.	The lack of transparency into provider schedules results in a lack of accountability and accuracy in reconciling charges. Inconsistencies in patient scheduling prevent tracking of both UCSF Health and Faculty Private Practice patient visits and revenue obtained as a result.	The adoption of Central Scheduling should be considered to align with UCSF Health.	a) There is not a direct link between the Scheduling Center and the hours of the providers. The division between LPPH&C and faculty private practice should be clarified. b) All appropriate LPPH&C clinics and providers will use centralized scheduling by March 30, 2019. **Target Completion Date:** Clarification of division between LPPH&C and Faculty Private Practice by December 31, 2018; Adoption of centralized scheduling throughout LPPH&C by March 30, 2019 **Responsible Party:** Executive Director of Clinical Operations at LPPH&C
6	***There is a lack of clarity into whether international patients should be billed for facility fees, which delayed the collections process for these patients.*** International patients seeking care at UCSF are managed by the International Services Department including advanced collecting of fees for services and billing. During FY18, three international	Inconsistencies in how collections are handled as well as the lack of communication on the correct HB charge protocol has	Patient Financial Services should have a clear policy on discounts for International Patients, to include charges for E/M	The Executive Director of Clinical Operations at LPPH&C will meet with the International Services group and relevant clinical program leadership to determine the policy for working with

<table>
<tr>
<td></td>
<td>patients sought services from the STAR Center in the Autism Program.

For standard commercial patients, the technical fee for evaluation and management (E/M) services is automatically adjusted and written off since these charges are normally covered in the provider reimbursement rate. International patients, however, are self-pay and the automatic adjustment does not apply.

At the time of review, all three international patients had an outstanding balance, with the breakdown as follows:

<table>
<tr><th>International Patient</th><th>Outstanding Balance</th></tr>
<tr><td>PATIENT A</td><td>$9,726.42</td></tr>
<tr><td>PATIENT B</td><td>$770.00</td></tr>
<tr><td>PATIENT C</td><td>$4,193.60</td></tr>
<tr><td>TOTAL</td><td>$14,690.02</td></tr>
</table>

Collections for International Patient A’s payment was directed back to the provider in the Department of Psychiatry for follow-up, yet there remains a balance that includes both PB and HB charges. It is not clear what follow-up action has been taken as collection efforts are not recorded in the patient account in APeX.

For International Patients B and C, the remaining balance is reflective of professional billing (PB) charges, as HB charges have been written off.</td>
<td>caused confusion, incorrect write-offs and a delay in collecting payment for international patients</td>
<td>technical and professional fees. This policy should be communicated to all parties involved in the care of international patients.

Follow-up or regular communications should be established with Department liaison on outstanding balances.</td>
<td>international patients and ensure that management and support staff are trained.

Target Completion Date:
December 21, 2018

Responsible Party
Executive Director of Clinical Operations at LPPH&C in conjunction with Patient Financial Services</td>
</tr>
<tr>
<td>7</td>
<td>Co-payment collection rates are below target, resulting in additional administrative billing costs and potential missed revenue.

The Autism and YAFC Clinics have not been meeting the UCSF Health’s co-payment collection target of 80%. Copay collection</td>
<td>The low collection rates results in additional administrative costs in billing for missed revenue for the Autism and YAFC</td>
<td>A root cause analysis as to why the co-payment collection rate is not meeting the target should be performed, with the</td>
<td>An A3 session is in the planning stages which will involve the Autism team and LPPH&C intake staff to identify possible tactics to improve copays.</td>
</tr>
</table>

	rates for the programs during the month of August 2018 are below, and are reflective of historical trends: **Department Name / Total Visits with Copay due / Total Visits with Copay Collected / Total Amount of Copay due ($) / Total Amount of Copay Collected ($) / Average of Copay Collected (%)** **Autism** 84 55 1,720 1,165 65 **YAFC** 14 6 340 150 43 Analysis of the copay collection rate has not been performed to determine the reason for the collection percentages. Further, interviews with Front Desk staff revealed that patients may be bypassing registration. Autism and YAFC are clinics whose patients are primarily youth, and they often check into the clinic without a parent or caretaker who would ordinarily handle the co-payment and assist in the check-in process.	Clinics and for LPPH&C overall.	results communicated to the individual clinics. There should be training of Front Desk staff on collecting co-payment at time of service and on how to document in APeX the reason a co-payment was not collected.	**Target Completion Date:** February 28, 2019 **Responsible Party:** Executive Director of Clinical Operations at LPPH&C

C. Faculty Private Practice

No.	Observation	Risk/Effect	Recommendation	MCA
8	***FPP does not operationally align with UCSF Health, creating challenges for LPPH&C in tracking its revenue.*** Since 2015, efforts have been made to align LPPI with UCSF Health. However, there are a number practices that have yet to be aligned, namely: • The Department of Psychiatry is the sole Department within the School of Medicine to allow its faculty to see patients in their private practice. The other departments have discontinued this practice, and the Department of Psychiatry remains an outlier in this regard. • There is a lack of clarity surrounding FPP in the Compensation Plan, as it does not explicitly define FPP or its parameters, creating challenges to the overall accountability and governance of this activity.	Without clear parameters that define FPP, there is a lack of transparency, accountability and governance of this activity, which creates challenges in aligning with UCSF Health.		An in-depth review of current practices shall be conducted. A guidance document will be drafted and implemented that governs the intake of patients into LPPH&C as well as the Faculty Private Practice. Efforts to reinforce conducting FPP outside of clinic hours will be undertaken. No changes will be contemplated to the Department's Compensation

No.	Observation	Risk/Effect	Recommendation	MCA
	• Psychiatry is not within the clinical funds flow model, which further prevents synergies with UCSF Health.			Plan until the Department is better informed. **Target Completion Date:** January 31, 2019, with implementation and rollout in FY20 **Responsible Party**: Associate Chair, Administration & Finance, Department of Psychiatry in collaboration with Executive Director for Clinical Operations, LPPH&C
9	***There is a lack of clarity as to how patients are selected and assigned to the FPP.*** Thirty-nine physicians currently participate in FPP, with total revenue from this practice totaling just over $1.7 million. The billing of FPP patients is performed by MGBS and the revenue for FPP encounters flows through to the Department via the Compensation Plan. During our interview with the Director of the YAFC Program, it was unclear as to how patients are determined to be a patient within FPP (a non-UCSF Health patient) or an established UCSF Health patient. All of this particular physician's patients were his FPP patients.	Without a clear process on delineating private patient versus an established UCSF patient, there is a risk that patients are diverted and UCSF Health is not realizing the full patient revenue it is due.	The Department and LPPH&C should consider evaluating to define FPP patients and the circumstances as to how they are chosen and assigned.	The guidance document referenced above in Observation 8 – MCA will be drafted and implemented to govern the intake of patients into both LPPH&C and the Faculty Private Practice. **Target Completion Date:** January 31, 2019 **Responsible Party**: Associate Chair, Administration & Finance, Department of Psychiatry and Executive Director for Clinical Operations, LPPH&C
10	***The FPP Clinic, though a Department activity, utilizes LPPH&C-designated space and staffing resources.***	University resources are at risk of being inappropriately	When performing expense allocation between clinical and	Space usage for the FPP will remain as is for FY19. Work will be conducted to formulate

No.	Observation	Risk/Effect	Recommendation	MCA
	In terms of space allocation, FPP is not treated separately from LPPH&C. FPP occurs outside of clinic hours, but these visits physically occur within LPPH&C facilities. Because any space within the building that is utilized for any percentage of clinical use is allocated to LPPH&C, the actual percentage is misrepresented. Additionally, the Director of YAFC utilizes his administrative assistant, a University employee, for scheduling the appointments for his FPP.	utilized in the absence of a consistent and agreed-upon methodology in allocating space to this activity.	non-clinical activity, assumptions and methodology for both effort and space allocation should be discussed and aligned.	a percentage whereby LPPH&C will be reimbursed for expenses associated with supporting the FPP, to be applied in FY20. FPP activity will be quantified in future space audits of 401 Parnassus. This quantification will account for the time dedicated to FPP activity. By separating out FPP activity versus other types of activity, a proper allocation of expenses can be assessed between LPPH&C and non-LPPH&C. **Target Completion Date:** Draft guidance document to be completed by January 15, 2019; Reimbursement policy in place for LPPH&C by July 1, 2019 **Responsible Party**: Associate Chair, Operations, Department of Psychiatry in collaborations with the Executive Director for Clinical Operations, LPPH&C

V. OPPORTUNITIES FOR IMPROVEMENT

No.	Observation	Risk/Effect	Recommendation
11	***Non-physician Practitioners (NPPs) are not credentialed as part of the UCSF Health Medical Group, and thus are unable to bill independently for their services.*** The Autism Program employs two Board Certified Behavior Analysts ("BCBAs") and a speech pathologist who provide patient care but are not credentialed by the UCSF Medical Group, as it is UCSF policy to credential only licensed practitioners. Accordingly, these NPPs are unable to bill independent visits, and must bill under the psychologist on staff who attests to these types of visits as documented in APeX. This has prevented UCSF from receiving reimbursement for the NPP's services. Further, interviews with staff involved indicated that patient volume and access to services are impacted if they are unable to bill independently for their services, and it is inefficient for the sole psychologist on staff to be required to attest to their services.	The inability of BCBAs to bill for their independently performed services creates inefficiencies in the workflow of the clinic, as there is only one psychologist to attest to all BCBA visits.	LPPH&C should determine how certified practitioners can be credentialed and/or discuss with Contracting on initiating negotiations with payers for reimbursement for BCBAs.
12	***There is a high percentage of cancelled visits in the Autism Program, which may impact access to services and revenue to LPPH&C.*** Analysis of visit data was performed to see how many visits were entered late, which would affect whether charges are timely dropped ensuring revenue flow. In our analysis we noted that for FY18 34% of visits were cancelled. Out of the total number of cancelled visits, 47% of all cancelled visits were due to the patient cancelling for personal reasons, transportation issues, or lateness.	High appointment cancellation volume may negatively impact patient access to care, and could lead to inaccurate capture of patient volume and revenue.	The Executive Director for Clinical Operations, LPPH&C will work with the Autism Clinic to perform analysis to determine if cancelled visits were subsequently rescheduled for a more accurate representation of the impact on patient access to care. Similar analyses should also be conducted for all other outpatient clinics.