UCIRVINE | INTERNAL AUDIT SERVICES

Meaningful Use Incentive Program

Internal Audit Report No. I2014-204

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INTERIM CHIEF INFORMATION OFFICER
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RE: **Meaningful Use Review**
      Report No. I2014-204

Internal Audit Services has completed the review of the Meaningful Use incentive program and the final report is attached.

We extend our gratitude and appreciation to all personnel with whom we had contact while conducting our review. If you have any questions or require additional assistance, please do not hesitate to contact me.

Mike Bathke

Mike Bathke
Director
UC Irvine Internal Audit Services

Attachment

C: Audit Committee
    Terry Belmont, Chief Executive Officer, UC Irvine Medical Center
    Charles Boicey, Project Manager - Clinical Informatics, IS Project Management
    Dr. Roger Crumley, Interim Director, University Physicians and Surgeons
    Linh Sithihao, Information Security Officer, Health Affairs Information Services

I.   MANAGEMENT SUMMARY

In accordance with the fiscal year (FY) 2013-2014 audit plan, Internal Audit Services (IAS) reviewed the UC Irvine Health Meaningful Use (MU) incentive program, and related management practices. A majority of the audit test work focused on the MU Eligible Provider (EP) incentive program, involving clinicians in ambulatory services. In general, the MU EP incentive program has been effectively managed using the Allscripts Electronic Health Records (EHR) system (internally known as Quest) for capturing and reporting attestation data to the Center for Medicare and Medicaid Services (CMS) and the State of California Department of Health Care Services (DHCS). However, certain aspects of MU EP operations could be enhanced to assure consistency and accuracy in provider eligibility identification, enrollment, and attestation processes as follows.

EP Enrollment and Attestation Reconciliations – A periodic reconciliation of MU-enrolled and attested providers to identified EPs, coupled with the retention of supporting documentation may provide greater assurance that MU incentive payments are maximized. This observation is discussed in Section V.1.

MU Staffing Resources – Additional staffing resources may be needed in Provider Relations and other areas to accommodate added work responsibilities from MU program activities. This observation is discussed in Section V.2.

MU Documentation – Better documentation of EP eligibility identification, enrollment, and attestation processes may improve the consistency and continuity of MU operations over time and assure conformity with CMS and DHCS requirements. This observation is discussed in Section V.3.

II.   BACKGROUND

The MU incentive program was established as part of the American Recovery and Reinvestment Act of 2009 (ARRA) provisions included in the Health Information Technology for Economic and Clinical Health Act (HITECH Act). In general, the MU incentive program offers a pre-defined schedule of payments to EPs, eligible hospitals (EHs), critical access hospitals (CAHs), and Medicare Advantage Organizations that adopt the use of EHR in their clinical settings. The primary goal of MU is to improve the quality of health care by encouraging

health services organizations to adopt and leverage the use of EHR and related health information technologies.

The MU incentive program is offered under both Medicare and Medi-Cal (i.e., Medicaid). CMS manages the Medicare MU program and DHCS manages the Medi-Cal MU program, with CMS support. To facilitate a complex transition from paper-based to electronic health records, CMS has proposed separate MU incentive programs for EHs and EPs, and a three-stage, multiple year approach within both programs to gradually increase EHR utilization. EHs may qualify for both Medicare and Medi-Cal MU incentive programs; conversely, EPs can only enroll in one of the two programs, even if eligible for both.

To qualify for incentive payments, EHs and EPs must demonstrate "meaningful use" of their EHR systems to CMS and/or DHCS by passing several requirements at each program stage. For example, MU Stage 1 focuses on structured data capture and sharing. Enrolled EHs and EPs must successfully complete and attest to a pre-defined number of "core" measures, elective "menu" measures, and clinical quality measures (CQMs) pertaining to data capture and sharing. A Health Insurance Portability and Accountability Act (HIPAA) security analysis must also be completed as part of the attestation process.

UC Irvine initiated the MU incentive program in 2011 by implementing a certified EHR system. EH and EP attestations under MU Stage 1 began in 2012. The MU incentive program is led by a UC Irvine Health Affairs Information Services (HAIS) project manager, who is assisted by a small number of HAIS employees. Three Provider Relations employees have also had a significant role in MU Stage 1 operations in determining EP eligibility, enrolling EPs, and attesting for EPs (by proxy) to CMS or DHCS. As of the audit date, UC Irvine Health had received approximately $9 million in payments from CMS, and will be eligible to receive approximately $20 million in total from the MU incentive program. CMS payments will help to defray the cost of the EHR system.

III.   PURPOSE, SCOPE AND OBJECTIVES

The primary purpose of the audit was to determine that current processes are adequate to assure that CMS criteria under the MU incentive program are complied with, incentive payments are maximized, and audit-imposed penalties are avoided.

In general, the audit scope focused on a high-level review of MU implementation processes for the EH and EP incentive programs and the HIPAA security risk analysis. Additional detailed audit test work focused on EP eligibility identification, enrollment, and attestation processes, and verification of certain EP "core" measurements.

The audit included the following objectives:

1. Determine that governance, planning, and monitoring processes of the MU EH and EP incentive programs ensure that CMS criteria are complied with, incentive payments are maximized, and audit-imposed penalties are avoided;

2. Determine that control measures in place are adequate to ensure the complete and accurate identification of EPs;

3. Verify that control measures in place can provide reasonable assurance as to the completeness and accuracy of EP enrollment and attestation;

4. Verify the completeness and accuracy of EP attestations to certain MU "core" performance measures; and

5. Verify the completion of the MU HIPAA Security Risk Analysis.

IV.   CONCLUSION

In general, implementation processes for the MU incentive program appear to be successful. As of the audit date, EH and EP attestations for MU Stage 1, Years 1 and 2 have been completed. Additionally, CMS has completed reviews of MU Stage 1, Year 1 attestations for eight UC Irvine EPs. The reviews concluded that all eight clinicians had successfully met CMS criteria.

However, enhancements in EP enrollment and attestation reconciliation processes, staffing resources, and process documentation efforts may further strengthen the MU incentive program.

Observation details were discussed with management, who formulated action plans to address the issues. These details are presented below.

V.   OBSERVATIONS AND MANAGEMENT ACTION PLANS

1. EP Enrollment and Attestation Reconciliations

Background

The MU project management team works closely with Provider Relations to identify providers who are eligible for the Medicare or Medi-Cal MU incentive programs. After an MU-eligible EP has been identified and notified, Provider Relations logs into the CMS or DHCS website and enrolls the provider in the MU incentive program. At the same time, Provider Relations attests to the provider's successful completion of the MU "core," "menu," and CQMs. The attestation process serves to confirm to CMS or DHCS that the provider has successfully demonstrated "meaningful use" of certified EHR technology. Incentive payments are made by CMS to UC Irvine Health for each provider's successful attestation.

Observation

The project management team has centralized most MU operations, enabling strong managerial controls over EP identification, enrollment, and attestation processes. However, the MU project management team did not periodically perform reconciliations of enrolled/attested EPs to MU-eligible EPs. Internal controls can be further enhanced to provide assurance that all identified MU-eligible EPs are enrolled and attested.

a. To ensure that every identified MU-eligible EP is accounted for, a reconciliation of enrolled/attested EPs to MU-eligible EPs should be periodically completed. Ideally, the reconciliation would be performed by

an employee who is independent from, or has limited involvement in other MU processes.

b. To facilitate the reconciliation process, the identification, enrollment, and attestation of each eligible EP should be documented. Print screens of enrollment/attestation data should be obtained and/or confirmations from CMS/DHCS retained to support the tracking of each EP's enrollment/attestation.

Processes to document and reconcile each MU-enrolled and attested EP may provide a higher level of assurance that MU criteria are complied with, incentive payments are maximized, and future audit-imposed penalties are avoided.

Management Action Plan

a. Before the end of the MU reporting period, Clinical Informatics (CI) will reconcile two separate eligibility lists that are generated from the billing and credentialing systems, respectively. This reconciliation will ensure that all EPs were accounted for and included in the master eligibility list prior to attestation. Afterwards, a second reconciliation will be performed. A member of CI will compare a list of completed registrations and attestations to the master eligibility list to make sure that all EPs were registered and attested.

b. During the registration and attestation process, additional detailed confirmation documentation is collected. Because Medicare and Medi-Cal MU programs have different registration and attestation steps, each program has a different workflow. Medicare MU registration and attestation involves far fewer steps than Medi-Cal MU attestation.

For Medicare MU, provider registrations are completed through the CMS website. A screenshot will be taken of each successful registration. Attestations are completed immediately afterwards. As each provider attestation is completed, a screenshot will be taken of the final webpage. Both of these screenshots will be dated and stored electronically in a file for each provider.

For Medi-Cal MU, there is a 24-48 hour waiting period after each registration is completed through the CMS website to ascertain whether the registration has been accepted by DHCS. A screenshot will be taken of each successful registration. In addition, DHCS sends an email to confirm each successful registration of a provider.

For Medi-Cal MU-eligible EPs, the CMS website screenshot will be retained with the confirmation e-mail as proof of each provider's registration. After the registration is completed, attestation can be completed through the State Level Registry (SLR) website. After the attestation is completed, a screenshot will be taken of the final attestation webpage. All of the documentation will be dated and stored electronically in a file for each provider.

2. MU Staffing Resources

Background

At the inception of the MU incentive program, the project management team had to determine and delegate roles and responsibilities. Provider Relations was asked to assist in the identification, enrollment, and attesting of EPs. However, Provider Relations' staffing levels were not increased; MU responsibilities were added to the existing responsibilities of Provider Relations employees.

Observation

Additional staffing resources may be needed in Provider Relations to accommodate the department's additional workload resulting from significant participation in MU operations.

During 2012-13 MU Stage I operations, a Provider Relations assistant director and two staff members spent a significant amount of time with EP identification, enrollment and attestation processes. As a result, other daily work responsibilities became backlogged.

In MU Stage 2 operations (starting in 2014), EPs will be required to demonstrate "meaningful use" of certified EHR technology for a larger percentage of their patients. Due to an increase in the size and complexity of

the MU incentive program going forward, additional staffing may be required to provide timely and accurate information to support EP attestations.

Management Action Plan

Two temporary employees have been hired to assist Provider Relations and the project management team in MU Stage 2 operations. One employee will assist Provider Relations in completing various tasks, and the other will work directly with the project management team to help in the quality checking of all reports and documentation prior to attestation. The cost of the temporary employees will be charged to the MU project.

3. MU Documentation

Background

With the advent of the MU incentive program, the project management team was challenged to quickly implement new processes and procedures to support MU. Unfortunately, specific information was not provided by either CMS or DHCS on how to implement an MU program. In addition, CMS changed several program requirements after the commencement of MU. As a result, there was little time available for the project management team to document specific processes and procedures in MU Stage 1 operations.

Observation

Documentation of MU processes and procedures for the identification, enrollment, and attestation of eligible EPs could be improved. Due to limited documentation of MU Stage 1 processes and procedures and changes in team members, the project management team had difficulties articulating to IAS how certain MU Stage 1 processes were completed.

The development of written procedures by the project management team for certain established, ongoing MU processes is a best practice to ensure consistency and continuity in the MU incentive program and conformity with CMS requirements.

Management Action Plan

The project management team will develop an MU process manual that documents all of the steps involved in the MU project, from the initial identification of eligible providers to attestation completion. First, a project management team member will document the steps taken to extract data from the billing system to determine each provider's initial MU program eligibility. Then, Provider Relations will document the steps required to determine a provider's employment status. Another project management team member will outline the steps required to complete the full list of providers that meet MU eligibility requirements, and document the process of collecting MU report data that is used to create the final reports used in the attestation process. Finally, Provider Relations and the project management team will document the process of completing the attestation through the CMS or SLR websites, and document the attestation confirmation process.

The management team is planning to complete the MU process manual as MU Stage 1 is completed, and repeat the whole process at the start of MU Stage 2. This plan will ensure that process descriptions match the actual workflow as closely as possible. The estimated date of completion for the manual is May 2014.