

Compliance Programs = the Connection between Clinical and Financial

Everyone Plays a Role in Compliance, but It Is
the Compliance Officer Who Must Facilitate
the Discussion



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Why do we have compliance programs and compliance officers? What was missing in the health care industry that created the need to have a new executive-level position with independence from even legal and financial operations? I often raise and discuss these questions when reviewing and discussing the effectiveness of a compliance program. I explain that the compliance program is developed to bridge the gap between clinical and financial.

There really has not been a forum where clinical personnel become aware of and sit in the same room with the patient financial services billers or denial management personnel to discuss what errors are occurring on the claim. Some organizations have revenue cycle type committees, or perhaps, as part of the Charge Description Master (CDM), or chargemaster, maintenance process a committee to bring together and connect clinical and financial; however, something was missing. The discussion around documentation and coding cannot be done in a silo without considering and connecting the rules and regulations and what is ending up on the claim.

It is important for compliance officers to ask themselves, how well does the compliance program bridge the gap between clinical and financial areas at your organization?

I recently had a chief financial officer (CFO) challenge me on why the compliance officer cannot report to him. He seemed offended at the notion that he was not trusted to “do the right thing” and be allowed to oversee the compliance officer. He quickly calmed down when I explained this is not a matter of not trusting him but a matter of independence. The compliance officer

has to be able to function and operate in an independent manner, similar to why you have internal audit function to test controls in an independent manner.

It is important for the organization to demonstrate that its compliance officer has the independence and authority to approach an investigation or audit with the focus on submitting correct claims without necessarily worrying about the financial impact or defending the organization from a legal perspective. The question can come down to simply: should we have received this payment? If the answer is “No, we should not have received this payment,” then the compliance officer needs to confirm: Did we pay it back? Or when are we paying it back? How are we paying it back? Who is paying it back? And when will we receive confirmation that it has been paid back?

The compliance program is effective when the compliance officer can independently facilitate the discussion and ask those questions with “no skin in the game.” Let’s face it, when errors are discovered, the discussion around how long have we

been doing this incorrectly and how far back do we need to go, when discussing if a self-disclosure is needed, is a difficult discussion usually at first.

The compliance program should include documentation of specialized compliance training which links clinical and financial personnel to learn what on the claim was wrong or not supported by the clinical documentation and coding? How does that information get onto the claim, and who needs to be educated, so that we do not repeat our mistakes? How do we monitor this area to ensure the necessary controls are in place to prevent future errors? Everyone has their role in this discussion, but it is the compliance officer who can stay focused and facilitate this discussion to protect the organization from compliance risks and government enforcement.

In the end, everyone is responsible and accountable for compliance results, but it is the compliance officer who takes responsibility for the compliance program design and infrastructure to effectively connect clinical and financial areas to reduce compliance risks.

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