# Basic Audit and Data Analysis

*Standard opening (lead-in music)*

**Canned:**   This is a Medicaid Program Integrity Podcast. The Centers for Medicare & Medicaid Services developed and produced these podcasts to keep you informed about Medicaid program integrity topics.

**Narrator:**   Welcome to the podcast on Basic Audit and Data Analysis. This podcast provides information on Federal guidance for such programs in a health care setting. By being more aware of the program safeguards contained in an effective compliance plan, providers continue to focus on serving the health care needs of their patients. Let's join Dr. Williams, the managing partner of a large family practice clinic, and Carolyn, his office manager, as they discuss their practice's plan to implement a basic audit and data analysis program.

*(End music)*

*Scene – Dr. Williams' private office:*

**Carolyn:**   Dr. Williams, as part of our compliance program,[1] I want to implement a basic audit and data analysis program for our clinic practice. It will help us improve the quality of our health care services and reduce the likelihood of inappropriate activities.

**Dr.:**   That's certainly an important next step for us in our compliance efforts.

**Carolyn:**   I'm glad you think so, too. I'm planning to educate the staff about our new audit program tomorrow during our staff meeting.

**Dr.:**   How can I help?

**Carolyn:**   Well, the primary goal of our compliance plan is to protect the patients we serve and the integrity of our clinic practice. I plan to tell our staff about the importance of this goal and to share the following key messages about the program:

- Data mining and analysis can minimize improper payments;

- Data mining and analysis techniques can be simple to apply, especially given widely available computer software; and

- Data mining and analysis reaps positive outcomes.

To help me understand the topic, I found a booklet on the CMS Medicaid Program Integrity Education (MPIE) website called "Conducting a Self-Audit: A Guide for Physicians and Other Health Care Professionals," and I plan to use it for my presentation tomorrow.[2, 3]

**Dr.:**   Tell me more about this self-audit guide.

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| **Carolyn:** | It lays out why we should do a self-audit. The guide says that implementation of a self-audit program can both prevent and reduce improper conduct. The benefits of following the guidance include: |

- Reducing and preventing improper payments;

- Ensuring that claims submitted are true and accurate;

- Enhancing patient care;

- Optimizing proper claim payment;

- Minimizing billing mistakes;

- Reducing the chances of an external audit;

- Avoiding conflicts with self-referral and anti-kickback statutes;

- Showing a good faith and diligent commitment to a robust compliance effort; and

- Sending the message to staff that while mistakes will occur, employees have a duty to report errors and fraud so they can be corrected.

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| | In short, the booklet reaffirms monitoring is just a good business practice. |
| **Dr.:** | I agree. How will you implement our audit plan? |
| **Carolyn:** | The general steps in the self-audit process are: |

- Identify the risks;

- Audit the risks;

- Document, document, document the audit; and

- Review and act on the results.

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| **Dr.:** | Makes sense. Go on. |
| **Carolyn:** | We will need the help and commitment of all our employees to implement an effective self-audit program. We'll start by identifying our internal risks. The risk assessment seeks to answer two key questions: |

1. Which compliance issues and risks are of greatest concern?

2. Where are we most vulnerable to these risks?

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| **Dr.:** | Certainly, we know our own operations and can do the risk assessment. |
| **Carolyn:** | I agree, and there is a Self-Audit Fact Sheet from the MPIE website that can help.[4] |
| **Dr.:** | Sounds good. |
| **Carolyn:** | I'm also planning to give employees a handout on basic Medicare and Medicaid reviews and audits so they have a better understanding of what external auditors look for when they conduct a review.[5] This will supply additional information on |

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|  | preventing inappropriate activities and will help reinforce the importance we place on our clinic's compliance plan. |
|  | In addition, I downloaded a self-audit resource guide from the MPIE website that I will post to the bulletin board.[6] |
| **Dr.:** | What's in the resource guide? |
| **Carolyn:** | It's a list of resources on compliance that we should find useful in developing our self-audit program, as well as other helpful information. |
| **Dr.:** | Is there anything else? |
| **Carolyn:** | Well, there's one last thing. During my research, I found a link on the MPIE website to a YouTube® video for physicians and other health care professionals about reviews, audits, and investigations.[7] I'm going to encourage our staff to watch it. |
| **Dr.:** | Good work. This internal audit program is important, and I believe it is the right step for us in our compliance efforts. |
| **Carolyn:** | I'm glad you like my approach. It's another step in our ongoing efforts to educate and train staff on our compliance plan and prevent fraud, waste, and abuse in our clinic. |
|  | Do you have any questions or concerns about my plan? |
| **Dr.:** | I don't. I think an effective basic self-audit program will greatly enhance our overall compliance plan. Thank you for developing this approach. I'm looking forward to your presentation tomorrow. |

*(Standard closing with music)*

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| **Canned:** | More questions? For additional information about compliance programs, contact your State Medicaid agency or the Centers for Medicare & Medicaid Services at www [dot] cms [dot] gov. Follow us on Twitter 🐦 #MedicaidIntegrity |

*(Closing music)*

## References

1 U.S. Department of Health and Human Services. Office of Inspector General. Compliance Guidance. (n.d.). A Roadmap for New Physicians. Avoiding Medicare and Medicaid Fraud and Abuse. Retrieved October 27, 2015, from https://oig.hhs.gov/compliance/physician-education/roadmap_web_version.pdf

2 Centers for Medicare & Medicaid Services. cms. gov. Program Integrity: Self-Audit Toolkit. October 27, 2015, from https://www.cms.gov/Medicare-Medicaid-Coordination/Fraud-Prevention/Medicaid-Integrity-Education/audit-toolkit.html

3 U.S. Department of Health and Human Services. Centers for Medicare & Medicaid Services. (2015, February). Conducting a Self-Audit: A Guide for Physicians and Other Health Care Professionals. Retrieved October 27, 2015, from https://www.cms.gov/Medicare-Medicaid-Coordination/Fraud-Prevention/Medicaid-Integrity-Education/Downloads/audit-selfaudit-booklet[April-2015].pdf

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6 U.S. Department of Health and Human Services. Centers for Medicare & Medicaid Services. (2015, February). Government and Professional Sources of Health Care Compliance Self-Audit Information Resource Guide. Retrieved October 27, 2015, from https://www.cms.gov/Medicare-Medicaid-Coordination/Fraud-Prevention/Medicaid-Integrity-Education/Downloads/audit-selfaudit-resourceguide[April-2015].pdf

7 U.S. Department of Health and Human Services. Centers for Medicare & Medicaid Services. (2015, February). Medicare and Medicaid Reviews, Audits, and Investigations: A Primer for Physicians and Other Health Care Professionals. [YouTube Video]. Retrieved October 27, 2015, from https://www.youtube.com/watch?v=xnbJr3ZcnoU

## Disclaimer

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