

**NOYES HEALTH  
CORPORATE COMPLIANCE POLICY/PROCEDURE**

**SUBJECT: Corrective Action**  
**EFFECTIVE DATE: September, 2012**  
**TJC REF: None**

**POLICY: CC-07**  
**ISSUED BY: Administration**  
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**Policy:**

Corrective action shall be implemented as a means of facilitating the overall corporate compliance goal of full compliance with regulatory standards. Corrective action plans should assist the physician and/or staff to understand specific issues or causes underlying noncompliance, and reduce the likelihood of future noncompliance. Corrective action shall be sufficient to effectively address the particular instance of noncompliance and should reflect the severity of the noncompliance and the organization's past adherence to corporate compliance standards.

**Basis for Corrective Action:**

Corrective action will be identified and implemented based on, but not limited to, the following compliance sources:

- corporate compliance workplan audits or monitoring processes that result in insufficient scoring of covered items;
- internal reviews of potentially noncompliant activity reported to the Corporate Compliance Officer or any member of the Corporate Compliance Committee, whether through direct reporting or on the Compliance Hotline;
- external consultants' reports;
- findings, deficiencies, or other determinations of regulatory or law enforcement agencies; or
- patient, resident, or family complaints or billing inquiries.

**Elements of Corrective Action:**

As appropriate, given the nature of the noncompliance, a corrective action plan shall include:

- A statement of each significant discrete problem indentified through a compliance-based investigation or review.
- A statement of resolution for each significant, discrete problem identified.
- A recommendation to repay or not bill inappropriate claims.
- As determined by the Corporate Compliance Officer, a report to appropriate government authorities about the non-compliance.
- A recommended policy and/or procedure to modify relevant billing practices to reduce the likelihood of recurrence and to monitor the organization's adoption of and compliance with the recommendations.
- Additional mandatory education and training for physicians or employees who are the subject of the corrective action.
- Other corrective measures as determined by the Corporate Compliance Officer.

- Focused reviews of an individual physician's, practice group's, or employee's service records for a defined period of time.
- Other reasonable corrective measures calculated to ensure adherence to the Corporate Compliance Plan.

The Corporate Compliance Officer shall follow-up and audit corrective action plans to determine whether the corrective action plan is being followed and is effective. The failure of an individual subject to adhere to the corrective action plan shall be grounds for further corrective action.

Corrective actions shall be in response to noncompliance during a given audit period, but noncompliance in previous audit periods will be considered in deciding upon the appropriate corrective action.

**Guidelines for Corrective Action:**

The following guidelines constitute the minimum action which shall be taken in response to noncompliance. A corrective action plan shall include these elements and whatever additional elements listed above as are appropriate actions under the circumstances:

- Corrective action will be identified by the Corporate Compliance Officer in consultation with responsible employees and department managers.
- Notification to responsible employees and supervisors identifying noncompliant activity and specific requirements for corrective action.
- Remedial education by the Corporate Compliance Officer, designated compliance educator, or department manager.
- Within ninety (90) days after the remedial education is completed, a follow-up audit will be conducted, at which time five (5) or more medical records will be audited for compliance.
- Payment will be refunded for encounters erroneously billed or mis-billed.
- If a claim has been billed but is unpaid, the payer will be notified and the billing withdrawn.
- If the claim has not been billed, then no billing will be made unless and until the Corporate Compliance Officer and Director of Revenue Cycle determine that a correct billing can occur.
- If it is determined, by the Corporate Compliance Officer that an incidence of noncompliance is the result of an employee's intentional, willful, or reckless disregard for the requirements of the Corporate Compliance Plan requirements, including instances where evidence supports a finding that there is a pattern of disregard for the Plan requirements, then the Corporate Compliance Officer shall recommend to the employee's department manager and the human resources department that discipline be imposed including written warnings and progressive discipline, up to and including termination.
- Appropriate discipline will be imposed by the department manager and the human resources department.
- Other action may be implemented as determined by the Corporate Compliance Officer, department manager, and President/Chief Executive Officer, consistent with this policy.

**Severe Noncompliance:**

If the Corporate Compliance Officer determines that a physician's, an office practice's, or an employee's noncompliance at any time involves knowing and willful misconduct, the President/Chief Executive Officer, after consultant with the employee's department manager, may impose whatever corrective action measures are deemed necessary under the circumstances, in addition to those which may otherwise be imposed pursuant to this policy.

**Recommendations for Self-Disclosure:**

- In addition to any repayment necessitated for erroneously billed or mis-billed claims, in cases that reveal patterns or erroneous or mis-billing, and/or cases involving repayments of significant dollar amounts, the Corporate Compliance Officer, after consulting with outside counsel, will make a recommendation to the President/Chief Executive Officer and Board of Directors as to whether it is necessary to disclose the errors, patterns, and/or repayment to a government agency having jurisdiction over the claims or the particular compliance matter.
- In the event that the Board of Directors directs a self-disclosure to be made upon the recommendation of the Corporate Compliance Officer, the Corporate Compliance Officer shall notify the appropriate regulatory agent(s) of the facts and the scope of the potential violation, including the dollar amount of claims involved, and any other information required or appropriate under the self-disclosure guidelines applicable to the particular regulatory agent(s).

In the event that the Corporate Compliance Officer and the President/Chief Executive Officer and/or the Board of Directors do not agree upon a course of corrective action or a recommended self-disclosure in relation to a significant or severe incidence of noncompliance, outside counsel shall be consulted in order to advise on a final determination of corrective action.

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**References:**

*Committee Review: Corporate Compliance Committee*

*Other References:   OIG Compliance Program Guidance for Hospitals (1998)*  
*OIG Supplemental Compliance Program Guidance for Hospitals*  
*(2005) Final Compliance*  
*Program Guidance for Individual and Small Group Physician*  
*Practices (2000)*  
*State of New York Office of the Medicaid Inspector General,*  
*Self-Disclosure Guidance (March 12, 2009)*

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Signature: Amy Dollard Date: 9/27/12