

CORPORATE POLICY

Manual/Library Name: Compliance	No: COMP-RCC 4.46
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Title: Medical Billing Audit	Effective Date: 05/18/2022
	Previous Versions: 1/25/18, 11/1/08
	Approved By: Executive Leadership Team
	Approval Date: 05/10/2022

I. Scope:

This policy applies to Tenet Healthcare Corporation and its subsidiaries and affiliates other than Conifer Holdings Inc. and its direct and indirect subsidiaries (each, an “Affiliate”), any other entity or organization in which Tenet or an Affiliate owns a direct or indirect equity interest of greater than 50%, and any entity in which an Affiliate either manages or controls the day-to-day operations of the entity (each, a “Tenet Entity”) (collectively, “Tenet”).

II. Purpose:

To ensure all Medical Billing Audits are performed efficiently and effectively by a Medical Billing Auditor or a contractor designated by the Facility Chief Financial Officer, thereby, promoting the accuracy and integrity of the facilities operated by a Tenet Entity (each a “Facility”).

A comprehensive medical billing audit program serves to:

- A. Provide the structure by which Facilities may realize organizational benefits through improvements in internal processes;
- B. Improve the customer service relationship by prompt response to patients’ billing questions;
- C. Perform reasonable third-party payer audits in accordance with the provisions set forth herein and as identified in the Third-Party Audit Policy Statement;
- D. Identify deficiencies in charge pathways and processes to strengthen the controls necessary for high-quality fiscal and clinical data.

III. Definitions:

Concurrent Audit: A complete audit of an account to identify charge issues which may indicate deficiencies in charge pathways and processes. A Concurrent Audit is accomplished within 60 days of patient discharge and is normally performed in the calendar month that follows the month of discharge date.

Late Charge: A charge posted to the billing system greater than three days’ post discharge.

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Medical Billing Audit: May include single account audits, patient request audits, Third Party (Defense) Audits and Concurrent Audits. A Medical Billing Audit requires a review of all medical records in detail to compare charges against orders and documentation. The scope of a Medical Billing Audit is limited and is intended to verify charges on the detailed claim are accurate, represent services rendered to the patient, and are ordered by a Physician. A Medical Billing Audit does not assess the “reasonableness” of the charges, or medical necessity related to services provided.

Physician Order: An order from the Physician who is either the Physician admitting the patient to the Facility or the Physician responsible for the patient’s general medical management during the admission/encounter. The order may be electronic, in writing or be a telephone/verbal order as allowed by the Facility’s medical staff by-laws.

Third Party (Defense) Audit: An audit performed by a third party on behalf of a specific payer.

IV. Policy:

Each Facility will establish and maintain a Medical Billing Audit program as an objective means to review and correct individual patient accounts, as well as gather fundamental data to measure the effectiveness and accuracy of charge processes and pathways. All Facilities will utilize Tenet’s charge audit system to document, report, and maintain their Medical Billing Audit activities, as technology permits.

V. Procedure:

A. Internal Audit Requests

Internal single audit requests will be processed at the discretion of the Tenet Entity in accordance with established Facility specific processes.

B. Patient Audit Requests

Patient audit requests related to a complete bill audit or specific itemized charges will be managed by each individual Facility in accordance with Facility specific processes.

C. Third Party (Defense) Audits

A designated Facility person who performs the audit and serves as a liaison with any outside audit party will manage Third Party (Defense) Audits in accordance with third party process requirements.

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D. Concurrent Audits

Concurrent audits are performed by the Medical Billing Auditor in the charge audit system in accordance with defined timeframes. Acute care Facilities with psychiatric, rehabilitation, skilled nursing, or other exempt units are required to perform additional concurrent audits.

1. Audit samples are randomly selected by an electronic audit tool within a defined selection criteria and scored based on a defined scoring scale within the electronic audit tool.
2. Facilities with concurrent audit scores over a defined threshold must submit an action plan with control mechanisms, monitor the effectiveness of action plans and perform continued auditing in accordance with established guidance. Concurrent audit results are reviewed by a Facility Medical Audit Committee who provides analysis and oversight of the audit scores and subsequent action plans.

VI. Enforcement:

All employees whose responsibilities are affected by this policy are expected to be familiar with the basic procedures and responsibilities created by this policy. Failure to comply with this policy will be subject to appropriate performance management pursuant to all applicable policies and procedures, up to and including termination. Such performance management may also include modification of compensation, including any merit or discretionary compensation awards, as allowed by applicable law.

VII. References:

Administration Policy AD 1.11 Records Management and its Records Retention Schedule

National Health Care Billing Audit Guidelines | AAMAS <http://www.aamas.org/news/natl-audits-guidelines.html>

Regulatory Compliance Policy COMP-RCC 4.21 Internal Reporting of Potential Compliance Matters

SOX Control A.02.03 Revenue Charge Capture and SOX Control A.02.06 Midnight Census Control
<https://portal.etenet.com/departments/AuditServices/Pages/Audit%20Resources.aspx>

VIII. Exhibit:

Exhibit A - Use of Medical Records

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In concert with the position taken by the American Hospital Association’s (AHA) publication Billing Audit Guidelines (1992, revised 2009), the Facility does not attempt to make the patient’s medical record a duplicate bill. Rather, the purpose of the medical record is to reflect clinical data on diagnosis, treatment, and outcome. Charges on patient bills may be substantiated by medical/clinical protocols and/or standard hospital practices which are not reflected in the medical records. Furthermore, ancillary departments may have information or documentation not contained in the medical record which may be used to substantiate charges. In a business relationship, the Facility will act in good faith during the course of all transactions involving a patient’s account.