

DEPARTMENT: Regulatory Compliance Support	POLICY DESCRIPTION: Certified External Vendors for Coding Reviews and Related Education for Non-Hospital Entities
PAGE: 1 of 6	REPLACES POLICY DATED: 9/30/03 (HIM.PHY.011), 3/1/06 (GOS.OSG.011) 3/6/06, 7/1/09, 10/15/10, 5/1/11, 2/1/12, 10/1/15
EFFECTIVE DATE: February 1, 2017	REFERENCE NUMBER: REGS.OSG.011
APPROVED BY: Ethics and Compliance Policy Committee	

SCOPE: All personnel responsible for performing, supervising or monitoring coding/claims processing for Non-Hospital Entities including, but not limited to:

Administration
 Ambulatory Surgery Division (ASD)
 Ethics and Compliance Officer
 HCA Physician Services Group (PSG)
 OSG Practice Management, operations, and coding/billing consultants
 Owned Freestanding Outpatient Centers (*i.e.*, ASC, IDTF, physician directed clinics, clinical offices, radiation oncology, catheterization lab)
 Employed Physicians, non-physician practitioners and physicians at teaching hospitals
 Shared Services Centers (SSC)
 HealthTrust Workforce Solutions (HWS) (formerly known as All About Staffing (AAS))

This policy applies to diagnostic and procedural coding and reporting of services.

PURPOSE: To ensure that all external ICD-10-CM and CPT coding reviews of medical records for Non-Hospital Entities and education related to such reviews are compliant with official coding guidelines, Company coding policies, and other regulatory requirements.

POLICY: ICD-10-CM and CPT Coding reviews performed by external vendors should be completed by vendors who have been certified to meet the quality and business practice standards outlined in this policy. Certification of vendors is the responsibility of Regulatory Compliance Support (*Regs*). Contract negotiation is the responsibility of HealthTrust Workforce Solutions (HWS).

This policy applies only to coding reviews for Non-Hospital Entities.

PROCEDURE:

SECTION I: Requesting an External Coding Review

Any entity, provider, practice, Group, Division, Shared Service Center (SSC) or Corporate Department requesting an external coding review of a Non-Hospital entity should first attempt to choose a vendor from the certified vendor list and follow the process outlined below. Section II of this policy outlines the vendor approval process. If a vendor is utilized for an external coding review that is not on the certified vendor list, Attachment D of this policy outlines the approval and monitoring requirements.

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1. Notify the HWS Account Manager of the planned review so the need and scope of the review can be clarified and/or evaluated.
2. Select a vendor from the [certified vendor list](#), available on Atlas, for coding reviews.
3. The facility must make arrangements for the review through HWS, not the vendor directly.
 - a. All arrangements are submitted through an email, electronic format or phone call to the HWS Account Manager.
 - b. Facility completes Attachment C with requirements for steps 2-9 to process request with HWS.
 - c. HWS will take the request and work with all certified vendors then submit profiles to the facility for approval and selection of the candidate.
 - d. If the selected vendor cannot accommodate the request, select another vendor from the list.
 - e. If all certified vendors could not accommodate the request, HWS will contact the Regs Coding Vendor Project Coordinator.
4. HWS will notify Vendor Project Coordinator of review dates including the exit conference.
5. The vendor must *submit within 30 days after the completion* of an assignment, final reports to the entity requester and copies to HWS and Regs as agreed upon.
6. Once HWS has secured a vendor for the dates requested, the facility would provide the vendor contract with any templates for reporting (including any HCA mandatory reporting templates) to avoid duplication of recording and reporting.
7. The entity must keep the Work Order and all supporting documentation (e.g., record pull lists, review logs) to verify appropriate billing by the vendor.
8. Facilities will be responsible for validating charges supplied by the vendor. Facility will not submit payment directly to vendor without consulting HWS.
9. Payment to the vendor for services shall be handled by HWS accounts payable.
10. Potential coding compliance issues are to be resolved at the facility level initially. Those issues which cannot be resolved should be handled through the facilities established channels. Inconsistent coding compliance and low coding quality evaluations, (less than 95% accuracy) may lead to immediate termination of the agreement.

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11. Unresolved concerns regarding the vendor should be communicated as follows:
- a. Unresolved concerns regarding coding recommendations will be forwarded to the Coding Vendor Project Coordinator for resolution.
 - b. Unresolved concerns regarding contract issues should be handled by HWS for resolution. If issues are unresolved, facility should consult the Coding Vendor Project Coordinator.

SECTION II: Certifying a Vendor (This section applies to *Regs* only.)

Regs is responsible for approving all coding review vendors and maintaining the certified vendor list. In addition, vendors requesting to be added to the certified list must contact *Regs*.

1. The entity, Group, Division, HSC or Corporate Department must submit a written request stating the vendor name, address, contact person and the reason they are requesting to use the vendor.
2. Direct requests from vendors to become a certified vendor must be submitted in writing. Direct requests will be considered during open bid periods only.
3. The request must be reviewed and approved by *Regs* and Corporate Legal Counsel.
 - a. If the request is not approved, *Regs* will respond to the requester in writing stating the reason for non-approval. If the request came directly from a vendor, the response should be sent to the vendor.
 - b. If approved, *Regs* will issue a standard Request for Proposal (RFP) requiring the information items listed. (See Attachment A)
4. *Regs* will review responses to the RFP to determine if the vendor meets certification criteria.
5. The following criteria must be met for certification:
 - a. Abide by the Official Coding and Reporting Guidelines, coding advice published in *Coding Clinic for ICD-10-CM, CPT Assistant*, except in the instance of unique payer requirements.
 - b. Abide by Company coding policies.
 - c. Agree to have all work completed by the vendor's agents subject to audit by *Regs*.
 - d. Agree to enter into contracts which will be based on time and materials only in accordance with Company policy.
 - e. Demonstrate acceptable methodology for performing coding reviews.

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- f. Agree to enroll in any Company sponsored education program/orientation sessions as requested.
 - g. Demonstrate that employees are qualified to perform the work.
 - h. Provide employee training and continuing education plan.
 - i. Maintain an internal quality control/compliance program for problem resolution.
 - j. Maintain documented internal coding policies.
 - k. Measure client satisfaction and agree to make results of this available to *Regs* upon request.
 - l. Provide proof of liability insurance (including errors and omissions policy) with minimum limits acceptable to the Company which also covers any subcontractors used by the vendor.
 - m. Receive positive references for services by knowledgeable clients/subject matter experts.
 - n. Agree to 30-day contract cancellation without cause.
 - o. Agree to immediate contract cancellation for contract violation.
 - p. Agree to execute confidentiality statements.
 - q. Provide detailed and summary reports on all work completed in either vendor format or Company format as appropriate.
 - r. Make available and maintain competitive pricing.
 - s. Agree to notify the Company of any vendor merger or acquisition.
 - t. Agree to notify the Company of any external investigation by the Office of Inspector General or other agency for potential fraud and abuse allegations related to coding.
6. *Regs* team members must interview vendors meeting the criteria. Members must agree to approve the vendor.
 7. *Regs* team members including the *Regs* AVP will review the vendor financial information and proposed pricing.
 8. HWS will negotiate a standard contract following terms set forth by Corporate Legal and including the items listed in Attachment B. Contract negotiations will take place following Company policy, which includes contract approval by the Corporate Legal Department. Contract terms will not exceed 36 months.
 9. Upon successful completion of contract negotiations, the entity or other requester of a vendor review will be notified and a contract may be initiated.
 10. All steps in this process must be documented and maintained in the *Regs* vendor file.

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SECTION III: Maintaining the Certified Vendor List

Regs will communicate to HWS all certified vendors and will maintain the certified vendor list as follows:

1. Vendor information, including vendor contacts, contract renewal information, audit results and other pertinent information will be maintained by HWS.
2. *Regs* will track all coding recommendations reported in accordance with department protocol and will be responsible for problem resolution.
3. *Regs* will review the certified vendor project prior to expiration of contracts to achieve the following:
 - a. Evaluate the number of vendors involved and determine if there are adequate numbers to assist in accomplishing the necessary coding reviews and related services. If the need for additional vendors is identified, an open bid period will be announced and the procedure for certifying vendors will be followed.
 - b. Discuss outstanding contract and service issues and determine a plan for resolution.

Contract renewals or extensions are to be approved by *Regs*. Decision for renewal/extension is based on steps 1 - 4 above.

4. All requests for contract termination with certified vendors must be in writing and approved by *Regs*.
 - a. Termination for contract violations may occur immediately.
 - b. Termination for violating federal, state and/or local law may occur immediately.
 - c. Termination for other reasons or without cause requires a 30-day written notice to be sent to the vendor.
 - d. Termination notice and supporting documentation must be maintained in the *Regs* Coding vendor files.
5. Requests received during open bid periods will be processed within 30 business days of receipt. If the request is approved, an RFP will be submitted to the vendor with a return date specified.
6. Vendors submitting requests during non-open bid periods will be informed of the next open bid period during which their proposal will be considered.

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7. *Regs* will update the Certified Vendor for Coding Reviews Policy and Procedure for Non-Hospital Entities and all attachments as changes occur and will communicate these changes throughout the Company following the policy and procedure revision process.

ATTACHMENT A

The following policy statements are required to be included in the Request for Proposal (RFP):

- All vendors chosen must abide by the Official Coding and Reporting Guidelines, coding advice published in *Coding Clinic for ICD-10-CM, CPT Assistant*, and the Company *Regs/Coding* policies.
- All work completed by the vendor's agents may be subject to audit by the Company.
- All contracts will be based on time and materials only in accordance with Company policy. Proposals including fee structures or guarantees based on a percentage of reimbursement recovered will not be considered.
- All vendors must agree to enroll in any Company sponsored educational programs/orientation sessions as requested.
- The following criteria must be met for certification:
 - Abide by the Official Coding and Reporting Guidelines, coding advice published in *Coding Clinic for ICD-10-CM, CPT Assistant*, except in the instance of unique payer requirements.
 - Abide by Company coding policies.
 - Agree to have all work completed by the vendor's agents subject to audit by *Regs*.
 - Agree to enter into contracts based on time and materials only in accordance with Company policy.
 - Demonstrate acceptable methodology for performing coding reviews.
 - Agree to enroll in any Company sponsored education program/orientation sessions as requested.
 - Demonstrate that employees are qualified to perform the work.
 - Provide employee training and continuing education plan.
 - Maintain an internal quality control/compliance program for problem resolution.
 - Maintain documented internal coding policies.
 - Measure client satisfaction and agree to make results of this available to *Regs*.
 - Provide proof of liability insurance (including errors and omissions policy) with minimum limits acceptable to the Company, which also covers any subcontractors used by the vendor.
 - Receive positive references for services by knowledgeable clients/subject matter experts.
 - Agree to 30-day contract cancellation without cause.
 - Agree to immediate contract cancellation for contract violation.
 - Agree to immediate contract cancellation for violation of federal, state and/or local law.
 - Agree to execute confidentiality statements.
 - Provide detailed and summary reports on all work completed in either vendor format or HCA format as appropriate.
 - Make available and maintain competitive pricing.
 - Agree to notify the Company of any vendor merger or acquisition.
 - Agree to notify the Company of any external investigation by the Office of Inspector General or other agency for potential fraud and abuse allegations related to coding.

Information on the following items is required for a vendor to be considered:

Code of Conduct
Mission Statement
Vision Statement
Services to be Provided
Methodology for Providing Services
Value Added Services
National Market Share
Company Market Share (current/former company clients)
Financial Information:
 Current dollar volume in business being performed for the Company
 Current dollar volume in business being performed nationwide
 Expectations in potential business in dollar volume from the Company
 Percentage of business currently dedicated to the Company
Number of Employees
Employee Qualifications
Employee Average Length of Employment (non-management only)
Employee Training and Continuing Education Plan
Business Practice Information:
 Compensation plan for employees providing services
 Outline any incentive or bonus compensation plans
Compliance Program/Internal Quality Control Program
Company Coding Policies
Client Satisfaction Measurement - Methodology
Parent Company Name
Parent Company Address
Key Officers of the Company
Company History
Liability Insurance (*i.e.*, errors and omissions)
References/Client List

Vendors responding should also be agreeable to the following items to be considered (state in RFP):

Contract Terms: The term of agreement is negotiable. However, the contract must include a 30-day cancellation clause to be exercised by either party without cause. Violation of any federal, state, or local laws shall be grounds for immediate cancellation of a contract. The final service agreement will be on the Company format and is subject to approval by legal counsel.

Confidentiality/Security: All service representatives must keep patient information confidential. Access to information systems is granted only on a need to know basis. Proprietary information may not be reproduced or shared outside of the company. Confidentiality statements will be required.

Reports: Reports on services rendered shall be available to the company on a regular basis and shall include a measure of customer satisfaction.

ATTACHMENT B

SPECIFIC CONTRACT ITEMS FOR CERTIFIED VENDORS PERFORMING CODING REVIEWS AND EDUCATION IN CONJUNCTION WITH REVIEWS

The following items must be addressed in all contracts with certified vendors performing coding reviews and education in conjunction with those reviews:

1. The contract must specifically identify the services covered under the agreement. Services that may be performed by the vendor that are out of the scope of the Non-Hospital policies will not be included in these contracts.
2. The contract must include a statement about the minimum knowledge and expertise that a vendor has to perform the work.
3. Responsibilities of the vendor and Company facilities must be clearly defined. The entity's responsibilities must include providing appropriate access to records, information systems and policies.
4. A termination of agreement clause must be included in each contract. This termination must be addressed in two ways:
 - a. Termination of the entire multi-source or preferred arrangement,
 - b. Termination of services actually being performed at a specific entity.
5. Confidentiality statements are required from all vendor employees assigned to work with Company information. These statements must address confidentiality of patient and financial information, reports, and proprietary information.
6. Contracts must state that vendors will abide by the *Official Coding Guidelines*, coding advice as published in *Coding Clinic*, *CPT Assistant* and Company coding policies.
7. Contracts must require the vendor agents to sign the acknowledgment statement as outlined in Company policy REGS.OSG.005 for orientation and training of coding personnel.
8. If a vendor uses independent subcontractors, they must acknowledge this in the contract.
9. Contracts should reference that the vendor's agents, including subcontractors are covered by liability insurance including "omissions and errors."
10. Contracts should include a general clause indicating that the Company may refuse a subcontractor or an individual vendor agent without cause. The Company retains that right at the Corporate, Group, Division, and entity level.
11. Contracts must give the Company access to vendors' internal educational resources and publications upon request and reserve the Company's right to not allow the vendor to distribute those resources within the Company.
12. All contracts should identify the *Regs Coding Vendor Project Coordinator* as the contact for any issues of subject matter expertise. *Regs* must be notified whenever a vendor begins an assignment at the request of anyone outside *Regs*.
13. Contracts should identify a contact person on the vendor staff.
14. Fees and compensation should be detailed.
 - a. Any differences in fees based on entity type/specialty or geographic location should be specified.
 - b. Charges/fees during system downtime should be specified.
 - c. Charges/fees for software or other equipment provided should be specified.
 - d. Reimbursement for travel expenses and any limits on such should be addressed.
 - e. Standard pricing for services must be established through this contract. Pricing shall remain fixed for the term of the contract. Any price adjustments must be agreed upon by both parties in writing.
 - f. Fees must be based on time and materials only pursuant to Company policy.
15. Contracts with vendors must clearly identify the vendor's responsibility to return all proprietary information to the Company upon termination of the agreement.
16. Contracts with vendors providing off-site services must clearly identify the vendor's responsibility to either return copies of patient records to the Company within 30 days of completion of a review OR to destroy such copies in accordance with Company policy and state and federal laws. The vendor must be able to produce written proof of destruction.

17. Final reports must be copied to the HWS and *Regs* Coding Vendor Project Coordinator. All worksheets, review logs, and other details or work performed must be made available to *Regs* team upon request.
18. A contract cancellation clause requiring 30-day written notice without cause.
19. A contract cancellation clause requiring no advance notice for violation of contract terms, local, state or federal laws.
20. Vendor must notify the Company if at any time the vendor is investigated by the Office of the Inspector General or other agency for potential fraud and abuse allegations related to coding.
21. Vendor must agree to attend any policy orientation/ education programs as requested by *Regs*.
22. Vendor must notify the Company in the event of an acquisition or merger.
23. Business Associate language must be added to existing contracts and be incorporated into new and renewing contracts, in consultation with the facility's Operations Counsel.

ATTACHMENT C

PROVIDER AGREEMENT FOR CODING REVIEW SERVICES

Parallon Workforce Management Solutions

Vendor _____

Date _____

Vendor: _____

Provider: _____

1. The above named "Vendor" hereby agrees to provide to the above named "Provider," an affiliate of HCA Management Services, LP ("HMS") coding review services ("Services") in accordance with the terms of the Business Office Services Agreement between Vendor and (HMS) dated _____, ____ ("Service Agreement").

2. Vendor agrees to provide Services in accordance with the following schedule:

Services Commencement Date:

Services Conclusion Date
(i.e., date of exit conference): _____

Location: On Site at Provider _____
Off Site on Vendor's premises _____

Type of Review Services: Inpatient _____
Outpatient _____

Bill Status: Pre-bill _____
Post-bill _____

Sample Type: Random _____
Focused _____
Combination _____

Review Frequency: Preliminary _____
Concurrent _____
Bi-monthly _____
Quarterly _____
Other _____

Other Parameters (if applicable):__

Are HCA reporting tools & template required? Yes _____
No _____

Estimated Sample Size: _____

Final Report Delivery Date: _____

Are review logs, worksheets, and other papers to be included with final report? Yes _____ No _____

3. Payment shall be based on the total number of charts reviewed according to the fees set forth in Attachment D in the Services Agreement. Payment shall include Vendor pre-approved expenses incurred in providing Services. All fees and expenses must be paid no later than sixty- (60) days from the conclusion of the Services performed and delivery of the Final Report. Fees and approved expenses may be paid:

_____ in a single lump sum, or _____ in installments according to the following schedule:

Date	Amount
_____	_____
_____	_____

4. Report shall be sent to: _____

Copy to: Parallon Workforce Management Solutions, Inc. 1000 Sawgrass Corporate Pkwy 6th Floor Sunrise, FL 33323

5. Invoices shall be sent to: _____

6. Key Person(s) include the following individuals: _____

7. Notices to Provider shall be sent to the following: _____ ATTN: _____

8. Anticipated Vendor Expenses:

Items	Amount
_____	_____
_____	_____
_____	_____
_____	_____

9. All terms, conditions and fees in the Agreement, shall be applicable to this Provider Agreement and are incorporated by reference, and together constitute the entire understanding between the parties with respect to the subject matter hereof. This Agreement may not be modified except pursuant to an amendment expressly stating a purpose to amend the terms of this Agreement, and signed by authorized representatives of both parties hereto.

10. If this Provider Agreement is in effect when Provider is either sold to an unrelated third party or its shares of stock (or the shares of stock of its parent corporation) are spun off to shareholders of HCA Inc., this Provider Agreement and all rights and obligations of Provider and Vendor under this Provider Agreement shall continue to remain in effect in accordance with the terms and conditions herein.

11. This Agreement shall not be effective until signed by authorized representatives of both parties and fully executed copies of such are delivered to each party.

VENDOR

PROVIDER

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

ATTACHMENT D

Coding Review Guidelines for Non-Certified Vendors

All coding review engagements should begin with a review of the Regs certified vendor list. Regs recognizes there are instances when specialized vendors may be needed to assist due to scope or availability of certified vendors. The following process and standards should be followed:

1. The Entity, Group, Division or Corporate should submit an e-mail to the Regs Helpline at <http://trinisisys.app.medicity.net/regshelpline> that includes:
 - a. Contact person
 - b. Vendor name, address, contact person
 - c. Reason for review
 - d. Proposed review scope
 - e. Rationale for not using a certified vendor
2. Upon Regs approval, it is the requesting entity's responsibility to ensure the vendor meets the same contractual standards as certified vendors prior to commencement of the engagement (Attachment B).
3. A summary of the review findings and any proposed action steps must be provided to Regs at the conclusion of the review. No expansion or modification of the review scope should be made without Regs approval.
4. If the requestor anticipates ongoing use of this vendor, a request for vendor certification should be submitted as outlined in Section II of this policy.