Memorial Healthcare System

MEMORIAL REGIONAL HOSPITAL • MEMORIAL REGIONAL HOSPITAL SOUTH • JOE DIMAGGIO CHILDREN'S HOSPITAL
MEMORIAL HOSPITAL WEST • MEMORIAL HOSPITAL MIRAMAR • MEMORIAL HOSPITAL PEMBROKE

DATE: January 31, 2023

TO: K. Scott Wester, President and Chief Executive Officer, MHS

SUBJECT: **AUDIT AND COMPLIANCE – THIRD QUARTERLY REPORT FISCAL YEAR 2023**

Attached is a copy of the third quarterly report of fiscal year 2023 summarizing the activities of the Internal Audit and Compliance Department from November 1, 2022, through January 31, 2023, for your records.

Please let me know if you have any questions regarding this report.

Denise (Denny) DiCesare
Chief Compliance and Internal Audit Officer

cc: Leah Carpenter, Executive Vice President and Chief Operations Officer, MHS
Matt Muhart, Executive Vice President and Chief Strategy Officer, MHS
Dave Smith, Executive Vice President and Chief Financial Officer, MHS
Frank Rainer, Senior Vice President and General Counsel, SBHD

I. WRITTEN STANDARDS AND PROCEDURES

The following policies and procedures were reviewed and/or revised during the quarter:

Reviewed:

- None

Revised:

- Code of Conduct.

II. COMPLIANCE OFFICER

The Compliance Officer attended the following meetings during the quarter:

- American Hospital Association - Chief Compliance Officer's Roundtable: One Session,
- Health Care Compliance Association – Healthcare Enforcement Compliance Conference: One Session,
- Institute of Internal Auditors – Environment, Social, and Governance Conference: One Session, and
- Florida Hospital Association - Compliance Roundtable: One Session.

III. TRAINING AND EDUCATION

The following compliance training was provided during the quarter:

- New Employee Orientation: Twelve Sessions,
- Leadership Essentials: One Session, and
- Compliance Working Committee: One Session.

IV. MONITORING & AUDITING

V. RESPONSE & PREVENTION

A. Internal Audit

Conflicts of Interest Calendar Year 2022 Survey Results

Background

The Memorial Healthcare System (MHS) Business Ethics and Conflicts of Interest (COI) Standard Practice states that, "No Memorial Healthcare System officer or management or physician employee or any other employee who may be affected by a potential conflict of interest (as determined by MHS) shall have an ownership or financial interest in, or permit his spouse or minor children to have an ownership or financial interest, direct or indirect, in any outside concerns, unless an exception applies and he is willing and able to report the full facts concerning such relations to the Board immediately upon learning of such relations or upon request." A conflict of interest can be considered to exist in any instance where the actions or activities of an individual on behalf of the Healthcare System also involve the obtaining of an improper gain or advantage, or an adverse effect on the Healthcare System's interest. Employees with outside employment may pose a conflict of interest if it appears that the employee is representing MHS, the services are like the services MHS provides or is considering providing, or employees perform services for individuals or entities who may refer patients to MHS or to whom MHS may refer patients.

The Business Ethics and COI Standard Practice further states that MHS shall annually request an accounting of its employees by means of a circularized questionnaire and the Compliance and Internal Audit Department is responsible for annually circulating the electronic COI Questionnaire, managing the replies and submitting the results to the President and Chief Executive Officer (CEO), MHS.

A link to the COI questionnaire was placed in Aspire online learning management system which allows the employee to conveniently launch to the SharePoint location where the COI questionnaire is stored. Aspire produces a completion certificate and status once launched in Aspire and is not contingent on the COI being completed. There is also an icon on the MHS Citrix application web page for the COI questionnaire, which forwards the user to Aspire. The COI questionnaire is made up of eight questions. The employee may answer yes and provide additional information about the potential conflict. A *not started* status results when an employee has not attempted the questionnaire or launched it incorrectly. An *incomplete* status results when an employee attempts to complete the COI questionnaire and does not answer all of the questions or missed a step in the completion process. A *not me* status results when an employee fails to confirm the username by answering no to the user verification question. The employee may also answer yes in error to one or more of the questions due to misunderstanding, indicating a potential conflict of interest. The purpose of this audit was to determine if MHS employees are in compliance with disclosing potential conflicts by completing the calendar year (CY) 2022 COI questionnaire.

Observations

Of the 15,027 employees as of January 25, 2023, 140 were in the process of termination or onboarding during December 2022 leaving an adjusted employee total of 14,887 required to complete the COI for 2022. A total of 14,511 employees completed the CY 2022 COI questionnaire for a 97.47% completion rate. Of the 376 remaining employees who did not complete the questionnaire, 208 did not start the questionnaire, 154 started but did not complete the questionnaire, and 14 answered no to the user verification question.

There were 109 employees who answered yes to one or more questions on the COI questionnaire. Upon review, we noted 44 employees answered yes in error because the employees misunderstood one or more questions. Sixty-five of the yes answers required additional research. Twenty-six of the 65 were the same disclosed potential conflict from the previous year with no changes in the circumstances and were previously approved by the President and CEO of MHS. All 65 disclosures were presented to Mr. K. Scott Wester, President and CEO for discussion. Controls are in place to manage potential COIs.

Recommendations

The Compliance and Internal Audit Department will continue providing the scheduled notification and education to employees and leadership regarding the mandatory disclosure of potential conflicts of interest and the process of correctly completing the COI Questionnaire. The Conflicts of Interest Questionnaire is no longer linked in Aspire; however, a process is in place to ensure that the completion status is recorded in Aspire and a certificate generated.

Internal Audit of Clinical Engineering at Memorial Healthcare System

Background

In May of 2013, Memorial Healthcare System (MHS) contracted with ABM Healthcare Support Services (ABM HSS) to provide Comprehensive Clinical Engineering (CCE) Management and

Technical Support Services to all MHS facilities. In 2021, after internal discussions and collaboration with MHS's Strategic Management's Clearinghouse Initiative, the decision was made to exercise MHS's contractual option to terminate the contract with ABM HSS and to establish the Clinical Engineering Department internally.

As part of the analysis necessary to make this decision, MHS Information Technology contracted the services of OC Reilly, Inc. d/b/a OCR Medical Equipment Management (OCR MEM) to perform an assessment of MHS's then clinical engineering program. Contract terms included an evaluation of the fees and costs associated with ABM HSS's CCE program. The objective of insourcing the clinical engineering program was to further reduce operational expenses and to allow the potential for MHS to generate revenue by offering Clinical Engineering Services to other organizations.

The Compliance and Internal Audit Department was asked by the leaders of the MHS Clinical Engineering Department to perform an audit of the department which had completed its first year in-house. The purpose of this internal audit was to evaluate the operations of the Clinical Engineering Department and determine if the policies and procedures support the operational and financial objectives of MHS.

Observations

We interviewed all Clinical Engineering managers and the program director to discuss their roles within the department. We met with the laboratory directors of Memorial Regional Hospital (MRH) and Memorial Hospital West (MHW) to discuss their interaction with Clinical Engineering staff. We reviewed the department's financial reports for the audit period of February 2022, to July 2022; policies and procedures over the management of medical equipment; and relevant procedures over Accounts Payable (AP) and Supply Chain Management (SCM). We selected a sample of 30 equipment service agreements and 30 accounts payable invoices to perform audit testing. In addition, we reviewed the fees that were paid by MHS to OCR MEM.

Concerns shared with us during discussions included software limitations within Infor Lawson (Lawson), and MediTract contract management software. The laboratory directors shared their frustrations with bottlenecks caused by the length of time it takes to renew service agreements, and the lack of clarity on the management of the service agreements. The department managers shared difficulties with sourcing equipment parts and the effects of delays with new vendors not previously credentialed by SCM. These are ongoing, known issues that are being addressed by the department leaders. There were no significant findings in either sample of service agreements or AP expense invoices. All 30 service agreements supported department expenditure. AP invoices were properly supported, approved, and expensed. In both samples, the vendor credentialing procedures were based on SCM criteria. All payments made to OCR MEM agreed to contract terms; were properly approved; and monitored by Corporate Finance.

Recommendations

None.

Jeffrey Sturman, Senior Vice President and Chief Digital Officer, MHS agreed with our findings. Since there were no recommendations noted, an action plan was not required.

South Broward Hospital District Construction Projects

Twenty payment vouchers for 11 construction projects were audited during the quarter, as shown on Exhibit A. No irregularities were found during these audits.

South Broward Hospital District Requests for Proposal and Competitive Quotes

Five Requests for Proposal and 30 Competitive Quotes were audited during the quarter, as shown on Exhibit B. No irregularities were found during these audits.

Board Expenses

Board Expenses were audited during the quarter. The list of expenses audited for the quarter will be presented and discussed during the meeting.

B. Compliance

Compliance Audit of the 340B Program at Memorial Healthcare System - FY 2023 Third Quarter

Background

The 340B Program is administered and overseen by the Health Resources and Services Administration (HRSA) which is within the Health and Human Services Department (HHS). The 340B Drug Pricing Program requires drug manufacturers to provide outpatient drugs to eligible health care organizations/covered entities at significantly reduced prices. The 340B Program allows covered entities to extend limited federal resources as far as possible, reaching more eligible patients and providing more comprehensive services. Eligible health care organizations are defined by the section 340B of the Public Health Service Act (PHSA) "Limitation on Prices of Drugs Purchased by Covered Entities." To participate in the 340B Program, eligible organizations must register and be enrolled with the 340B Program and comply with all the requirements. The requirements include maintaining an up-to-date 340B database; recertifying eligibility every year; and preventing duplicate discounts by having mechanisms in place to prevent receiving a 340B price and a Medicaid drug rebate for the same drug. Covered entities must accurately report how they bill Medicaid drugs on the Medicaid Exclusion File and prevent diversion by not reselling or transferring 340B drugs to ineligible patients. Covered entities are subject to audit by manufacturers or the federal government. Any covered entity that fails to comply with 340B Program requirements may be liable to manufacturers for refunds of the discounts obtained. To be eligible to receive 340B-purchased drugs, patients must receive health care services other than drugs from the 340B covered entity. The patient is treated in a hospital-based mixed-use area, a location serving patient type of both inpatient and outpatient, and is classified as an outpatient by Memorial Healthcare System (MHS) electronic health record (EHR) at the time of administration of the medication, and has an eligible medication order or prescription. An individual may receive a 340B drug in connection with treatment rendered outside the covered entity if the treatment is proximate in type and time to prior services provided by the covered entity. A non-hospital prescription is proximate in type and time to hospital-based services if the prescription or refill is presented within an appropriate timeframe of the MHS encounter and the prescriber's services are part of the same continuum of care as the prior hospital encounter. A continuum of care exists if MHS makes a referral to the outside provider for follow-up care and there is an established patient care relationship with MHS. Infusion orders that are written outside of MHS but are infused in MHS or at a registered child site are 340B-eligible because MHS hospitals are responsible for the infusions provided to patients by a MHS healthcare professional, regardless of where the order is written. The only exception is patients of state-operated or -funded acquired immunodeficiency syndrome (AIDS) drug purchasing assistance programs. Generally, the 340B Program covers the following outpatient drugs: Food and Drug Administration (FDA)-approved prescription drugs; over-the-counter drugs written on a prescription; biological products that can be dispensed only by a prescription (other than vaccines); or FDA-approved insulin.

MHS participates in the 340B Program for Memorial Regional Hospital (MRH) which includes Memorial Regional Hospital South (MRHS) and Joe DiMaggio Children's Hospital (JDCH); Memorial Hospital Pembroke (MHP); Memorial Hospital West (MHW); and Memorial Hospital Miramar (MHM). In order to manage the 340B Program, MHS uses split-billing software from Verity Solutions Group. The Verity Solutions application helps MHS determine what each pharmacy needs to purchase at the 340B price. Replenishment is accumulated each time a drug is administered to an outpatient, and it meets all the program compliance checks. The purpose of this audit was to determine if MHS is in compliance with the HRSA 340B Program requirements at each of the six Memorial hospitals.

Observations

Of the 240 pharmacy claims reviewed, there was one pharmacy claim at MHM that we were unable to find the medication administration record (MAR) nor the original prescription order by the provider in Epic. According to Alexsandra Soto, Director, 340B Program, CORP - Corporate Finance, this encounter is similar to the previous 340B mixed audit finding where the clinicians selected the patient's pre-admissions testing (PAT) account instead of the outpatient surgical account. Both locations are 340B eligible. The claim charge was created by the automated dispensing cabinet (ADC) override, but the medication administration was not found in Epic, hence, it did not accumulate duplicate 340B dispensation. These observations were discussed with Ms. Soto and Ms. Antonopoulos. In the previous audit, our recommendation included that Pharmacy management review the ADC stations set up and monitor ADC overrides for 340B medications to avoid duplicate charges. These actions were completed.

Recommendations

We recommended reversing the charge for the one claim with the missing MAR and original prescription order. We recommended continuing to monitor and include PAT locations and ADC overrides to target audit parameters for increased oversight over mixed use based on hospital locations.

Dorinda Segovia, Vice President, Pharmacy Services, MHS and Scott Davis, Vice President, Reimbursement and Revenue Integrity, MHS agreed with the finding and recommendations and have provided an action plan.

Compliance Audit of Documentation and Billing of Pertuzumab One mg Injection in the Memorial Cancer Institute at Memorial Hospital West

Background

The Memorial Cancer Institute (MCI) at Memorial Hospital West (MHW) provides services such as chemotherapy and immunotherapy to patients with different types and stages of cancer. Perjeta (Pertuzumab) belongs to a group of targeted therapies medications known as humanized monoclonal antibody. These medications target and bind to cancer cells and interfere with the growth and spread of cancer cells in the body. Pertuzumab is used only in combination with trastuzumab and can be given along with chemotherapy docetaxel to treat patients with human epidermal growth factor receptor 2 (HER2) positive breast cancer. These cancers tend to grow and spread faster than breast cancers that are HER2-negative but are much more likely to respond to treatment with drugs that target the HER2 protein. The U.S. Food and Drug Administration (FDA) has approved Pertuzumab in combination with trastuzumab for neoadjuvant (before surgery) treatment and adjuvant (after surgery) treatment of HER2-positive early breast cancer at high risk of recurrence, locally advanced, inflammatory, and metastatic breast cancer who has not received prior anti-HER2 therapy or chemotherapy. Pertuzumab is packaged in a single-use vial of 420mg/14ml. The recommended dosage is an initial dose of 840 mg administered as a 60-minute

intravenous infusion, followed by 420 mg every 3 weeks administered as an intravenous infusion over 30 to 60 minutes. Treatment should continue until disease progression, unacceptable toxicity, or up to 12 months. It is not recommended to reduce dosage, only withhold for severe adverse reaction or permanently discontinue for life threatening adverse reactions.

Pertuzumab is a high-cost drug that Memorial Healthcare System (MHS) purchases at a significantly reduced price through the 340B Drug Pricing Program. The Centers for Medicare & Medicaid Services (CMS) established Healthcare Common Procedure Coding System (HCPCS) modifier - JG to identify and report 340B-acquired drugs or biologicals when billing outpatient drugs. Outpatient drugs administered to Medicare beneficiaries are reported using the standardized codes called HCPCS and report units of service to cover the cost of the drug only. Correct payment depends on properly and accurately reporting the correct HCPCS codes and units of service. Based on the HCPCS J9306 code descriptor, 1 mg is equal to one unit billed. The MHS Compliance and Internal Audit Department received a Comparative Billing Report (CBR), an educational letter from First Coast Service Options, Inc. (FCSO), our Medicare Administrative Contractor (MAC), indicating that their recent data analyses identified that an aberrancy existed at MHW from April 1, 2021, through March 31, 2022, for HCPCS J9306, Injection, Pertuzumab 1 mg. In response to this notice, the Compliance and Internal Audit Department performed an audit of the only location with charges for HCPCS code J9306, the MCI at MHW. The purpose of this audit was to determine if documentation supported medical necessity for Pertuzumab 1mg injection administration and the accuracy of coding, charging, and billing at the MCI, MHW.

Observations

All eight accounts with 74 encounters reviewed had provider orders for Pertuzumab in combination with trastuzumab and appropriate documentation to support medical necessity for administration. The medical record documentation for all 74 encounters had the appropriate patient's diagnosis with the ordered dosage and the frequency of administration. The start and stop time of medication was recorded on the Medication administration record (MAR) for all 74 encounters. All 74 encounters had the required HCPCS - JG modifier documented appropriately. All 74 encounters with J9306 were coded, charged, and billed with the correct units of medication administered and were paid appropriately.

Recommendations

None.

Vedner Guerrier, Chief Executive Officer, MHW, Felicia Turnley, Chief Operating Officer, MHW and Kevin Corcoran, Chief Financial Officer, MHW agreed with the results of this audit. Since there were no recommendations, an action plan was not required.

Compliance Audit of Documentation and Billing of Rituximab-ABBS, Biosimilar, (Truxima), 10 mg Injection (Q5115) in the Memorial Cancer Institute at Memorial Hospital West

Background

The Memorial Cancer Institute (MCI) at Memorial Hospital West (MHW) provides services such as chemotherapy and immunotherapy infusion to patients with different types and stages of cancer. Rituximab is an immunotherapy in a class of medications called monoclonal antibody. Monoclonal antibodies are used to treat multiple conditions such as cancer, autoimmune or inflammatory disorders, infections, organ transplant rejection and nervous system disorders. When used for the treatment of cancer, rituximab can be used alone or in combination with other therapeutic agents

(medicines) that work with the immune system to kill cancer cells. Rituximab binds specifically to the antigen CD20 which is present on 90% of B-cell Non-Hodgkin's Lymphomas (NHL). Rituximab is approved by the Food and Drug Administration (FDA) for the treatment of CD20 positive NHL, Chronic Lymphocytic Leukemia (CLL), Rheumatoid Arthritis (RA), Granulomatosis with Polyangiitis (GPA) (Wegener's Granulomatosis) and Microscopic Polyangiitis (MPA). Rituximab-ABBS Biosimilar (Truxima) is the first FDA-approved biosimilar rituximab, meaning that it is highly similar to rituximab with no clinically meaningful difference. Hence, Truxima is used for the same indications as Rituximab. Truxima is supplied as 100mg/10 mL and 500 mg/50 mL, single-use vial. The recommended dosages depend on its indication and can only be administered as an intravenous (IV) infusion, and not as an IV push or bolus.

Truxima is a high-cost drug that Memorial Healthcare System (MHS) purchases at a significantly reduced price through the 340B Drug Pricing Program. Outpatient drugs administered to Medicare beneficiaries are reported using the standardized codes called Healthcare Common Procedure Coding System (HCPCS) and units of service to cover the cost of the drug only. Correct payment depends on accurately reporting the HCPCS codes and units of service. Based on the HCPCS Q5115 code descriptor, 10 mg is equal to one unit billed. Due to the medication supplied as a single-use vial type, the provider may bill for the amount administered as well as the amount appropriately discarded. Centers for Medicare & Medicaid Services (CMS) established HCPCS modifier JW to identify and report the discarded amount. When a physician, hospital, or other provider, or supplier must discard the remainder of a single-use vial or other single-use package after administering a dose/quantity of the drug or biological to a Medicare patient, CMS provides payment for the discarded drug or biological amount as well as the dose administered, up to the amount of the drug or biological as indicated on the vial or package label. The standard clinical practice for documenting infusion administration is to document the actual start and stop times or total time in the patient's medical records.

The MHS's Compliance and Internal Audit Department received a Comparative Billing Report (CBR), an educational letter from First Coast Service Options, Inc. (FCSO), our Medicare Administrative Contractor (MAC), indicating that their recent data analyses identified that an aberrancy existed at MHW from May 1, 2021, through April 30, 2022, for HCPCS Q5115, Injection, Truxima 10mg. In response to this notice, the Compliance and Internal Audit Department performed an audit of charges for HCPCS code Q5115 in the MCI at MHW. The purpose of this audit was to determine if documentation supports medical necessity for Truxima 10mg injection administration, and to ensure the accuracy of coding, charging, and billing in the MCI at MHW.

Observations

All 21 accounts with 55 dates of service reviewed had physician orders and documentation to support medical necessity for Truxima administration. The medical record documentation for all 21 accounts had the appropriate patient's diagnosis as per FDA indication with the appropriate ordered dosage and the frequency of administration. The actual start and stop times of the medication were recorded on the Medication Administration Record (MAR) for all 55 dates of service and were noted to be administered appropriately. There were 12 dates of service reported with JW modifier which were appropriate. All 55 dates of service were coded, charged, billed and paid appropriately. One claim was rejected by Medicare appropriately due to ineligibility because services were billed while the beneficiary was unlawfully present in the United States. Based on the outcome of this audit, the suspected aberrancy indicated in the FCSO CBR is not substantiated and the data is believed to be a correlation result due to MCI being a high patient volume cancer treatment center.

Recommendations

None.

Vedner Guerrier, Chief Executive Officer, MHW, Felicia Turnley, Chief Operating Officer, MHW and Kevin Corcoran, Chief Financial Officer, MHW agreed with the results of this audit. Since there were no recommendations, an action plan was not required.

Compliance Audit of Documentation and Billing of Cystourethroscopy with Fulguration Procedures and Bladder Tumor Resection, Medium, CPT Code 52235 at Memorial Regional Hospital

Background

Urinary Bladder Cancer accounts for the fourth most common cancer among men as reported by the American Cancer Society. Bladder cancer is diagnosed by a combination of diagnostic imaging such as Computed tomography (CT) or ultrasound, and cystoscopy, which is the use of a rigid or flexible fiber optic scope inserted in the bladder through the urethra such as in cystourethroscopy to view the urinary structures or lesions, and to obtain biopsy. Treatment is done by cystourethroscopy with fulguration procedure which is removing growth of tumors using high-frequency electric current transurethral resection, radical surgery, chemotherapy, radiation therapy or a combination depending on the type and stage of the urinary bladder carcinoma. Coding for transurethral surgery and bladder tumor resection depends on the presence and size of the tumor removed, as well as the performance and reason for the fulguration. Current Procedural Terminology (CPT) code 52234 is assigned to the procedure Cystourethroscopy, with fulguration and/or resection of small bladder tumor(s). CPT code 52235 is assigned to the resection of medium bladder tumor(s), and CPT code 52240 involves the resection of large bladder tumors. Only one of the above-mentioned codes may be reported per session. The procedures are performed as an outpatient service paid by Medicare under the Outpatient Prospective Payment System (OPPS) Ambulatory Payment Classifications (APC) based on CPT code procedures.

Memorial Healthcare System (MHS) Compliance and Internal Audit Department received a Comparative Billing Report, an educational letter from First Coast Service Options, Inc. (FCSO), our local Medicare Administrative Contractor (MAC) indicating that their recent data analyses identified that an aberrancy exists at Memorial Regional Hospital (MRH) for CPT code 52235, Destruction and/or Removal of growth of bladder and urethra, medium, using cystourethroscopy with fulguration procedures for dates of service May 1, 2021, through April 30, 2022. In response to this notice, the Compliance and Internal Audit Department performed an audit of Medicare accounts at MRH with charges for CPT codes 52235, as well as 52234 and 52240. The purpose of this audit was to determine if documentation supports medical necessity for cystourethroscopy with fulguration procedures and Bladder tumor resection, medium and the accuracy of coding, charging and billing at MRH.

Observations

We reviewed a total of 21 Medicare patients with CPT codes 52234, 52235 and 52240. All 21 accounts had medical record documentation of bladder cancer and met medical necessity. Of the 21 accounts reviewed, seven accounts were missing the documentation of the size of the tumor removed in the operative (OP) report. There were also two out of 21 accounts that had an unclear description of the tumor size removed as the description of the size of the tumor did not correspond with the numerical data reported as per CPT code guidelines.

For hospital accounts reviewed, seven out of 21 accounts with the missing provider documentation of the size of the tumor removed were reported with an inappropriate CPT code. We noted that one of the accounts with an inappropriate CPT code had another procedure done on the same day of service that also had an incorrect CPT code reported. On the remaining two accounts that had unclear description of the size of the tumor removed, Health Information Management (HIM) recommended using the specific measurement rather than the verbiage. This resulted in the two accounts to be recoded at a lower CPT code than reported. Subsequently, HIM corrected the coding and the accounts were sent to Accounts Receivable Management (ARM) for correction or rebill.

For the physician billing reviewed, we noted 13 accounts reported with the incorrect CPT code as medical record documentation did not support the CPT code used for billing. Subsequently, Memorial Physician Group (MPG) business office corrected and rebilled the identified accounts with the incorrect CPT code, if appropriate.

Recommendations

We recommended MPG management reeducate providers on the completeness and clarity of medical record documentation particularly on the size of tumor removed in the operative records. We recommended MPG management audit physician documentation in the OP records for the size of the tumor removed on cystourethroscopy with fulguration procedures and bladder tumor resection for adequacy of documentation, as needed. We recommended HIM management include the procedure cystourethroscopy with fulguration procedures and bladder tumor resection in their continuing education provided to coding staff and in their routine audits. We recommended MPG management audit providers' medical record documentation for cystourethroscopy with fulguration procedures and bladder tumor resection to ensure that the CPT code used is supported by medical record documentation. We recommended MPG coders and billers be retrained in coding for procedures for cystourethroscopy with fulguration procedures and bladder tumor resection.

Peter Powers, Administrator and Chief Executive Officer, MRH, Walter Bussell, Chief Financial Officer, MRH, Mario Salceda-Cruz, Chief Operating Officer, MPG, and Esther Surujon, Chief Financial Officer, MPG, MPC & UCC agreed with the findings and recommendations of this audit and have provided an action plan.

Compliance Audit of Documentation and Billing of Blood or Blood Components Transfusion Service Indirect, CPT Code 36430 in the Memorial Cancer Institute at Memorial Hospital West

Background

Blood is made up of different components or products which include red blood cells, plasma, and platelets. These products are separated from whole blood and transfused individually to provide the missing blood component. Blood or blood component transfusions increase blood volume, replace important clotting factors, and/or improve the blood's ability to carry oxygen in the body.

The Centers for Medicare and Medicaid Services (CMS) covers blood and blood component transfusions under the Hospital Outpatient Prospective Payment System (OPPS). CMS requires outpatient departments report blood or blood products using Healthcare Common procedure Coding System (HCPCS) P-codes that reflects the specific type of blood or blood product and the number of units transfused. Also, the appropriate Current Procedural Terminology (CPT) code for the specific transfusion services (36430–36460) should be billed along with an appropriate revenue

code 0391, Blood Administration Service, or other allowed revenue codes per CMS data entry edits once per day regardless of the number of units or different types of blood products transfused.

Hospitals and outpatient centers receive blood and blood components from blood donation centers that are regulated and monitored by the Food and Drug Administration (FDA). Memorial Hospital West (MHW) Laboratory Department receives all blood and blood products from OneBlood Donation Center then distributes the products appropriately after the order for transfusion is received from the providers. The Memorial Healthcare System (MHS) Compliance and Internal Audit Department received a Comparative Billing Report, an educational letter from First Coast Service Options, Inc (FCSO), our Medicare Administrative Contractor (MAC), indicating their recent data analyses identified that an aberrancy existed at MHW for the Blood or Blood Components Transfusion Service Indirect, CPT Code 36430. In response to this notice, the Compliance and Internal Audit Department performed an audit of the location with the highest charges for CPT Code 36430, the Memorial Cancer Institute (MCI) at MHW to determine if documentation supports medical necessity for CPT code 36430 blood or blood component transfusion services and the accuracy of coding, charging and billing.

Observations

All 30 accounts had the appropriate provider order which supported medical necessity for the transfusion of blood or blood products with the appropriate International Classification of Diseases, Tenth Revision, Clinical Modification (ICD-10-CM) diagnosis code(s). All 30 accounts had the correct HCPCS P-code which reflected the specific type of blood or blood product and the number of units transfused billed appropriately. All 30 accounts were coded correctly. Twenty-two of 30 accounts were appropriately charged and billed once per day. Eight of 30 accounts had twice- per- day charges of CPT Code 36430 billed to Medicare. The Blood Administration Flowsheet is used to enter transfusion service charges. There was a field where the number could be amended however, according to the Director of Charge Management system, an upgrade to only capture one per day charge for CPT code 36430 was completed on May 15, 2022. We verified the eight accounts that were billed twice per day were all prior to the system upgrade. We noted 18 of 30 accounts were charged with the appropriate revenue code 0391, Blood Administration. Twelve of 30 accounts were charged with revenue code 0361, Operating Room Services. According to the Director of Charge Management, revenue code 0361 is appropriate for CPT Code 36430. However, subsequent to this finding, the revenue code was changed to 0391 which is a more appropriate reflection of the services rendered. All 30 accounts including the twice per day service billed were reimbursed only for the once per day service which was appropriate. According to the Director of Charge Management, there was no overpayment of the accounts reviewed and the quantity in the Uniform Billing Form is one per each date of service. The system change in place is working as designed therefore, there is no need to rebill accounts.

Recommendations

None.

Vedner Guerrier, Chief Executive Officer, MHW, Felicia Turnley, Chief Operating Officer, MHW and Kevin Corcoran, Chief Financial Officer, MHW agreed with the results of this audit. Since there were no recommendations, an action plan was not required.

Compliance Audit of Neurology and Neurosurgery Procedures for Memorial Physician Group Professional Coding and Billing

Background

Memorial Neuroscience Institute's highly skilled multidisciplinary team includes neurologists,

neurosurgeons, neuro-interventional surgeons, and subspecialists that provide high quality care in treating complex conditions such as stroke, epilepsy, brain tumors, multiple sclerosis, and spinal disorders. Health care providers use medical record documentation to indicate services that were provided and why the services were needed. Current Procedural Terminology (CPT) codes are used to report services and procedures. Modifiers are appended to the CPT codes to report services that are altered under certain circumstances. International Classification of Diseases, 10th Revision (ICD-10–CM) diagnosis codes are used to indicate the reason for care. Services may also be performed and reported as teaching physicians training the resident physicians as per Centers for Medicare and Medicaid Services (CMS) guidelines. The Physician Payments Sunshine Act, part of the Affordable Care Act of 2010, requires manufacturers and distributors of medical devices and drugs to track and report payments to physicians, nurse practitioners, and teaching hospitals. These payments are made available by use of publicly accessible database through the Open Payments Program, which is a federally mandated disclosure program promoting transparent and accountable healthcare systems. The purpose of this audit was to determine whether documentation and coding complied with Medicare requirements when billing for Neurology and Neurosurgery procedures.

Observations

A comprehensive audit scope was used for review in all 174 accounts with some accounts having more than one finding. We noted that for 114 accounts, the CPT procedure codes used for billing were supported by medical record documentation. Of the remaining 60 accounts, there were 20 over coded and 16 under coded accounts in which documentation supported billing for different CPT codes than reported. There were 24 accounts in which documentation did not support billing for the services. Out of those 24 accounts where documentation did not support billing, there were ten accounts in which the services were provided at non-Memorial Healthcare System (MHS), external site. These ten accounts were for Electroencephalography (EEG) services. We noted opportunities for improvement for reporting CPT codes for EEG services. We also noted opportunities for improvement with the charge capture and billing process for office-based Botox injection procedures. Of the 17 Botox injection procedure claims reviewed, seven had charging errors resulting in incorrect billing. Of the 174 accounts audited, we had 17 accounts where services were performed as a teaching physician. We noted that nine of the 17 teaching physician services accounts met the CMS teaching physician guidelines. We noted opportunities for improvement in correctly coding with modifiers. Eighty-six accounts needed a billing modifier of which 62 accounts had appropriately applied modifiers. Of the 174 accounts, we noted on 75 accounts the ICD-10-CM codes used for billing were in accordance with the coding guidelines. Out of 174 accounts reviewed, we identified 6 accounts for non-payment for various reasons such as co-ordination of benefits not updated, incorrect modifiers used, and lack of authorization. These accounts are in collections or appeals, being corrected and expected to get paid. We collected and analyzed the CMS Open Payments data for each of the physicians in this audit. There were no significant findings.

Recommendations

We recommended that Neurology providers be reeducated on medical record documentation, coding, and billing of EEG services. We recommended Memorial Physician Group (MPG) Business Office monitor the implemented process for compliance with documentation, coding, and billing of Botox and EEG services. We recommended MPG Business Office initiate a retrospective review of Botox injection services from date of the audit back six years to identify documentation and charge capture errors and correct and rebill if appropriate.

Subsequent to this audit the providers were reeducated in medical necessity documentation to support services billed. The coders and billers were reeducated on coding, billing, and appropriately reporting neurology and neurosurgery procedures. The claims that required correction were recoded, submitted, and refunds were processed. An edit was implemented in Epic to force a manual review of all Botox injections.

Mario Salceda-Cruz, Chief Operating Officer, MPG and Esther Surujon, Chief Financial Officer, MPG, agreed with the findings and recommendations and have provided an action plan, which is attached.

Follow Up Compliance Audit of Documentation and Billing of Bone Marrow Aspiration and Biopsy at Memorial Hospital West

Background

Bone marrow is the soft spongy tissue found in the center of the large bones in our body. It makes different types of blood cells such as red blood cells, white blood cells, and platelets. Bone marrow tests verify if your bone marrow is working correctly and making normal amounts of blood cells. Bone marrow aspiration refers to the test where a small amount of bone marrow fluid is collected. Bone marrow biopsy refers to the test where a solid portion of the bone marrow is collected. The procedures are done with imaging guidance either by Computed Tomography (CT) scan or Ultrasound to guide the provider to get an adequate sample and prevent complications like excessive bleeding. Bone marrow aspiration and bone marrow biopsy tests are usually performed at the same time in the inpatient and outpatient settings. The Current Procedural Terminology (CPT) codes in the bone marrow procedure are 38220 for bone marrow aspirations only, 38221 for bone marrow biopsy only, and 38222 for combined bone marrow aspiration and biopsy done on the same day on the same site.

Centers for Medicare and Medicaid Services (CMS)'s established Appropriate Use Criteria (AUC) program for Advanced Diagnostic Imaging Services (ADIS). The purpose of the program is to increase the rate of ADIS provided to Medicare beneficiaries by requiring providers ordering these procedures consult a qualified Clinical Decision Support Mechanism (CDSM). Bone marrow procedures are not included in the AUC program for ADIS. CMS implemented Healthcare Common Procedure Coding System (HCPCS) Level II modifiers for AUC program and associated HCPCS - G codes, which are currently reported voluntarily for educational and operations testing.

The Memorial Healthcare System (MHS) Compliance and Internal Audit Department performed an audit of documentation, coding and billing of CPT codes 38220, 38221, and 38222 in July, 2021 of the Interventional Radiology (IR) Department at Memorial Hospital West (MHW) in response to a Comparative Billing Report (CBR) received from First Coast Service Options, Inc. (FCSO), our Medicare Administrative Contractor, indicating that there was an aberrancy in the data for utilization and average number of units and dollars paid compared to other providers billing for CPT code 38221 for bone marrow biopsy. There were findings with orders of bone marrow biopsy that did not concur with the detailed documentation of the procedure performed which was a combined bone marrow aspiration and biopsy. The consents were not obtained according to standard practice and all accounts were billed for bone marrow biopsy but should have been combined bone marrow aspiration and biopsy. The purpose of this follow-up audit was to determine if MHW has completed the action plan recommendations from the previous compliance audit for orders in Epic to concur with the medical record documentation of the procedure performed, obtaining consents according to standard practice, and correctly coding and

billing the combined bone marrow aspiration and biopsy procedures as supported by documentation.

Observations

All 14 accounts reviewed for CPT Code 38222 and one account reviewed for CPT code 38221 had a provider order, appropriate diagnosis, and documentation which supported medical necessity. All 14 accounts ordered for combined aspiration and bone marrow biopsy reflected the order in Epic and concurred with the detailed documentation of procedure performed. The one account for CPT code 38221 did not reflect the order in Epic and the detailed documentation of the procedure indicated combined bone marrow aspiration and biopsy was performed. The revised and correct order set was changed for these procedures on January 7, 2022, and the one procedure with CPT code 38221 was performed prior to the final change. All 15 accounts reviewed had documentation of Monitored Anesthesia Care (MAC) or conscious sedation provided by trained registered nurses. We noted improvement on obtaining consents according to standard practice. Two of 15 accounts had incomplete anesthesia or procedure consent. One account had a missing time of the provider's signature on the anesthesia consent. One account did not concur with the detailed documentation of the procedure performed and was missing the time of the patient's signature on the procedure consent. Also, the same account had missing time to patient signature on the anesthesia consent.

All 14 accounts reviewed for CPT Code 38222 were billed and paid correctly. The one account reviewed for bone marrow biopsy (38221) was billed incorrectly and should have been billed for combined bone marrow aspiration and biopsy (38222) which was the procedure ordered in Epic and performed according to documentation. The one account with CPT code 38221 had a lower reimbursement. We noted eight out of 15 accounts had HCPCS- MG modifier indicating the accounts were evaluated by the CDSM even though bone marrow procedures are excluded. Subsequent to this finding, bone marrow biopsies were removed by CDSM. We noted one of 15 accounts did not have a charge for MAC entered by the Surgical Services Department. MAC reimbursement is included with the procedure performed. Four of 15 accounts had conscious sedation and were not charged which were appropriate.

Recommendations

We recommended IR management continue to ensure and monitor that the order entered in EPIC concurs with the procedure performed. We recommended IR management to reeducate the staff on obtaining appropriate consents to ensure that the consent forms are filled completely according to standard practice and concur with the actual procedure to be performed. We recommended MHW Surgical Services develop a process and monitor to ensure MAC are charged consistently. We recommended IR management develop a process and monitor to ensure that all consent forms are filled according to standard practice. We recommended Accounts Receivable Management (ARM) review the identified account with charging and reimbursement errors to determine if the account need to be rebilled. We recommended ARM review the identified account with MAC charging error to determine if the account need to be rebilled.

Vedner Guerrier, Chief Executive Officer, MHW, Felicia Turnley, Chief Operating Officer, MHW and Kevin Corcoran, Chief Financial Officer, MHW agreed with the findings and recommendations of this audit and has provide an action plan.

D. Services Provided by Protiviti

A list of Services Provided by Protiviti for the quarter will be discussed during the meeting.

E. Other Reports

Investor Log

The Investor Contact Log for the quarter is attached for your review. See Exhibit C.

Non-Audit Engagements

A list of RSM and Zomma Group Non-Audit Engagements for the quarter is attached for your review. See Exhibit D.

Compliance Environment

A discussion of Nationwide Audit and Investigation Activities for the quarter will be held during the meeting.

VI. OPEN LINES OF COMMUNICATION

A. Hotline Calls

During the quarter, 49 calls, seven of which were callbacks, were placed to the System's Compliance Hotline covering 33 new topics and one old topic. Five topics were compliance allegations (five calls, four callbacks). One topic was a HIPAA privacy allegation (one call). Three topics were quality of care or service allegations (three calls). One topic was wasting resources allegation (one call). All of the calls were investigated and one of the compliance allegations was substantiated.

Finally, one topic was informational (one call), and 22 topics (31 calls, three callbacks) were employee-management relations issues. The employee-management relations issues have been forwarded to the Employee Relations and Human Resources Departments.

VII. ENFORCEMENT & DISCIPLINE

Sanction checks were conducted of employees, physicians, vendors, volunteers, and students. There were three referring physicians who were sanctioned during the quarter.

SBHD Construction Projects
Period Ending 7/31/2022

Exhibit A

	Ambulatory Surgery Center ANF Group, Inc. #450218ASC MHM	***new*** Urgent Care Center Miami Gardens Gerrits Construction Inc. #650322 MHS	Family Birthplace Turner Construction Co. #400121 MHS	Wind Retrofit Turner Construction Co. #409020 MRH	***new*** Family Birthplace Turner Constuction Co. #400622 MRH	Outpatient Behavioral Health ANF Group, Inc. #401122 MRH
	Amount	Amount	Amount	Amount	Amount	Amount
Original Contract Sum	$ 5,589,844	$ 1,929,942	$ 3,658,618	$ 4,924,483	$ 43,850,159	$ 3,336,927
Prior Change Orders	(1,340,949)					(667,777)
Budget Transfer			-			
Current Change Orders						
Prior Owner Purchase Orders			(1,104,859)	(406,682)		17,165
Current Owner Purchase Orders		(290,000)	228,092	102,947		299,745
Current Contract Sum to Date	$ 4,248,894	$ 1,639,942	$ 2,781,851	$ 4,620,748	$ 43,850,159	$ 2,986,060
Previous Payments	4,124,271		1,575,691	3,933,433		926,798
		1 43,672	9 95,405	15 160,879	1 1,306,205	4 343,225
		2 103,741	10 90,384	16 78,587		5 317,850
		3 154,648	11 207,410			6 406,721
Total Payments	4,124,271	302,060	1,968,890	4,172,898	1,306,205	1,994,594
Balance	$ 124,623	$ 1,337,882	$ 812,961	$ 447,850	$ 42,543,954	$ 991,466
Owner Purchased Materials						
Retainage		10,566	153,411	160,960	-	173,270
Payments	4,124,271	302,060	1,968,890	4,172,898	1,306,205	1,994,594
Work completed	$ 4,124,271	$ 312,627	$ 2,122,301	$ 4,333,858	$ 1,306,205	$ 2,167,864
Status	Active	Active	Active	Active	Active	Active

SBHD Construction Projects
Period Ending 7/31/2022

Exhibit A

	new MOB II Second Floor Pediatric Fit Out Thornton Construction Co. Inc. #800122 MHM	MOB Women Center ANF Group, Inc. #450218 MHM	Memorial Cancer Center Expansion DPR Construction #431019 MHW	Hurricane Hardening Thornton Construction Co. #410121 MRHS	Family Birthplace Replacement Thornton Construction Co. #430321 MHW	Lift Station & Force Main Thornton Construction Co. #401720 MHM
	Amount	Amount	Amount	Amount	Amount	Amount
Original Contract Sum	$ 10,650,417	$ 35,067,236	$ 86,165,924	$ 13,613,113	$ 2,110,655	$ 4,677,865
Prior Change Orders		(5,101,409)	(13,660,146)			
Budget Transfer						
Current Change Orders			(1,229,578)			
Prior Owner Purchase Orders		(750,000)		(2,984,941)	18,616	(526,524)
Current Owner Purchase Orders	(1,799,954)					
Current Contract Sum to Date	$ 8,850,463	$ 29,215,826	$ 71,276,200	$ 10,628,172	$ 2,129,271	$ 4,151,340
Previous Payments		27,790,363	27,910,157	7,543,973	1,878,933	3,943,773
	1 1,948,226		13 4,143,428	12 792,291		
			14 4,188,802			
			15 2,587,055			
Total Payments	1,948,226	27,790,363	38,829,442	8,336,264	1,878,933	3,943,773
Balance	$ 6,902,237	$ 1,425,464	$ 32,446,758	$ 2,291,908	$ 250,338	$ 207,567
Owner Purchased Materials						
Retainage	69,234		3,354,881	438,751	208,770	207,567
Payments	1,948,226	27,790,363	38,829,442	8,336,264	1,878,933	3,943,773
Work completed	$ 2,017,460	$ 27,790,363	$ 42,184,323	$ 8,775,014	$ 2,087,703	$ 4,151,340
Status	Active	Active	Active	Active	Active	Active

SBHD Construction Projects
Period Ending 7/31/2022

Exhibit A

	MRI Expansion Engel Construction, Inc. #402417 MRH	Memorial Cancer Institute ANF Group, Inc. #401820 MHS	Emergency Department Trauma Center Turner Construction Company #400222 MRH	JDCH Vertical Expansion Robins & Morton Group #460117 JDCH
	Amount	Amount		Amount
Original Contract Sum	$ 1,335,578	$ 3,318,035	$ 16,401,716	$ 108,993,259
Prior Change Orders	75,627	(642,606)		
Budget Transfer				
Current Change Orders				
Prior Owner Purchase Orders	108,906	182,424		(16,270,441)
Current Owner Purchase Orders	(38,983)			
Current Contract Sum to Date	$ 1,481,127	$ 2,857,853	$ 16,401,716	$ 92,722,818
Previous Payments	1,403,601	2,744,328		78,984,261
	20 77,527		1 716,250	24 2,534,323
Total Payments	1,481,127	2,744,328	716,250	81,518,585
Balance	$ (0)	$ 113,525	$ 15,685,466	$ 11,204,233
Owner Purchased Materials				
Retainage				3,550,315
Payments	1,481,127	2,744,328	716,250	81,518,585
Work completed	$ 1,481,127	$ 2,744,328	$ 716,250	$ 85,068,899
Status	Active	Active	Active	Active

Memorial Healthcare System
RFP and Competitive Quote Audits

	RFPs	Current Phase - 3rd Quarter FY 2023	Audited Through	Exceptions
1	Investment Advisory	Analysis	Analysis	None
2	Disaster Debris Removal and Disposal	Analysis	Analysis	None
3	Valet Parking Service, Booth Attendant and Shuttle Services	Analysis	Analysis	None
4	Care Coordination Center Software	Selection	Selection	None
5	Clinical Trial Management System	Selection	Oral Presentation	None

Memorial Healthcare System
RFP and Competitive Quote Audits

	Completed Competitive Quotes	Amount $	Exceptions
1	Interior Work for Wind Retrofit Project at MRHS	389,858	None
2	Three Year Accounts Payable ERP Integration Software for MHS	345,600	None
3	Airconditioners for Memorial Support Services	328,890	None
4	Candidate Engagement and Messaging Subscription of ERP for MHS	1,973,536	None
5	Three Year Laproscopic Equipment Service Agreement for MHW	474,615	None
6	Four Year Lung Screening Equipment Service Agreement for MHS	472,995	None
7	Patient Monitoring Equipment Replacement at MHW	320,031	None
8	Memorial Medical Office Center Hollywood Construction Project	314,881	None
9	EPIC Claims Data Integration Services for MHN Network	284,016	None
10	Software Subscription for Quality Management, Incident Reporting & Patient Tracking Services at MHS	234,427	None
11	Two Year Salesforce Licenses Renewal for MHS	226,620	None
12	Labor and Material for Endoscopy Equipment Replacement at MHM	215,477	None
13	Janitorial Services for Medical Office Building at MHM	214,650	None
14	Support and Maintenance Renewal for Early Warning Scoring System MHS	208,986	None
15	Maintenance Renewal for Servers at Data Centers MHS	179,060	None
16	Software for Patient Engagement for Marketing & Communication MHS	177,038	None
17	Highway Billboards & Mobile Advertisements for MHS	175,507	None
18	Replacement of Food Service Equipment at MHW	166,415	None
19	Call Manager Upgrade at MHW	149,850	None
20	Coding Software License Agreement Renewal for Health Information Management MHS	144,000	None
21	Three Year Surgical Service Equipment Agreement at MRH	142,259	None
22	Television Media Campaign for MHS	137,000	None
23	Replacement Equipment for MRHS Laboratory	122,386	None
24	Equipment for Miami Lakes Urgent Care Center	114,779	None
25	Server Capacity Resources for Data Center at MHS	114,223	None
26	Three Year Surgical Service Equipment Agreement at MHW	110,648	None
27	Media Campaign for Memorial Cardiac & Vascular Institute	110,000	None
28	Data Cable Installation at MHM Medical Office Building	107,023	None
29	Phase Two Media Campaign for Memorial Cardiac & Vascular Institute	105,625	None
30	Architectural Fees for Surgical Intensive Care Unit Tower at MRH	6,229,637	None

Exhibit C

Memorial Healthcare System
Investor Contact Log
Fiscal Year 2023

Quarter: Ended	Contact:	Representing:	Discussion:
July 31,2022	None		
October 31, 2022	None		
January 31, 2023	Christopher Grimbel	Fidelity	One-off investor inquiry

Exhibit D

Memorial Healthcare System
Non Audit Engagement Report
Q3 FY 2023

Quarter Ended	RSM US LLP Engagement:		
Q3 FY2023	For professional services rendered and expenses incurred in connection with Memorial Health Network (MHN) IRS Audit for tax year ending 4/30/2019.	$	5,000
	For professional services rendered and expenses incurred in connection with the preparation of MHN year end 4/30/2022 tax returns.	$	2,888
	For professional services rendered and expenses incurred in connection with preparation of Memorial Healthcare System's amended Tax form 990T and F1120X for the years ending April 30, 2019, 2020 and 2021.	$	21,000
	For professional services rendered and expenses incurred in connection with preparation of Memorial Healthcare System's year end 4/30/2021 extension and preparation of the year ended 4/30/2022 estimated payments.	$	3,150
	For professional services rendered and expenses incurred in connection with the preparation of Joe DiMaggio Children's Hospital Foundation and Memorial Foundation YE 12/31/21 tax returns.	$	9,266
	For professional services rendered and expenses incurred in connection with implementing GASB 87 Technical Lease accounting.	$	22,785
	Total	$	64,089
Q3 FY2022	Total spend, provided for comparative purpose	$	34,973

Quarter Ended	Zomma Group LLP Engagement:		
Q3 FY2023	For professional services rendered and expenses incurred in connection with Non Audit Engagements.	$	-
Q3 FY2022	Total spend, provided for comparative purpose	$	-

Exhibit E

MEMORIAL HEALTHCARE SYSTEM
AUDIT AND COMPLIANCE WORK PLAN
FISCAL YEAR 2024

SUMMARY

		HOURS		
		FY 2024 Budget	FY 2023 Budget	Mar 1, 2022 thru Feb 28, 2023 Actual
I.	**INTERNAL AUDIT**			
	RECURRING ANNUAL AUDITS	1,150	950	1,035
	RECURRING QUARTERLY AUDITS	1,160	1,160	1,643
	INFORMATION SYSTEMS AUDITS	950	950	961
	OTHER INTERNAL AUDITS	2,800	1,150	1,540
	INTERNAL AUDIT TOTAL	6,060	4,210	5,178
II.	**COMPLIANCE**			
	FACILITY BILLING AUDITS	4,350	4,150	4,150
	PROFESSIONAL BILLING AUDITS	1,810	1,810	1,840
	FACILITY AND PROFESSIONAL BILLING AUDITS	600	740	816
	OTHER COMPLIANCE AUDITS	800		
	COMPLIANCE AUDIT TOTAL	7,560	6,700	6,805
III.	**PRIVACY & SECURITY**			
	PRIVACY AUDITS	450	450	446
	SECURITY AUDITS	760	760	767
	PRIVACY & SECURITY TOTAL	1,210	1,210	1,213
IV.	**HOTLINE AND OTHER INVESTIGATIONS**	1,400	1,400	1,275
V.	**ADMINISTRATIVE & OTHER**	1,800	1,800	1,790
VI.	**PAID LEAVE**	1,890	1,890	2,013
	GRAND TOTAL	19,920	17,210	18,274

SUMMARY BY STAFFING	INTERNAL AUDIT	COMPLIANCE	PRIVACY & SECURITY	HOTLINE & INVESTIGATIONS	OTHER	PAID LEAVE	TOTAL
CHIEF COMPLIANCE & INTERNAL AUDIT OFFICER	596	770	157	605	369	87	2,584
DIRECTOR OF COMPLIANCE	304	841	156	121	309	305	2,036
COMPLIANCE AUDITORS	135	2,943	128	126	401	474	4,205
COMPLIANCE AUDITOR - MPG	106	1,441	108	17	79	339	2,088
DIRECTOR OF INTERNAL AUDIT	1,258	182	235	57	154	408	2,293
INTERNAL AUDITORS	1,954	132	128	274	285	216	2,989
SENIOR IT & PRIVACY AUDITOR	826	497	302	76	194	185	2,079
TOTALS	5,178	6,805	1,213	1,275	1,790	2,013	18,274

I. INTERNAL AUDIT	Hours
A. RECURRING ANNUAL AUDITS	**1,150**
Conflicts of Interest Review and evaluate system to determine that conflicts of interest are identified, evaluated and mitigated. Determine that the risks of purchase schemes, kickbacks, bid rigging, etc. are mitigated. Determine that related party transactions are identified, evaluated and mitigated.	450
Pension Plan Annual audit of pension plan activity for compliance with plan document. Audit of Contributions.	150
RSM Annual Audit Assist RSM with annual financial audit.	550
B. RECURRING QUARTERLY AUDITS	**1,160**
Construction Audit of construction disbursements for all projects with an estimated cost of $1,000,000 or greater.	200
RFPs and Competitive Quotes Audit to determine that all Requests for Proposal (RFPs) and Competitive Quotes are conducted according to System policies.	200
Board, Executive Staff Travel & Administrative Team Travel Audit to determine that all travel and entertainment expenses incurred by Board members and members of the Executive and Administrative Staffs are consistent with System policies.	200
RSM Non Audit Engagements Identify and report to the Audit and Compliance Committee all RSM engagements that are not related to their main audit activities.	60
Facilities Management Coordinate and review services provided by Elevate.	200
Food Services Coordinate and review services provided by Elevate.	200
Pharmacy Services Coordinate and review services provided by Premier Performance Partners (PPP).	100
C. INFORMATION SYSTEMS AUDITS	**950**
Assistance Provided to Protiviti Coordinate and review services provided by Protiviti.	200
Audit Workpaper Software Maintenance of the Audit Department management system, including the development of automated reports and management response process, development of risk assessments, updates to project program steps, and create and maintain audit summary dashboard.	250
Conflicts of Interest Dual Access Monitoring Verify that the Memorandum of Understanding is effective for employees with a second job who were educated and agreed to the control obligations through monitoring user activities to ensure that their patient access does not pose a conflict of interest until automated monitoring can be established.	250
Risk Management Framework Review the standards and guidelines for assessing and managing risks, which include setting objectives, establishing principles for corrective actions, identifying threats and vulnerabilities, analyzing the impact that PHI, PII and sensitive information losses may have and developing criteria for accepting risk levels.	250

I. INTERNAL AUDIT	Hours
D. OTHER INTERNAL AUDITS	**2,800**
Non-Monetary Compensation to Physicians Determine whether non-monetary compensation are provided to physicians for medical staff incidental benefits that can include meals, parking, and items or incidental services. Verify that an inventory of non-monetary compensation and benefits exists.	250
Supply Chain Evaluate the supply chain governance, risk management and control processes appropriately reduce operations costs, increase competitive advantage, and inventory sole source providers, and verify supplier selection process ensures that they provide quality goods and services, timely delivery and follow up on delays, have strong cybersecurity controls, have service level audits, and are held to ethical standards.	300
Construction Services Determine whether operational and financial internal controls are in place and operating properly. Review policies and procedures, evaluate RFP process, bid documentation and review payment application and close-out process.	250
Contract Management Identify contract processing stages, performance of contract management software, including approval routings, tracking obligations, alerts, and functions that ensure contracts contain the appropriate clauses and sensitive information is managed securely.	250
Memorial Health Network Review the current policies and procedures for this program to determine whether it meets the objectives and is consistent with clinical integrated network (CIN) of independent physicians, physician groups, and hospitals that are expected to provide patient focused coordinated care through collaboration that expands coverage and controls costs.	250
Corporate Credit Cards Review corporate credit cards policy, determine when receipts are required and charges are to be pre-approved, permitted or prohibited. Assess credit card usage limitations, issuance approval process, and reconciliation process.	1,500
INTERNAL AUDIT TOTAL	**6,060**

II. COMPLIANCE	Hours
A. FACILITY BILLING AUDITS	**4,350**
DRG Coding Conduct coding audits of MS-DRGs that have been nationally identified as subject to manipulation. Determine whether the services provided were medically necessary. Audit the coding process to determine that the assignment of DRGs is appropriate and reasonable.	300
APCs & Outpatient Services Conduct coding audits that have been nationally identified as subject to manipulation. Determine whether the services provided were medically necessary. Audit to determine whether issues of medical necessity, diagnosis and procedure coding, and bundling and unbundling of services relating to the outpatient prospective payment system are properly handled.	300
Medicaid Services Determine whether the services are medically necessary. Determine whether the services are billed according to Medicaid guidelines.	300
340B Drug Pricing Program - Hospital Determine whether the patients are appropriate candidates. Determine if the provider is 340B eligible. Audit for potentially abusive practices, such as duplicate discounts. Audit to determine adequacy of documentation. Determine if the location is an eligible location.	400
340B Drug Pricing Program - Contract Pharmacies Determine whether the patients are appropriate candidates. Determine if the provider is 340B eligible. Audit for potentially abusive practices, such as duplicate discounts. Audit to determine adequacy of documentation. Determine if the location is an eligible location.	400
New Programs and Services Determine whether issues of medical necessity, diagnosis and procedure coding, and bundling and unbundling of services relating to new programs are properly handled. Includes LUNA, HOPCo, OB Emergency Services, Comprehensive Stroke Designation at MHW, RN Fellowship Program.	400
Total Heart Center and Adult Congenital Heart Disease Program Audit for potentially abusive practices such as upcoding; examine for adequacy of patient record documentation.	200
Clinical Trials Audit to assess program safeguards related to clinical trial claim processing requirements. Audit to assess that payment only includes items and services that Medicare would otherwise have covered if they were not provided in the context of a clinical trial.	200
Memorial Cancer Institute Audit for potentially abusive practices such as upcoding; examine for adequacy of patient record documentation.	200
Memorial/Moffitt Cancer Program Audit to ensure all policies, care plans, and other documentation are in order, medication adherence rates are monitored; examine for adequacy of patient record documentation.	200
Regulatory Audits Conduct audits that determine whether we are following the rules which allow us to be Medicare and Medicaid providers, such as, the Medicare Outpatient Observation Notice, the Important Message from Medicare, the Detailed Notice of Discharge, signage, Pregnancy Termination after 15 weeks, etc.	250

II. COMPLIANCE	Hours
Medicare Administrative Contractor Comparative Billing Reports Conduct audits to review First Coast Service Options, Inc. letters of utilization units and dollars paid, average number of units and dollars paid as compared to our peer group to identify opportunities to refine Medicare billing and utilization.	400
Partnerships and Outside Services Programs Conduct audits that determine whether we are following the rules which allow us to be Medicare and Medicaid providers with our partnerships and outside services, including LUNA, HOPCo, Solis, and Maternal Fetal Medicine Services.	400
Behavioral Health Audit Determine whether issues of medical necessity, diagnosis and procedure coding, and bundling and unbundling of services relating to include medication adherence such as in the Spravato Program.	400
B. PROFESSIONAL BILLING AUDITS	**1,810**
Coding and Billing Practices of Employed Physicians Audit for potentially abusive practices such as upcoding; examine for adequacy of patient record documentation, include telehealth reviews and teach physician services for Hospitalists, Lung Cancer, Oncologists, Pediatric GI Program, and Primary Care Physicians.	1,810
C. FACILITY AND PROFESSIONAL BILLING AUDITS	**600**
Medical Necessity, Coding and Billing Audits for Hospital and MPG Audit for compliance with Medicare and Medicaid requirements for medical record documentation of medical necessity, diagnosis and procedure coding, and medication adherence for both technical component and professional components in programs such as Chronic Care Pediatrics, and NICU III.	600
D. OTHER COMPLIANCE AUDITS	**800**
CCP Network Perform the function of compliance committee member at the Community Care Plan.	40
Excluded Party Searches Perform annual searches of all employees, physicians, non staff physicians, non physician practitioners, traveling nurses, students, volunteers, vendors and vendor principles to ensure that none have been excluded from participation in federal programs.	320
Compliance Policies and Procedures Update policies and procedures. Audit to determine whether the Compliance Program policies and procedures are being followed.	480
COMPLIANCE AUDIT TOTAL	**7,560**

III. PRIVACY & SECURITY	Hours
A. PRIVACY AUDITS	450
Privacy Technical Issues Participation in the management of Privacy Technical issues including log management and development, remote and system access, software application privacy compliance, investigation tools, and privacy monitoring.	75
Population Health Services Assess the current policies and procedures for this program to determine whether it meets the objectives and is consistent with the privacy and security standards	150
General Data Protection Regulation Review patients and employees for residence in the European Union and evaluate privacy requirements are met to ensure data protections at rest and transit, use and disclosure, and data retention meet the requirements of GDPR.	150
Break the Glass Evaluate a sample of the break the glass report for escalated access to ePHI for appropriateness.	75
B. SECURITY AUDITS	760
Ransomware Readiness Evaluate effectiveness of controls to mitigate ransomware attacks at the Memorial Healthcare System network perimeter.	200
Remote log-in geo-location Evaluate geographical location controls when logging into Memorial Healthcare System remotely.	150
Identity and Access Management Evaluate access controls as employees and vendors change roles within Memorial Healthcare System.	160
Transmission Security Review electronic transmission of ePHI, verify a mechanism to encrypt the ePHI was implemented appropriately, to include email, texting, application sessions, FTP, remote backups, remote access and support sessions (VPN) and web conferencing.	250
PRIVACY & SECURITY TOTAL	1,210
IV. HOTLINE AND OTHER INVESTIGATIONS	
Hotline Investigate and respond to compliance hotline calls.	700
Internal Reports Investigate and respond to Internal Reports of suspected noncompliance.	700
INVESTIGATIONS TOTAL	**1,400**
V. ADMINISTRATIVE & OTHER	
Compliance and Internal Audit Training and Development Includes New Employee Orientation, Leadership Essentials, Management Updates, Compliance Working Committee, Physician Compliance Training and other sessions as needed.	1,200
Administrative and Other Includes special projects, meetings, etc. Includes Credit Union	600
TRAINING, STAFF DEVELOPMENT & OTHER TOTAL	**1,800**

VI. WORK PERFORMED BY OUTSIDE AUDIT FIRMS

A. ANNUAL IT SECURITY AUDITS	Firm
External Penetration Testing Conduct an annual scan to identify and evaluate the security posture and risk exposures of external MHS environments (Internet perimeter) and to identify information security system issues. Conduct scans of new, outward facing features such as ePrescribing and Patient Medical Records.	Protiviti
Internal Penetration Test Internal Penetration Test, with a focus on Ransomware attack vectors, would be performed to evaluate the risk the organization faces if an attacker, malicious code, or internal employee were to attempt to perpetrate an attack on the network from the inside, otherwise bypassing external network controls that would prevent an external attacker.	Protiviti
Internal Vulnerability Assessment Conduct an annual scan to identify and evaluate the security posture and risk exposures of internal MHS environments and to identify information security system issues.	Protiviti

B. NEW IT SECURITY AUDITS	Firm
Cloud Strategy, Governance, and Security Configuration Review Protiviti will perform evaluation of rules and policies adopted to run services in the cloud, cloud governance that facilitates effective and efficient security management and operations in the cloud environment, review the application's supporting cloud infrastructure for effective cloud application using a cloud provider's security controls to protect workloads, data security, and manage risk.	Protiviti
Workday Pre-Implementation Assessment/Roadmap This review will focus on the Workday implementation and focus on the IT General Controls in place protecting the data contained therein including access controls, logging, and retention/backup of the application database as well as the configuration of system based controls to protect confidentiality, integrity and availability of the underlying system.	Protiviti
Application Review (i.e. Epic, Infor, Population Health) Protiviti will assist MHS to evaluate the system and security controls of Epic, Infor, and Population Health, including an evaluation of the databases, servers, and infrastructure that support the applications, access management, and data governance.	Protiviti
Incident Response Program Assessment Assess Information Technology Incident Response Program against industry best practices and standards to identify potential risks and vulnerabilities, measure maturity, forensic capabilities, and lessons learned process.	Protiviti
Digital Identity and Access Management Assessment Assess the business processes, policies and technologies that facilitates the management of electronic or digital identities, including products, processes, and policies used to manage user identities and regulate user access within an organization..	Protiviti
Customer Experience (TalkDesk) Assessment	Protiviti

C. INTERNAL & COMPLIANCE AUDITS	Firm
Facilities Management Regular quarterly audits to determine: That goods and services are ordered, received, approved and paid according to MHS policies. That conflicts of interest are identified, evaluated and mitigated. That the risks of purchase schemes, kickbacks, bid rigging, etc. are mitigated.	Elevate
Food Services Regular quarterly audits to determine: That goods and services are ordered, received, approved and paid according to MHS policies. That conflicts of interest are identified, evaluated and mitigated. That the risks of purchase schemes, kickbacks, bid rigging, etc. are mitigated.	Elevate
Pharmacy Regular quarterly audits to determine medication adherence	PPP

VI. WORK PERFORMED BY OUTSIDE AUDIT FIRMS

Physician Agreements — Nelson Mullins, Broad & Cassel

Determine whether Physician Agreements, including lease agreements, are in compliance with federal regulations. Verify that the work being performed and the payments being made are in accordance with an executed and current contract.

Behavioral Health Program — TBD

Determine whether the services are medically necessary. Determine whether the patient has been placed in the appropriate status (inpatient, observation or outpatient). Audit for potentially abusive practices such as upcoding. Audit to determine adequacy of documentation.

Evaluation of Corporate Compliance Programs — TBD

Determine that the Compliance Program effectively articulates and demonstrates the organization's commitment to the compliance process and ethical business practices, a culture that promotes prevention, detection and resolution of conduct that does not conform to Federal and State laws.

Price Transparency — TBD

Assess the MHS cost of hospital items and services are appropriately available to the public and contains comprehensive machine-readable files with all items and services, and shoppable services are available in a consumer-friendly format to meet the CMS requirements.

Transplant Program — TBD

Determine transplant program policies and procedures align with regulatory requirements and data reporting, and coding and billing are appropriate.

Compliance Risk Assessment — TBD

Identify areas lacking internal control, evaluate potential compliance risks to possible outcomes, and prioritize legal and regulatory risks based on the severity of possible operational, legal, and financial damage associated with each.

Memorial Healthcare System

MEMORIAL REGIONAL HOSPITAL • MEMORIAL REGIONAL HOSPITAL SOUTH • JOE DIMAGGIO CHILDREN'S HOSPITAL
MEMORIAL HOSPITAL WEST • MEMORIAL HOSPITAL MIRAMAR • MEMORIAL HOSPITAL PEMBROKE

To: Denise DiCesare, Chief Compliance and Internal Audit Officer, MHS

Date: January 25, 2023

From: Dorinda Segovia, Vice President, Pharmacy Services, MHS
Scott Davis, Vice President, Reimbursement and Revenue Integrity, MHS

Subject: **Action Plan: Compliance Audit of the 340B Program at Memorial Healthcare System - FY 2023 Third Quarter**

Attached is our Action Plan, which identifies the steps which will be taken to address the recommendations made in the above referenced audit.

Recommendations	Response/Action Plan	Estimated Completion Date
We recommend reversing the charge for the one claim with the missing medication administration record (MAR) and original prescription order.	Patients drug was charged, but not documented as given due to the pyxis set up issue to be set up as charge on dispense. Extensive review off all charge on dispense charges to be completed by MHM. Will need to pull report of all charge on dispense items. This one charge will be manually credited by MHM Pharmacy.	3/1/2023
We recommend continuing to monitor and include pre-admissions testing (PAT) locations and the automated dispensing cabinet (ADC) overrides to target audit parameters for increased oversight over mixed use based on hospital locations.	MHM MOB Pyxis was set-up to charge on dispense and not as charge on administration since they opened. On 6/22/22 this was corrected, and duplicate charges credited. However, nursing was logging in to a non-clinical department MHM PAT, where additional incorrect charges were found. Since, an epic report was created for MHM to audit all charges documented as charge on dispense. They'll have to audit all the charges to determine what was	2/7/23

	administered. Nursing and Pharmacy leadership teams have been notified.	
IT Pyxis Machine Charging Set-ups	As “charge on dispense” continues to be an issue. A better audit process needs to be developed to prevent this from coming up in future audits.	2/8/23

cc: K. Scott Wester, President and Chief Executive Officer, MHS

Dorinda Segovia,
Vice President, Pharmacy Services

Scott Davis,
Administrative Director, Reimbursement and Revenue Integrity

Memorial Healthcare System

MEMORIAL REGIONAL HOSPITAL • MEMORIAL REGIONAL HOSPITAL SOUTH • JOE DIMAGGIO CHILDREN'S HOSPITAL
MEMORIAL HOSPITAL WEST • MEMORIAL HOSPITAL MIRAMAR • MEMORIAL HOSPITAL PEMBROKE

To: Denise DiCesare, Chief Compliance and Internal Audit Officer, MHS

Date: February 24, 2023

From: Peter Powers, Administrator and Chief Executive Officer, MRH
Walter Bussell, Chief Financial Officer, MRH
Diane Evangelista, Administrative Director, HIM, MHS

Subject: **Action Plan: COMPLIANCE AUDIT OF DOCUMENTATION AND BILLING OF CYSTOURETHROSCOPY WITH FULGURATION PROCEDURES AND BLADDER TUMOR RESECTION, MEDIUM, CPT CODE 52235 AT MEMORIAL REGIONAL HOSPITAL**

Attached is our Action Plan, which identifies the steps which will be taken to address the recommendations made in the above referenced audit.

Recommendations	Response/Action Plan	Estimated Completion Date
We recommend Health Information Management include the procedure cystourethroscopy with fulguration procedures and bladder tumor resection in their continuing education provided to coding staff and in their routine audits.	HIM will provide continuing education to coding staff for cystourethroscopy with fulguration and resection for bladder tumor and lesions. This will also be included in routine audits. A physician query process has been developed by HIM to address missing documentation for these procedures. When query is unanswered, coder will either code bladder lesion procedure with an unspecified CPT code or use pathology report in the following scenarios: for single lesions, code the size in centimeters documented on path report; for multiple lesions, when a range in size is documented in centimeters, coding the largest size documented in the range.	6/30/2023

cc: K. Scott Wester, President and Chief Executive Officer, MHS

Memorial Healthcare System

MEMORIAL REGIONAL HOSPITAL • MEMORIAL REGIONAL HOSPITAL SOUTH • JOE DIMAGGIO CHILDREN'S HOSPITAL
MEMORIAL HOSPITAL WEST • MEMORIAL HOSPITAL MIRAMAR • MEMORIAL HOSPITAL PEMBROKE

To: Denise DiCesare, Chief Compliance and Internal Audit Officer, MHS

Date: February 24, 2023

From: Mario Salceda-Cruz, Chief Operating Officer, MPG
Esther Surujon, Chief Financial Officer, MPG, MPC & UCC

DocuSigned by: Mario Salceda-Cruz DS ES 2C23047199F94D3...

Subject: **Action Plan: COMPLIANCE AUDIT OF DOCUMENTATION AND BILLING OF CYSTOURETHROSCOPY WITH FULGURATION PROCEDURES AND BLADDER TUMOR RESECTION, MEDIUM, CPT CODE 52235 AT MEMORIAL REGIONAL HOSPITAL**

Attached is our Action Plan, which identifies the steps which will be taken to address the recommendations made in the above referenced audit.

Recommendations	Response/Action Plan	Estimated Completion Date
We recommend Memorial Physician Group (MPG) management reeducate providers on the completeness and clarity of medical record documentation particularly on the size of tumor removed in the operative (OP) records.	Urology Providers has been reeducated on completeness and clarity of medical record documentation particularly on the size of tumor removed in the operative (OP) records.	03/03/2023
We recommend MPG management audit physician documentation in the OP records of the size of the tumor removed for cystourethroscopy with fulguration procedures and bladder tumor resection for adequacy of documentation, as needed.	Beginning 3/31/2023, Business Office will randomly select 5 Op reports for cystourethroscopy with fulguration procedures and bladder tumor resection and audit for proper documentation and coding. At the end of the month, the findings will be summarized and presented to Business Office – Admin Director. After 6 months this audit process will be conducted on an annual basis.	03/31/2023
We recommend MPG management audit providers medical record documentation of cystourethroscopy	Beginning 3/31/2023, Business Office will randomly select 5 in office cystourethroscopy with	

with fulguration procedures and bladder tumor resection to ensure that the Current Procedural Terminology (CPT) code used is supported by medical record documentation.	fulguration procedures and bladder tumor resection and audit for proper documentation and CPT coding. At the end of the month, the findings will be summarized and presented to Business Office – Admin Director. After 6 months this audit process will be conducted on an annual basis.	
We recommend MPG coders and billers be retrained in coding for cystourethroscopy with fulguration procedures and bladder tumor resection.	MPG coders and billers were retrained in coding and billing for cystourethroscopy with fulguration procedures and bladder tumor resection.	2/22/2023

cc: K. Scott Wester, President and Chief Executive Officer, MHS

DocuSign

Certificate Of Completion

Envelope Id: C0DBCCFC75B5442BA2B5A5475B530AF0
Status: Completed
Subject: Complete with DocuSign: Action Plan MPG 022423.pdf
Source Envelope:
Document Pages: 2
Signatures: 1
Certificate Pages: 5
Initials: 1
AutoNav: Enabled
EnvelopeId Stamping: Enabled
Time Zone: (UTC-08:00) Pacific Time (US & Canada)

Envelope Originator:
Kim Taylor Capers
3111 Stirling Road
Fort Lauderdale , FL 33312
ktaylorcapers@mhs.net
IP Address: 205.152.238.75

Record Tracking

Status: Original
3/7/2023 1:42:33 PM
Holder: Kim Taylor Capers
ktaylorcapers@mhs.net
Location: DocuSign

Signer Events	Signature	Timestamp
Esther Surujon ESurujon@mhs.net Security Level: Email, Account Authentication (None)	DS ES Signature Adoption: Pre-selected Style Using IP Address: 205.152.238.75	Sent: 3/7/2023 1:44:07 PM Viewed: 3/7/2023 2:02:35 PM Signed: 3/7/2023 2:02:52 PM
Electronic Record and Signature Disclosure: Accepted: 3/7/2023 2:02:35 PM ID: 49222fa6-e732-4693-b035-9bc04551ab6d		
Mario Salceda Cruz MSalceda@mhs.net COO Memorial Physician Group Security Level: Email, Account Authentication (None)	DocuSigned by: Mario Salceda Cruz 2C23047199F94D3... Signature Adoption: Pre-selected Style Using IP Address: 107.72.178.117 Signed using mobile	Sent: 3/7/2023 1:44:08 PM Viewed: 3/7/2023 1:48:23 PM Signed: 3/7/2023 1:48:42 PM
Electronic Record and Signature Disclosure: Accepted: 3/7/2023 1:48:23 PM ID: bc7ca39c-8a1d-4c6b-96ae-bdc55061aa18		

In Person Signer Events	Signature	Timestamp

Editor Delivery Events	Status	Timestamp

Agent Delivery Events	Status	Timestamp

Intermediary Delivery Events	Status	Timestamp

Certified Delivery Events	Status	Timestamp

Carbon Copy Events	Status	Timestamp
Loretta Burbridge LBurbridge@mhs.net Security Level: Email, Account Authentication (None)	COPIED	Sent: 3/7/2023 1:44:08 PM Viewed: 3/8/2023 7:22:30 AM
Electronic Record and Signature Disclosure: Not Offered via DocuSign		

Witness Events	Signature	Timestamp

Notary Events	Signature	Timestamp

Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	3/7/2023 1:44:08 PM
Certified Delivered	Security Checked	3/7/2023 1:48:23 PM
Signing Complete	Security Checked	3/7/2023 1:48:42 PM
Completed	Security Checked	3/7/2023 2:02:52 PM

Payment Events	Status	Timestamps

Electronic Record and Signature Disclosure

ELECTRONIC RECORD AND SIGNATURE DISCLOSURE

From time to time, South Broward Hospital System d/b/a Memorial Healthcare System (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through the DocuSign system. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to this Electronic Record and Signature Disclosure (ERSD), please confirm your agreement by selecting the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

Getting paper copies

At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. You will have the ability to download and print documents we send to you through the DocuSign system during and immediately after the signing session and, if you elect to create a DocuSign account, you may access the documents for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a $0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

Withdrawing your consent

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

Consequences of changing your mind

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. Further, you will no longer be able to use the DocuSign system to receive required notices and consents electronically from us or to sign electronically documents from us.

All notices and disclosures will be sent to you electronically

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through the DocuSign system all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

How to contact South Broward Hospital System d/b/a Memorial Healthcare System:

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:
To contact us by email send messages to: jaleu@mhs.net

To advise South Broward Hospital System d/b/a Memorial Healthcare System of your new email address

To let us know of a change in your email address where we should send notices and disclosures electronically to you, you must send an email message to us at jaleu@mhs.net and in the body of such request you must state: your previous email address, your new email address. We do not require any other information from you to change your email address.

If you created a DocuSign account, you may update it with your new email address through your account preferences.

To request paper copies from South Broward Hospital System d/b/a Memorial Healthcare System

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an email to jaleu@mhs.net and in the body of such request you must state your email address, full name, mailing address, and telephone number. We will bill you for any fees at that time, if any.

To withdraw your consent with South Broward Hospital System d/b/a Memorial Healthcare System

To inform us that you no longer wish to receive future notices and disclosures in electronic format you may:

i. decline to sign a document from within your signing session, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;

ii. send us an email to jaleu@mhs.net and in the body of such request you must state your email, full name, mailing address, and telephone number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

Required hardware and software

The minimum system requirements for using the DocuSign system may change over time. The current system requirements are found here: https://support.docusign.com/guides/signer-guide-signing-system-requirements.

Acknowledging your access and consent to receive and sign documents electronically

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please confirm that you have read this ERSD, and (i) that you are able to print on paper or electronically save this ERSD for your future reference and access; or (ii) that you are able to email this ERSD to an email address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format as described herein, then select the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

By selecting the check-box next to 'I agree to use electronic records and signatures', you confirm that:

- You can access and read this Electronic Record and Signature Disclosure; and
- You can print on paper this Electronic Record and Signature Disclosure, or save or send this Electronic Record and Disclosure to a location where you can print it, for future reference and access; and
- Until or unless you notify South Broward Hospital System d/b/a Memorial Healthcare System as described above, you consent to receive exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you by South Broward Hospital System d/b/a Memorial Healthcare System during the course of your relationship with South Broward Hospital System d/b/a Memorial Healthcare System.

Memorial Healthcare System

MEMORIAL REGIONAL HOSPITAL • MEMORIAL REGIONAL HOSPITAL SOUTH • JOE DIMAGGIO CHILDREN'S HOSPITAL
MEMORIAL HOSPITAL WEST • MEMORIAL HOSPITAL MIRAMAR • MEMORIAL HOSPITAL PEMBROKE

To: Denise DiCesare, Chief Compliance and Internal Audit Officer, MHS

Date: November 4, 2022

From: Mario Salceda-Cruz, Chief Operating Officer, MPG DS MSC
Esther Surujon, Chief Financial Officer, MPG, MPC DS ES

Subject: **Action Plan:** Compliance Audit of Neurology & Neurosurgery Procedures for Memorial Physician Group Professional Coding and Billing

---

Attached is our Action Plan, which identifies the steps which will be taken to address the recommendations made in the above referenced audit.

Recommendations	**Response/Action Plan**	**Estimated Completion Date**
We recommend that Neurology providers be reeducated on medical record documentation, coding, and billing of EEG services.	Majority of the Neurology providers have received reeducation. Remaining Neurology providers are in the process of being scheduled for reeducation.	03/30/2023
We recommend MPG Business Office monitor the implemented process for compliance with documentation, coding, and billing of Botox and EEG services.	Monthly audits will be conducted for 6 months. Business Office will randomly select 5 accounts for Botox, EMGs, and Procedures. Additionally, 5 Outpatient claims and 5 Inpatient claims will be audited. At the end of the month, the findings will be summarized and presented to Business Office – Admin Director. After 6 months this audit process will be conducted on an annual basis	03/31/2023

We recommend MPG Business Office initiate a retrospective review of Botox injection services from date of the audit back six years to identify documentation and charge capture errors and correct and rebill if appropriate.	Business Office has requested 6 years of Botox billing CPT J0585 & J0586 (01/01/2016-12/31/2022). Once obtained billing will be audited to capture any errors and correct and rebill if appropriate.	05/31/2023
We recommend that MPG Administration ensure that MHS covered recipients are registered in both the Open Payments system and CMS Identity Management (IDM) system and review and dispute the data on their behalf.	Practice Managers will receive training at the March 2023 Practice Managers meeting. The Practice Managers will be shown on how to enroll each of the providers into the IDM and then request access to Open Payments. Each manager will have to do this for each provider. Once granted access, they must log into each account and review the provider's reported payments. They will then need to sit with each provider and review what has been reported. If a provider is going to dispute a payment, the manager will have to work with the provider to complete the dispute.	03/31/2023

cc: K. Scott Wester, President and Chief Executive Officer, MHS

Memorial Healthcare System

MEMORIAL REGIONAL HOSPITAL • MEMORIAL REGIONAL HOSPITAL SOUTH • JOE DIMAGGIO CHILDREN'S HOSPITAL
MEMORIAL HOSPITAL WEST • MEMORIAL HOSPITAL MIRAMAR • MEMORIAL HOSPITAL PEMBROKE

To: Denise DiCesare. Chief Compliance and Internal Audit Officer, MHS

Date: February 22, 2023

From: Vedner Guerrier, Chief Executive Officer, MHW
Felicia Turnley, Chief Operating Officer, MHW
Kevin Corcoran, Chief Financial Officer, MHW 3/6/23
Denise Reynolds, Chief Nursing Officer, MHW 3/6/23

Subject: Action Plan: Follow-Up Compliance Audit of Documentation and Billing of Bone Marrow Aspiration and Biopsy at Memorial Hospital West

---

Attached is our Action Plan, which identifies the steps which will be taken to address the recommendations made in the above referenced audit.

Recommendations	Response/Action Plan	Estimated Completion
We recommend IR management continue to ensure and monitor that the order entered in EPIC concurs with the procedure performed.	IR management will assure and monitor that the appropriate order for the bone marrow biopsies include the aspiration portion.	3/3/2023
We recommend IR management reeducate the staff obtaining consents ensure that the consent forms are filled completely according to standard practice and concur with the actual procedure to be performed.	The IR management team had re-educated the staff on the required elements of an informed consent.	3/3/2023
We recommend IR management develop a process and monitor to ensure that all consent forms are filled according to standard practice.	The IR management team will be enforcing the education of the need to verify all areas of the consents prior to the procedure and lately during the obligatory CRM time-out.	3/10/2023

We recommend MHW Surgical Services develop a charge capture process and monitor that to ensure MAC are charged consistently.	Surgical services will review Anesthesia charges daily for prior day. The Status Board is used to review every case and each patient's account and then compared to the Final Anesthesia Type.	3/3/2023
We recommend ARM review the identified account with charging and reimbursement errors to determine if the account needs to be rebilled.	Charges corrected based on audit findings	2/14/2023
We recommend ARM review the identified account with MAC charging error to determine if the account need to be rebilled.	Account was rebilled to Medicare and is pending reimbursement	2/14/2023

cc: K. Scott Wester, President and Chief Executive Officer, MHS