UT Southwestern
Medical Center

Offsite Clinic Operations Audit

UT Southwestern Monty and Tex Moncrief

Medical Center at Fort Worth

Internal Audit Report 18:10
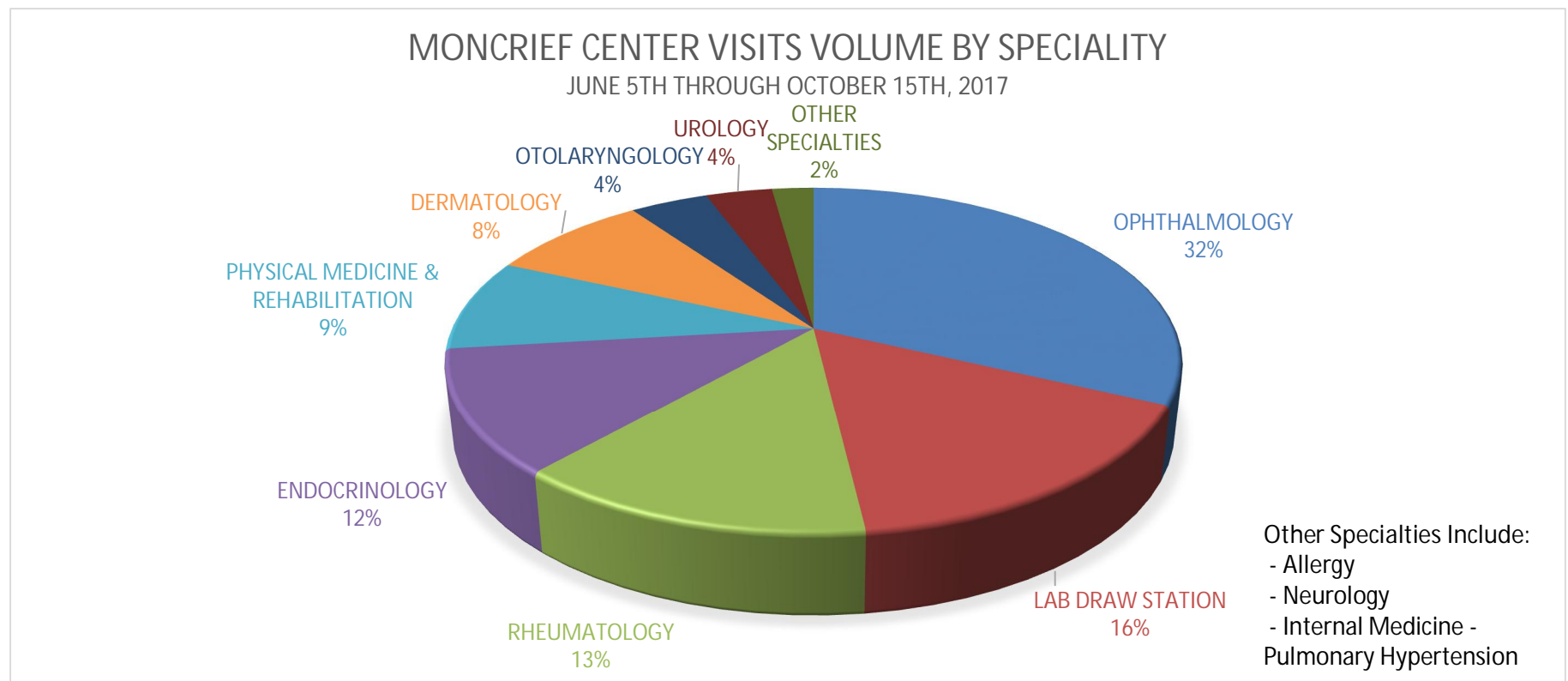
December 22, 2017

Table of Contents

Executive Summary

Background

The UT Southwestern Monty and Tex Moncrief Medical Center (Moncrief Center) at Fort Worth opened June 5, 2017. The Moncrief Center is staffed with UT Southwestern physicians and offers outpatient care and consultations in more than a dozen specialty clinics, including a retail pharmacy and a lab collection site.

The following graph provides the types of specialty clinics at the Moncrief Center by volume based on completed visits from June 5, 2017 through October 2017.

MONCRIEF CENTER VISITS VOLUME BY SPECIALITY
JUNE 5TH THROUGH OCTOBER 15TH, 2017

- OPHTHALMOLOGY 32%
- LAB DRAW STATION 16%
- RHEUMATOLOGY 13%
- ENDOCRINOLOGY 12%
- PHYSICAL MEDICINE & REHABILITATION 9%
- DERMATOLOGY 8%
- OTOLARYNGOLOGY 4%
- UROLOGY 4%
- OTHER SPECIALTIES 2%

Other Specialties Include:
- Allergy
- Neurology
- Internal Medicine -
Pulmonary Hypertension

The Moncrief Center is managed by the Ambulatory Operations department, with the exception of the Ophthalmology specialty, which is managed by the UT Southwestern Department of Ophthalmology. A combined staff of 10 employees are responsible for front office activities including patient check in and check out, patient point of service collections (patient copays/co-insurance and prior balance). Providers are responsible for completing the charge entry process and closing encounters.

Executive Summary

Patient scheduling and pre-registration activities are completed by central registration groups within each specialty group. Billing activities are performed by the UT Southwestern Medical Group and are not a part of the Moncrief Center operations.

The Clinic Director is responsible for oversight and monitoring of key processes for all specialties excluding Ophthalmology. The Moncrief Center accepts checks and credit cards only.

Epic is the system of record for all patient encounters and billing information.

Scope and Objectives

The Office of Internal Audit has completed its Offsite Clinic audit. This was a risk based audit and part of the fiscal year 2018 Audit Plan. The overall objective of the audit engagement was to determine the adequacy and effectiveness of operational processes and internal controls to ensure effective and efficient achievement of objectives, compliance with key institutional policies and procedures, safeguarding of assets and accuracy of reporting and to determine the following adequate clinic controls for:
- Timely and complete patient scheduling and registration
- Accurate, complete and timely patient charge entry and daily reconciliations
- Adequate patient communications and timely collection and posting of patient payments
- Effective cash management practices and appropriate segregation of duties
- Appropriate system security access
- Adequate monitoring controls in place to ensure processes are working as designed

We conducted our examination according to guidelines set forth by the Institute of Internal Auditors' International Standards for the Professional Practice of Internal Auditing.

Conclusion

Overall, processes and controls for front end operations and monitoring controls were in place and operating effectively at the Moncrief Center. There is an opportunity to improve system Epic security access to ensure only minimum necessary access is provided. The development of an automated system for tracking and reporting of surgical cases performed at non-UT Southwestern centers will aid in the accurate estimation and collection of patient responsibility for copays and deductibles.

Specific strengths identified during the audit include:

- Working closely with the providers to review key operational metrics.
- The use of registration kiosks for automated and efficient patient check-in process.

Executive Summary

The following table provides a summary of the observations noted, along with the respective disposition of these observations within the Medical Center internal audit risk definition and classification process. See Appendix A for Risk Rating Classifications and Definitions.

Priority (0)	High (0)	Medium (2)	Low (0)	Total (2)

#1 Improve Segregation of Duties for Epic System Access – Moncrief Center employees have access to perform conflicting functions within the Epic system, including charge entry, payment posting, and refund functions.

#2 Develop an Automated Process for Surgery Preauthorization at Non UT Southwestern Facilities – The current preauthorization process for surgeries scheduled through the Moncrief Center is manual. Patient cost estimates are manually calculated, increasing the risk of errors.

Management has plans to address the issues identified in the report and in some cases has already implemented corrective actions. These responses, along with additional details for the key improvement opportunities listed above and other low risk observations are listed in the Detailed Observations and Action Plans Matrix (Matrix) section of this report.

We would like to take the opportunity to thank the departments and individuals included in this audit for the courtesies extended to us and for their cooperation during our review.

Sincerely,

Valla F. Wilson, Associate Vice President for Internal Audit, Chief Audit Executive

Executive Summary

Audit Team:
Melinda Lokey, Director of Internal Audit
Jeff Kromer, Director IT & Specialty Audits
Angeliki Marko, Supervisor of Internal Auditor
Lori Muncy, Senior Internal Auditor
Gabriel Samuel, Senior IT Auditor

cc: Candace Baer, Associate Vice President, Ambulatory Operations, Medical Group
    Kate Conklin, Associate Vice President, Institutional Compliance & Chief Compliance Officer
    Marisa Calder, Director Front End Medical/Surgical Billing, Medical Group Billing Operations Administration
    Arnim E. Dontes, Executive Vice President, Business Affairs
    Kathryn Flores, Assistant Vice President and Chief Information Officer, University Hospitals
    Suresh Gunasekaran, Associate Vice President, Health System Management Services
    Kelly Kloeckler, Associate Vice President, Revenue Cycle Operations
    James McCulley, M.D., Chairman Ophthalmology
    Marc Milstein, Vice President and Chief Information Officer
    Mack Mitchell, M.D., Interim Executive Vice President, Health System Affairs
    Calvin Mitchell, Director, Ambulatory Business Services
    Stephanie Mims, Manager, Patient Access Services
    Vinod Nair, Director Revenue Cycle and Business Systems
    Alisha Orton, Assistant Director, Ambulatory Clinical Operations
    Roger Pinkert, Department Administrator, Ophthalmology
    Brian Rasmus, Associate Vice President of Finance, Practice Plan
    Mark Rauschuber, Associate Vice President and Chief Information Officer, Health System
    Krystal Richardson, Director, Revenue Cycle Operations
    Seth Toomay, M.D., Chief Medical Officer and Associate Vice President, Ambulatory Operations
    John Warner, M.D., VP and CEO of Health System Affairs
    Jackie Williams, Manager Clinical Practice, Ophthalmology

Detailed Observations and Action Plans Matrix

Observation	Recommendation	Management Response
Risk Rating: Medium n **1. Improve Segregation of Duties for Epic System Access** Moncrief Center employees have access to perform conflicting functions within the Epic system, including charge entry, payment posting, and same day refund functions, which could result in unauthorized or incorrect transactions. Conflicting duties were defined, for purposes of this analysis, as combinations of two or more of the following functional categories: • Charge entry and related functions • Payment posting and related functions • Same day refunds for employee Registration employees do not use the charge entry function. One employee, a financial counselor, can perform payment posting and account adjustments. Conflicting access can result in inaccurate or unauthorized transactions.	1. Develop a Moncrief Center security class that removes the charge entry function. In coordination with Information Resources, confirm that removing this access will not impact the employee's ability to generate cost estimates for patients. 2. Display signs at each registration desk providing patients notification of payment methods, noting no cash can be accepted.	**Management Action Plans:** 1. Information Resources will develop a security class for Moncrief Center that removes the charge entry function. **Action Plan Owners:** Director, Revenue Cycle and Business Systems **Target Completion Date:** January 31, 2018 **Management Action Plans:** 2. Will obtain signage displaying the forms of payment and will post at each registration desk within the Moncrief Center. **Action Plan Owners:** Assistant Director, Clinical Operations **Target Completion Date:** Completed

Detailed Observations and Action Plans Matrix

Observation	Recommendation	Management Response

Risk Rating: Medium n
 	
2. Develop an Automated Process for Surgery Pre-authorizations Scheduled at Non-UT Southwestern Facilities
 	
The current surgery preauthorization process for procedures performed at non-UT Southwestern facilities in the area is manual.
 	
Since the Moncrief Center opened in June 2017, manual tracking of surgeries has been in place and specific financial estimates provided to the patients before surgeries have been calculated manually.
 	
Without a process for obtaining accurate insurance pre-authorizations and patient cost estimates, there is increased risk of failure to collect funds due and an increased rate of denials.
 	
Automating the process will provide a more efficient and reliable process for calculating cost estimates for patients and obtaining insurance pre-authorizations for physician charges
	Coordinate with Centralized Surgery Scheduling to develop an automated process to complete insurance pre-authorizations and provide cost estimates prior to surgery at non-UT Southwestern facilities.	**Management Action Plans:**
		
		1. Will coordinate with Director Front End Medical/Surgical Billing and IR to develop a work queue to create a more automated process for completing insurance pre-authorizations and provide cost estimates for non-UT Southwestern facilities.
		
		   A. The first step is to have the workgroup develop the project plan.
		
		   B. The second step is to develop the workqueue or the automated way to track surgeries.
		
		This project will be coordinated with the larger Revenue Cycle project related to pre-authorizations.
		
		Action Plan Owners:
		
		Assistant Director, Ambulatory Clinical Operations
		
		Target Completion Date:
		
		1A. March 31, 2018
		
		1B. August 31, 2018

Appendix A – Risk Classifications and Definitions

As you review each observation within the Detailed Observations and Action Plans Matrix of this report, please note that we have included a color-coded depiction as to the perceived degree of risk represented by each of the observations identified during our review. The following chart is intended to provide information with respect to the applicable definitions and terms utilized as part of our risk ranking process:

Risk Definition- The degree of risk that exists based upon the identified deficiency combined with the subsequent priority of action to be undertaken by management.	Degree of Risk and Priority of Action	
	Priority	An issue identified by Internal Audit that, if not addressed immediately, has a high probability to directly impact achievement of a strategic or important operational objective of a UT institution or the UT System as a whole.
	High	A finding identified by Internal Audit that is considered to have a high probability of adverse effects to the UT institution either as a whole or to a significant college/school/unit level. As such, immediate action is required by management in order to address the noted concern and reduce risks to the organization.
	Medium	A finding identified by Internal Audit that is considered to have a medium probability of adverse effects to the UT institution either as a whole or to a college/school/unit level. As such, action is needed by management in order to address the noted concern and reduce the risk to a more desirable level.
	Low	A finding identified by Internal Audit that is considered to have minimal probability of adverse effects to the UT institution either as a whole or to a college/school/unit level. As such, action should be taken by management to address the noted concern and reduce risks to the organization.

It is important to note that considerable professional judgment is required in determining the overall ratings presented on the subsequent pages of this report. Accordingly, others could evaluate the results differently and draw different conclusions.

It is also important to note that this report provides management with information about the condition of risks and internal controls at one point in time. Future changes in environmental factors and actions by personnel may significantly and adversely impact these risks and controls in ways that this report did not and cannot anticipate.