



REPORT NUMBER: EXAMPLE REPORT

AUDIT: Name of Facility
 Admitting and Registration

AUDIT DATE: Date

AUDITOR: Auditor Name, CPA, Audit Manager

INTERNAL AUDIT REPORT

Name of Facility
Admitting and Registration
Example Report
Date

Table of Contents

EXECUTIVE REPORT:

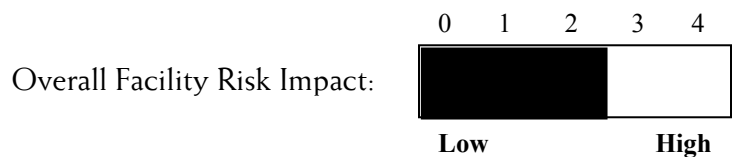
Executive Summary	3
Management's Response	4
Additional Procedures and Report Signatures	5

DETAILED REPORT:

Objectives, Scope, and Sample Reviewed	7
Background Information	8
Organization Chart	9
Acknowledgements	10
Audit Issues Detail	11
Internal Control Assessment	21

Executive Summary

The objective of this review was to obtain an understanding of the key admitting and registration functions managed by the Patient Access Services Department (PAS). During our review, internal controls related to the admitting and registration functions were reviewed and opportunities for improvement were evaluated with a risk significance of low, moderate, or high.



The most significant opportunities for improvement are identified below:

Risk Significance

Issue #1	<ul style="list-style-type: none"> The insurance eligibility software was not always available to the ministry to confirm patient insurance coverage. 	High
Issue #2	<ul style="list-style-type: none"> Insurance pre-certification has not been consistently performed for high-dollar scheduled outpatient procedures and surgical cases prior to the initiation of care. 	High
Issue #3	<ul style="list-style-type: none"> The PAS Department is not confirming patient identification according to the guidelines outlined in Policy #21.4 – Verification of Patient Identity. 	High
Issue #4	<ul style="list-style-type: none"> The PAS department does not check physician suspension lists during inpatient registration to ascertain whether the physician is eligible to admit. 	High

Risk of Low Significance – Adequate controls are in place and operating effectively. The audit issues identified are minor or of low significance.
Risk of Moderate Significance – Controls are generally adequate, but major deficiencies with some compensating controls were encountered. A significant number of minor deficiencies may have been noted.
Risk of High Significance – A weakness noted is of sufficient importance to endanger the acceptable function of the activity or to keep a significant objective of the activity from being met. The issue or deficiency adversely impacts, or may adversely impact to a considerable degree, the adequacy of controls or the effectiveness of performance of a significant function of the activity.

See further detailed discussions on these and other issues in the Detailed Audit Issues section.

Management's Response

Executive ministry management has reviewed CHAN's evaluation of the internal controls related to the admitting and registration functions of the PAS Department. Management has acknowledged agreement with the issues contained in this audit report and will implement the following action plans for the most significant risks identified:

Action Plan #		Implementation Dates
Action Plan #1	<ul style="list-style-type: none"> The Healthcare System is currently undergoing an upgrade for the insurance eligibility software. An alternate insurance eligibility method will be determined if the software upgrade fails to perform as required. 	June 30, 2006
Action Plan #2	<ul style="list-style-type: none"> High-dollar scheduled outpatient procedures and surgical cases will be pre-certified according to payer specific guidelines prior to the initiation of care. 	May 31, 2006
Action Plan #3	<ul style="list-style-type: none"> All PAS admitting areas will instruct patients to read back an identifier from the identification band when the band is applied to the patient. 	May 15, 2006
Action Plan #4	<ul style="list-style-type: none"> The PAS Registrars will review the physician suspension listing prior to any inpatient admissions to ensure each physician has current admitting privileges. 	March 27, 2006

Additional Comments: Management (VP Fiscal Services, Director PAS, and Director PFS) and CHAN reviewed a new sample of 10 surgical registrations and noted the following:

1. The software unavailability continues to hinder the eligibility process. THIN is being utilized for insurance eligibility of surgical cases and does not interface with the Meditech system to indicate the eligibility was completed. The pre-admit surgical testing staff will be trained on where to document that the eligibility process was performed.
2. Insurance verification and pre-certification have improved with the employment of additional staff and staff returning from medical leave. Three of the ten cases (all Blue Cross patients) reviewed were not pre-certified. Currently, PFS has a total of five staff responsible for the verification and pre-certification function. The addition of a sixth staff member, starting on May 15, 2006, will enable outpatient Blue Cross and outpatient Medicare patients to be verified and pre-certified.

Name of Facility
Admitting and Registration
Example Report
Date

Additional Procedures and Report Signatures

Based on the above Management Action Plans and the corresponding implementation dates, CHAN will perform additional follow-up procedures to determine if all action plan steps are implemented in a timely manner. The follow-up procedures will include interviewing key management personnel and observation of supporting documentation where applicable. A status report on the implementation of Management's Action Plan will be presented to the Audit/Corporate Responsibility Committee at regular intervals until all Action Plans have been implemented and/or the issues resolved.

ACCEPTED:

Director of Patient Access Services

Date

Manager of Patient Access Services

Date

Director of Patient Financial Services

Date

Director of Health Information Management

Date

Name of Facility
Admitting and Registration
Example Report
Date

Vice President of Fiscal Services

Date

President and Chief Executive Officer

Date

Audit Committee Chairman

Date

cc: CHAN Director
CHAN Vice President
Compliance Responsibility Liaison
Health System Vice President of Finance

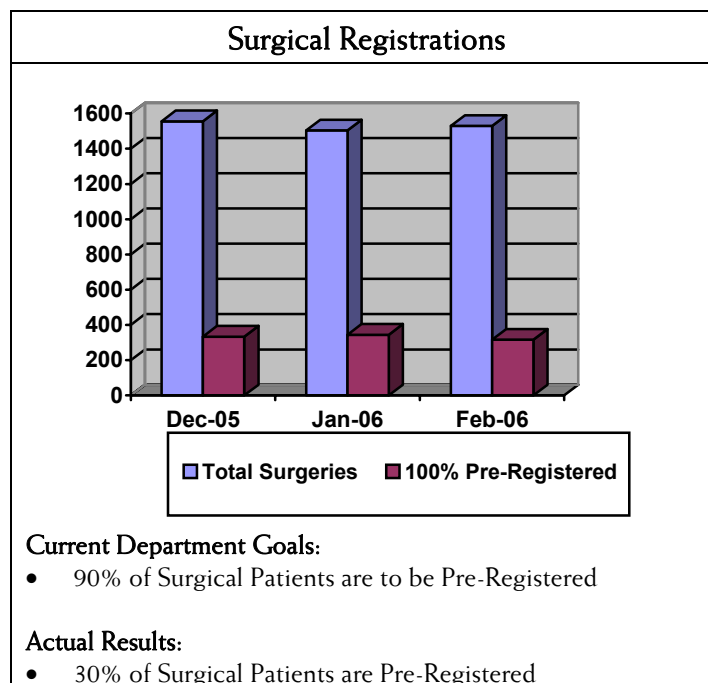
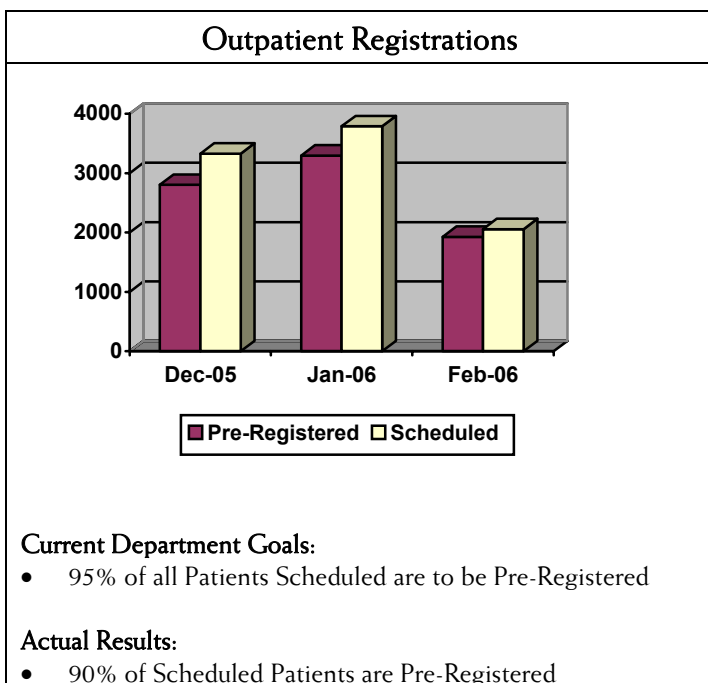
Name of Facility
 Admitting and Registration
 Example Report
 Date

Objectives	Scope
<ul style="list-style-type: none"> Assess the effectiveness of internal controls surrounding the admitting and registration process for both inpatient and outpatient admissions, including insurance verification and pre-certification. 	<ul style="list-style-type: none"> Review policies and procedures defining the admission process and registration data necessary for all inpatient and outpatient admission types. Review insurance verification and pre-certification documentation requested and retained for all patient types. Observe PAS staff performing the admission process. Review a random sample of 20 new registrations for adherence to admitting policies and procedures.
<ul style="list-style-type: none"> Determine if adequate training programs exist for PAS staff. 	<ul style="list-style-type: none"> Review staffing educational activities provided to PAS staff.
<ul style="list-style-type: none"> Determine if an adequate performance management process is in place for the PAS staff. 	<ul style="list-style-type: none"> Review Performance management reports and monitoring tools applicable to the PAS staff.
<ul style="list-style-type: none"> Assess the registration error documentation process. 	<ul style="list-style-type: none"> Review the error management logs maintained by PAS.

Samples Reviewed	Sample Size	Exceptions Noted	Audit Issue Reference
1. Surgical Registrations	10	<ul style="list-style-type: none"> Insurance eligibility was not documented in 4 cases. THIN is used for surgical eligibility verification and does not interface with the Meditech system. Insurance pre-certification was not completed in 7 cases. 	#1 #2
2. Emergency Room Registrations	5	<ul style="list-style-type: none"> Insurance eligibility was not documented in 3 cases. NEBO unavailability was observed by CHAN. 	#1
3. Outpatient Registrations	5	<ul style="list-style-type: none"> Insurance eligibility was not documented in 3 cases. NEBO unavailability was observed by CHAN. Insurance pre-certification was not completed in 2 cases. 	#1 #2

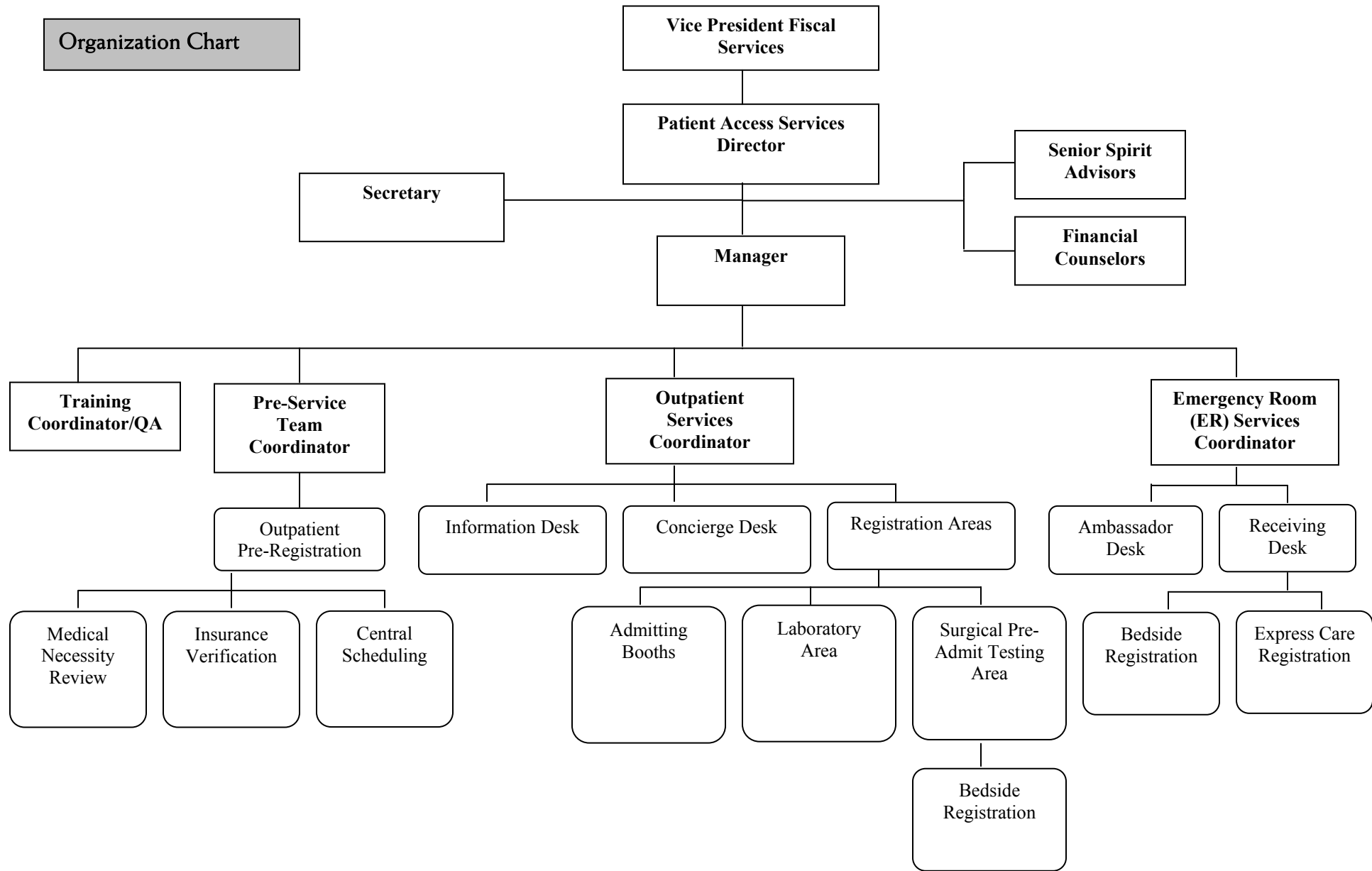
Background Information

- The PAS department consists of three primary divisions: Pre-Service Team, Outpatient Services, and Emergency Room (ER) Services. The Pre-Service Team manages outpatients by scheduling visits, performing insurance eligibility verification, contacting insurance companies for pre-certification, and assisting with medical necessity eligibility for Medicare patients. The Outpatient Services division manages the on-site patient admission areas, including the admitting booths, pre-admission surgical testing, and laboratory admissions. The ER Services division manages all ER admissions, including insurance eligibility verification.
- Each division uses all or part of the following software to register and admit patients for care: Meditech Scheduling, Meditech Admission, Meditech Emergency, Healthware Active Registration, Healthware Active Fax, NEBO, NDAS, THIN (web-site for NEBO insurances), and Health Pay 24.
- All surgical patients are scheduled by the surgical department, but pre-registered by the Outpatient Services division in the Pre-Admission Testing area.



Name of Facility
Admitting and Registration
Example Report
Date

Organization Chart



Name of Facility
Admitting and Registration
Example Report
Date

Acknowledgements

We are pleased to take this opportunity to thank various management and staff for their cooperation and for courtesies extended to CHAN during this review:

Vice President Fiscal Services
Director Patient Access Services
Director Patient Financial Services (PFS)
Manager Patient Access Services
Pre-Service Team Coordinator
Emergency Room Services Coordinator
Training/QA Coordinator

Audit Issue Detail	Action Plans	Action Plan Owners	Implementation Dates
<p>1. The insurance eligibility software, NEBO, was not always available to the ministry to confirm patient insurance coverage. CHAN observed the unavailability of NEBO in the ER and outpatient admitting booths during this review. NEBO is configured to recognize the following larger insurance carriers: Medicare, Medicaid, Blue Cross, CIGNA, AETNA, Humana, and United Healthcare. Therefore, insurance verification is not performed for other insurance carriers. NEBO is also interfaced with the Meditech system used for patient care documentation and billing. CHAN also reviewed the denial report maintained by the PFS Department from January through March 2006. The denial report did not indicate significant insurance denials related to insurance eligibility. However, CHAN noted that 57% of the denials pertained to HMO insurance carriers that require a physician authorization prior to treatment.</p>	<p>A. The Health System is currently undergoing an upgrade for the NEBO software. In the event the NEBO upgrade does not improve the software's availability, another insurance eligibility method will be determined.</p> <p>B. The PAS staff will be trained on the insurance carriers, which require a physician's authorization prior to treatment.</p> <p>C. Surgical cases will be pre-registered for all scheduled procedures at least seven days prior to the surgery date. Insurance eligibility will be performed during the pre-registration process. (See the surgical graph on page 5.)</p>	<p>Director PAS Director PFS</p> <p>Director PAS Director PFS</p> <p>Director PAS</p>	<p>June 30, 2006 System Initiative</p> <p>May 15, 2006</p> <p>May 15, 2006</p>
<p>Business Impact:</p> <ul style="list-style-type: none"> Inaccurate insurance information may be presented to the ministry during the registration and admitting process. Insurance denials may result when insurance verification is not performed. 			

Audit Issue Detail	Action Plans	Action Plan Owners	Implementation Dates
<p>2. Insurance pre-certification has not been consistently performed for high-dollar outpatient procedures and surgical cases prior to the initiation of care. CHAN noted that 50% (6 out of 12) of the cases reviewed, which required pre-certification, had not been pre-certified prior to the initiation of care. Cases not pre-certified related to both inpatient and outpatient surgeries and various high-dollar outpatient procedures (e.g. MRI, ultrasound). The PFS Department is responsible for pre-certification of all surgical cases and the PAS Department is responsible for pre-certifying high-dollar outpatient procedures scheduled in their department. PFS also pre-certifies all inpatient admissions. Voicert software is used to record the pre-certification request between the hospital and the insurance carriers. Insurance denials have been reversed as a result of information contained in the Voicert software.</p>	<p>A. Outpatient Services will pre-certify the following high-dollar procedures: MRIs, MRAs, CT scans, bone density tests, and ultrasounds, according to payer specific guidelines.</p> <p>B. All scheduled surgical procedures will be pre-certified before the procedure is performed.</p> <p>C. The System Director of the Resource Center will assist PAS to establish a pre-certification training program, including training on the Voicert software. An Outpatient Service team member will be designated as a mentor and will continue the training process until all team members have been trained.</p> <p>D. Management will review the current pre-certification process and recommend a future reporting structure for the entire pre-certification process, either PAS or PFS.</p>	<p>Director PAS</p> <p>Director PFS</p> <p>Director PAS</p> <p>Director PAS Director PFS</p>	<p>May 31, 2006</p> <p>May 31, 2006</p> <p>May 1, 2006</p> <p>May 15, 2006</p>
<p>Business Impact:</p> <ul style="list-style-type: none"> Insurance denials may result when medical procedures are not approved with the insurance carrier prior to the initiation of care. 			

Audit Issue Detail	Action Plan	Action Plan Owner	Implementation Date
<p>3. Patient identification is not being confirmed according to the guidelines outlined in the ministry Policy #21.4 – Verification of Patient Identity. The policy includes sources of patient identifiers: patient name, date of birth, and medical record number. One of these identifiers is to be read back for confirmation when the identification band is applied to the patient, which completes the initial identification process. Identification bands are applied to patients in all PAS admitting areas, but the patient is not instructed to read back an identifier from the band.</p>	<p>All PAS admitting areas will instruct patients to read back an identifier from the identification band when the band is applied to the patient.</p>	<p>Director PAS</p>	<p>May 15, 2006</p>
<p>Business Impact:</p> <ul style="list-style-type: none"> • A patient's safety may be jeopardized if patient information is inadvertently entered under an incorrect medical record number. • Incorrect patient information may result in billing delays. 			

Audit Issue Detail	Action Plans	Action Plan Owners	Implementation Dates
<p>4. The PAS Department does not check physician suspension lists during inpatient registration to ascertain whether the physician is eligible to admit. The Bed Control Department, managed outside of PAS, is the department designated to verify physician admission privileges upon notification from physician offices of an inpatient referral. Each inpatient referral is registered by the PAS Department upon arrival at the ministry. The Office of Medical Affairs and Health Information Management (HIM) each maintain physician suspension and/or leave of absence lists.</p>	<p>A. The HIM Department will provide a physician suspension listing to both the PAS and Bed Control Departments on a daily basis.</p> <p>B. The PAS Registrars will review the physician suspension listing prior to any inpatient admissions to ensure each physician has current admitting privileges.</p>	<p>Director HIM</p> <p>Director PAS</p>	<p>March 27, 2006</p> <p>March 27, 2006</p>
<p>Business Impact:</p> <ul style="list-style-type: none"> Patients may be admitted for care when their physician's admitting privileges and/or medical licenses may have been revoked. 			

Audit Issue Detail	Action Plan	Action Plan Owners	Implementation Date
<p>5. Current surgical scheduling and pre-registration practices appear to be generating a high volume of cancelled patient medical record numbers. CHAN noted that a monthly average of 125 medical record numbers assigned to perspective surgical patients between January and March 2006 had been cancelled. Each morning all scheduled surgical patients are automatically changed to a "registered" status in the Meditech system, prior to arrival. If a patient does not present for a surgery, the medical record number is cancelled. Information Services (IS) stated that it is possible to cancel a patient account number with charges attached, but approval for this operation has only been assigned to a limited number of Meditech users.</p>	<p>A process review of the surgical scheduling and pre-registration process will be performed. The review will focus on how to re-schedule surgical appointments, when to update the patient status field, and a review of Meditech user access. PAS and surgical scheduling staff will be trained accordingly, following the outcome of the review.</p>	<p>Director PAS Sr. IS Application Analyst</p>	<p>May 31, 2006</p>
<p>Business Impact:</p> <ul style="list-style-type: none"> • Patient revenue may be lost when a medical record number is cancelled. • Outpatient billing for pre-surgical tests may be possible. • An ABN may be required for Medicare patients undergoing pre-surgical tests and not presenting for the surgical procedure. 			

Audit Issue Detail	Action Plan	Action Plan Owners	Implementation Date
<p>6. The PAS Outpatient Service staff is not following scripting protocol, which was established to provide an explanation for the paging device and paperwork presented to a patient upon arrival at the ministry. A goal of the PAS Department is to greet patients in a professional and positive manner and provide an explanation for the items provided to the patient.</p>	<p>Each PAS employee has been asked to prepare a paragraph on the proper way to greet a patient using the five fundamentals of AIDET: acknowledge, introduce, duration, explanation, and thank you. Management will review the paragraphs and schedule mandatory training sessions to review the scripting to be followed each time a patient is greeted.</p>	<p>Director PAS Manager PAS</p>	<p>May 1, 2006</p>
<p>Business Impact:</p> <ul style="list-style-type: none"> Customer satisfaction may be negatively impacted when a patient is not greeted in a professional and positive manner. 			

Audit Issue Detail	Action Plan	Action Plan Owner	Implementation Date
<p>7. Production goals have not been established for the Pre-Service Team members to ensure efficient and effective scheduling and pre-registration procedures are maintained. Production goals assist management in effectively managing the daily workload in the department and ensuring team members are working efficiently.</p>	<p>Management will establish production goals for the Pre-Service Team members in order to ensure the incoming physician orders are reviewed and patient visits scheduled in a timely manner. Progress toward the goals will be monitored on a weekly basis.</p>	<p>Director PAS</p>	<p>May 1, 2006</p>
<p>Business Impact:</p> <ul style="list-style-type: none"> • Unnecessary overtime may result when employees do not effectively manage their workload. • Patients may not be contacted in a timely manner to schedule a visit date. 			

Audit Issue Detail	Action Plans	Action Plan Owners	Implementation Dates
<p>8. The PAS Department does not have a designated nurse in the department to perform the Medicare medical necessity review and to serve as an advisor for clinical questions. The current medical necessity reviewer reports to the HIM coding department as an outpatient coder and may be asked to prioritize coding assignments above medical necessity review. To date, outpatient Medicare medical necessity review results have not been monitored and production goals have not been established for the reviewer.</p>	<p>A. HIM and PAS management will review the workload of the medical necessity reviewer and determine a future reporting structure.</p> <p>B. Production goals will be established for the outpatient medical necessity review process and monitored by the PAS Department.</p>	<p>Director HIM</p> <p>Director PAS</p> <p>Director PAS</p>	<p>May 1, 2006</p> <p>June 1, 2006</p>
<p>Business Impact:</p> <ul style="list-style-type: none"> Medical necessity eligibility may not be performed for outpatient procedures in a timely manner. 			

Audit Issue Detail	Action Plan	Action Plan Owner	Implementation Date
<p>9. Senior Spirit membership is not offered to all eligible patients during the admitting and registration process in the PAS Department. The Senior Spirit program is available to all Medicare Part A and B patients carrying a supplemental insurance. The primary program benefit entitles members to a total discount of inpatient hospital charges remaining once payment from Medicare and the supplemental insurance have been received. Other Senior Spirit program benefits include discounts in the cafeteria, credit union membership, preferred parking, lecture programs, and financial advisors to assist with billing issues.</p>	<p>Senior Spirit signs will be placed in all patient registration and admitting areas of the PAS Department. The Patient Registration Specialists will be instructed on standard scripting to introduce eligible patients to the Senior Spirit program.</p>	<p>Director PAS</p>	<p>April 15, 2006</p>
<p>Business Impact:</p> <ul style="list-style-type: none"> • Not all eligible patients may be informed of the Senior Spirit program opportunities. • The discount for charges may not be applied to all eligible inpatient accounts. 			

Audit Issue Detail	Action Plan	Action Plan Owner	Implementation Date
<p>10. The policies and procedures documented for the PAS admitting and registration process are outdated and do not reflect the current processes. Numerous procedure changes have been implemented since the arrival of a new PAS Director in November 2005, including reorganization of positions from PAS to the PFS Department.</p>	<p>Management will review the current policy and procedure manual and update the policies with the new departmental procedures.</p>	<p>Director PAS</p>	<p>June 30, 2006</p>
<p>Business Impact:</p> <ul style="list-style-type: none"> Continued training and education of the PAS procedures may be hindered when a current procedure reference is not available to staff. 			

Internal Control Assessment

Expected Controls	Rating	Audit Issue Reference
Admission requirements are established that patients must meet prior to being admitted to the hospital (e.g., Medicare Medical Necessity Eligibility).	Moderate	#8 – pg. 18
Physician suspension lists are checked at registration to ascertain whether the physician is eligible to admit.	Limited	#4 – pg. 14
Prior patient balances are reviewed to see if patient has previous unpaid claims that may be cleared prior to further treatment.	Strong	
Insurance verification/pre-certification is performed before patients are admitted or procedures performed.	Limited	#1, #2 – pgs. 11, 12
The name and title of the person who performed insurance verification/pre-certification is documented and retained.	Strong	
Insurance verification results are tracked through software or some other means.	Limited	#1 – pg. 11
Policies and procedures are developed for all aspects of the admitting process and are reviewed on a regular basis.	Limited	#10 – pg. 20
Education and training programs are established and monitored for new and existing personnel.	Strong	
Performance management is monitored and trended on an on-going basis.	Limited	#7 – pg. 17

Strong Controls – Controls are present to mitigate process/business risk, and are operating effectively and efficiently.

Moderate Controls – Controls are present to mitigate most process/business risk, but management should evaluate opportunities to enhance existing controls.

Limited Controls – Existing controls may not mitigate process/business risk, and management should consider implementing a stronger control structure.

Expected Controls Continued	Rating	Audit Issue Reference
Lists of managed care contracts with pre-certification requirements are provided to admissions staff.	Strong	
Daily registration error review process is in place.	Strong	
A reservation log book showing all pre-scheduled admissions is maintained in the department.	Strong	
Patient identity is verified each time they register.	Limited	#3 – pg. 13
A patient satisfaction survey process is in place with processes established for communicating and acting upon results.	Moderate	#6 – pg. 16
Standards are established requiring registration/admitting staff to photocopy patient insurance and identification cards.	Strong	

Strong Controls – Controls are present to mitigate process/business risk, and are operating effectively and efficiently.

Moderate Controls – Controls are present to mitigate most process/business risk, but management should evaluate opportunities to enhance existing controls.

Limited Controls – Existing controls may not mitigate process/business risk, and management should consider implementing a stronger control structure.