



Smart decisions. Lasting value.™

HEALTHCARE TOP RISKS FOR 2020 AND BEYOND

June 17, 2020

Presenters



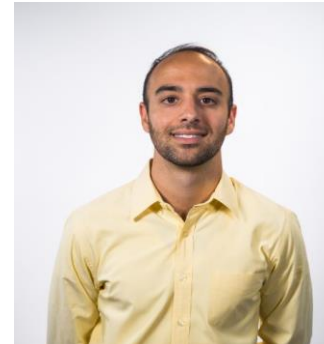
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Webinar Objectives

Assess

Assess how the current environment has impacted risk

Assess

Assess your organization's top risks and develop an effective mitigation plan

Identify

Identify critical changes that need to be made in a post-COVID-19 environment to manage and mitigate risk

Develop

Develop a strategy for assessing and auditing risks that leverages staff working remotely, the incorporation of data, and automation

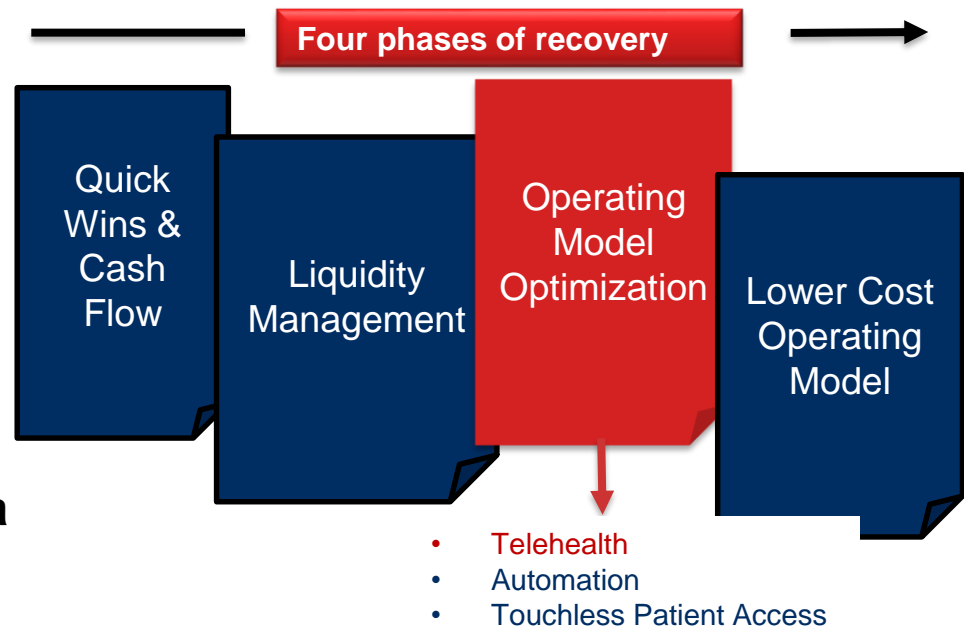
"Leadership requires two things:
a vision of the world that
does not yet exist,
and the ability to
communicate it."

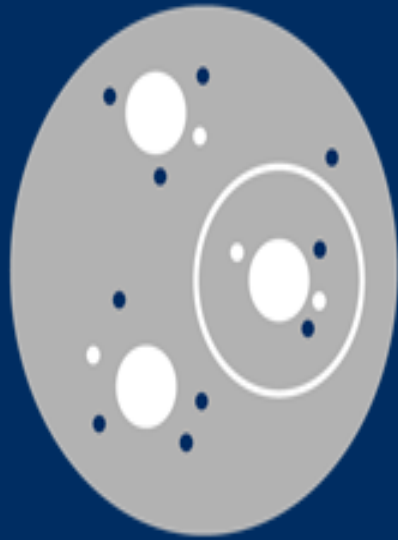


Shift from Surviving to Thriving

Health System CFOs - shared related to telehealth

- Some health systems will **rapidly move to the next stage of digital patient interactions**, incorporating wearables and more sophisticated real-time monitoring
- Some health systems will utilize telehealth as a more **permanent “gate-keeper” for low acuity ailments**, i.e. telehealth first and, if necessary, then face-to-face
- Some health systems will **maintain a base level of telehealth capability**, but will not invest heavily in further expansion – thinking that patient encounters will return to traditional physician interactions





Every organization should have a goal of increasing risk coverage and achieving a **return on investments committed to risk related activities.**



COVID-19 Risks

Top Risk Areas Emerging/Increasing due to COVID-19

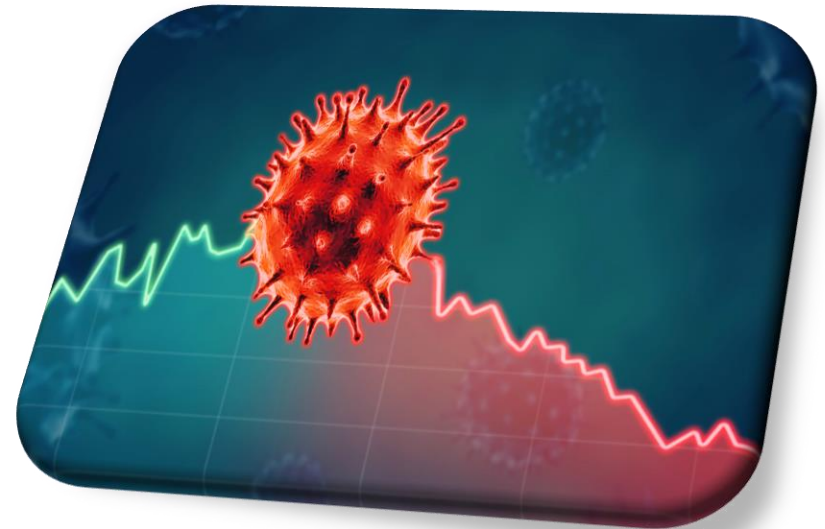
Liquidity

Patient and Staff
Safety

Telemedicine

Supply Chain

Legal and Regulatory
Compliance



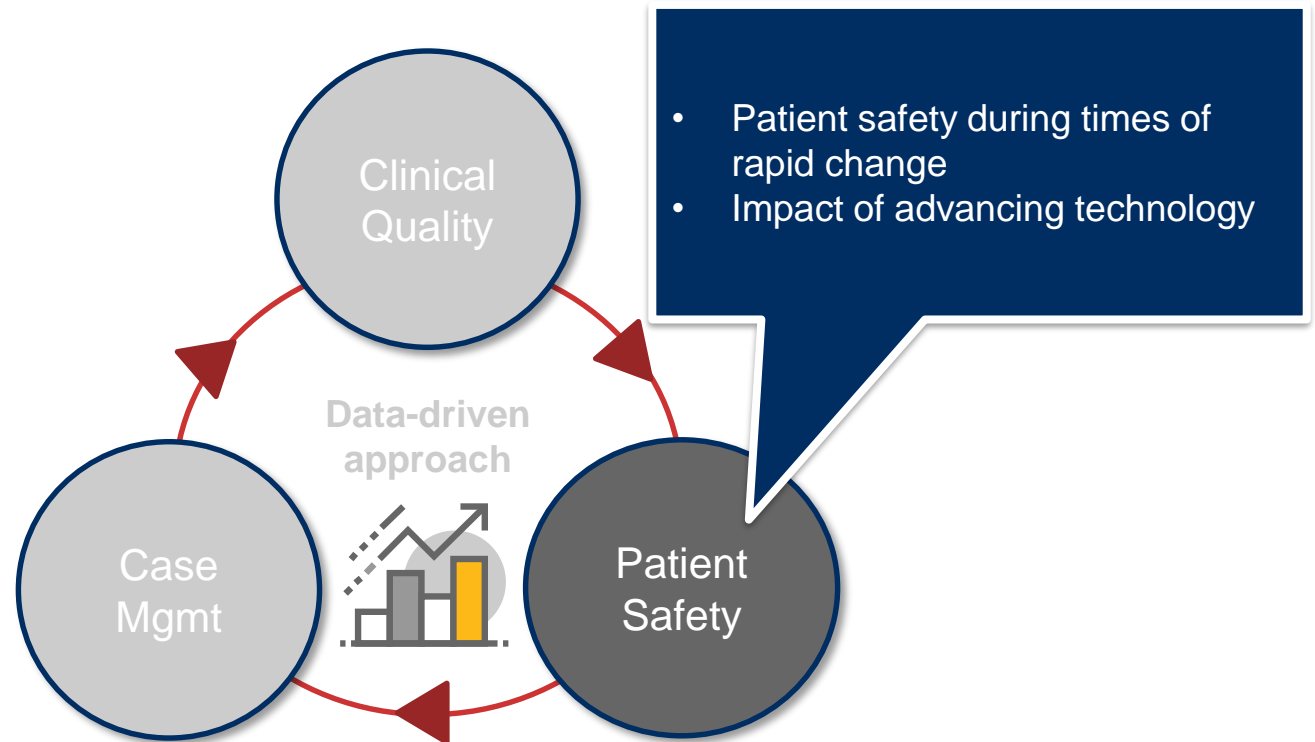
Clinical Risks

Quality, Safety & Case Management

- Continuing impact of value-based reimbursement
- Consumerism
- Accurate reporting of quality measures

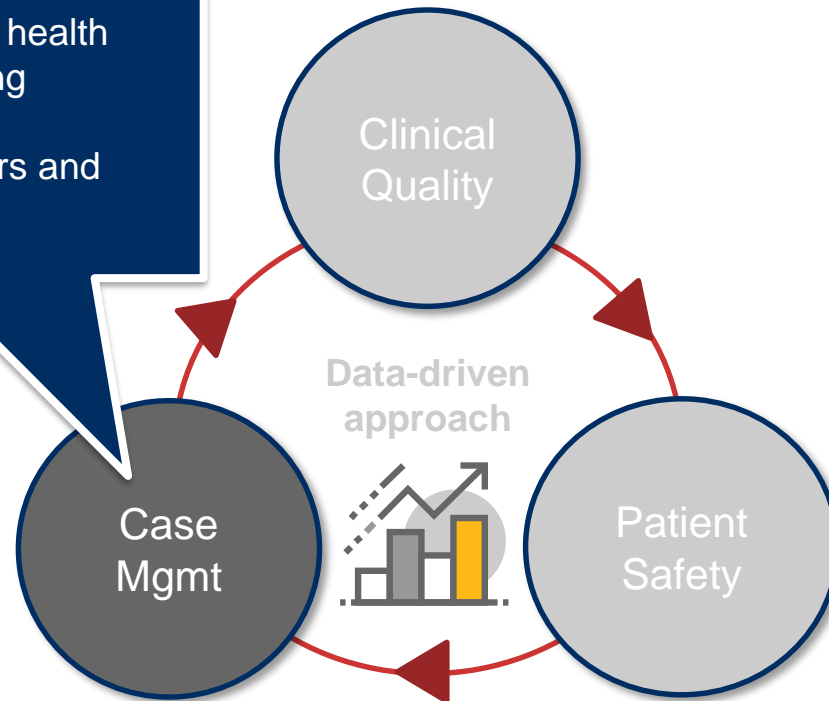


Quality, Safety & Case Management



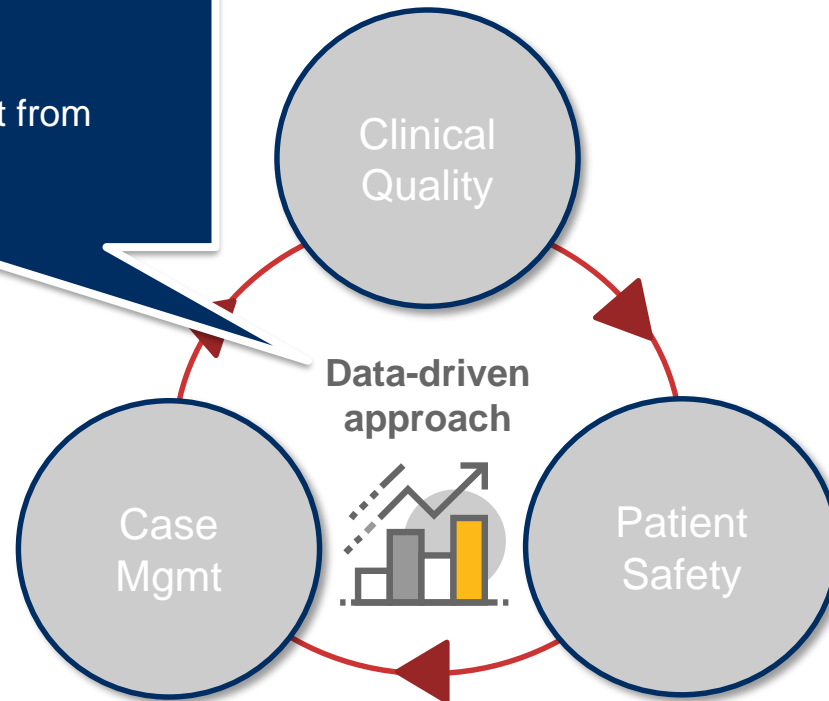
Quality, Safety & Case Management

- Social determinants of health
- New discharge planning requirements
- COVID-19 1135 waivers and waiver rewind



Quality, Safety & Case Management

- What happened?
- Why did it happen?
- How can we prevent it from happening again?



Legal & Regulatory Risks

Legal & Regulatory Risks in a COVID-19 World



Ongoing / Pre-COVID

- Stark / Antikickback
- False Claims
- Substandard Care Claims
- Medical Necessity / Two Midnight Rule
- DRG Transfer Rule
- Price Transparency
- Changes in CoP Requirements

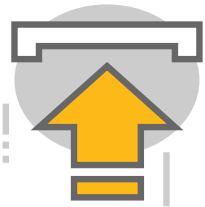


COVID-Enhanced

- Malpractice
- Employee Lawsuits
- HIPAA Privacy & Security
- Excluded Providers
- Medical Credentialing
- Compliance with FEMA and CARES Act application processes
- Waiver rewind
- Future regulations

Operational & Financial Risks

Operational and Financial Risks in a COVID-19 World



COVID-Enhanced

- Pharmacy / Opioid Crisis
- Supply Chain – PPE
- Provide Oversight



Ongoing / Pre-COVID

- Revenue Cycle
- Financial
- Third Party Vendor

Pharmacy Risks and Opioid Crisis

- Opioid crisis and epidemic
- Prescription Monitoring
- Limited span of control over clinical providers
- Strict record keeping and security regulations

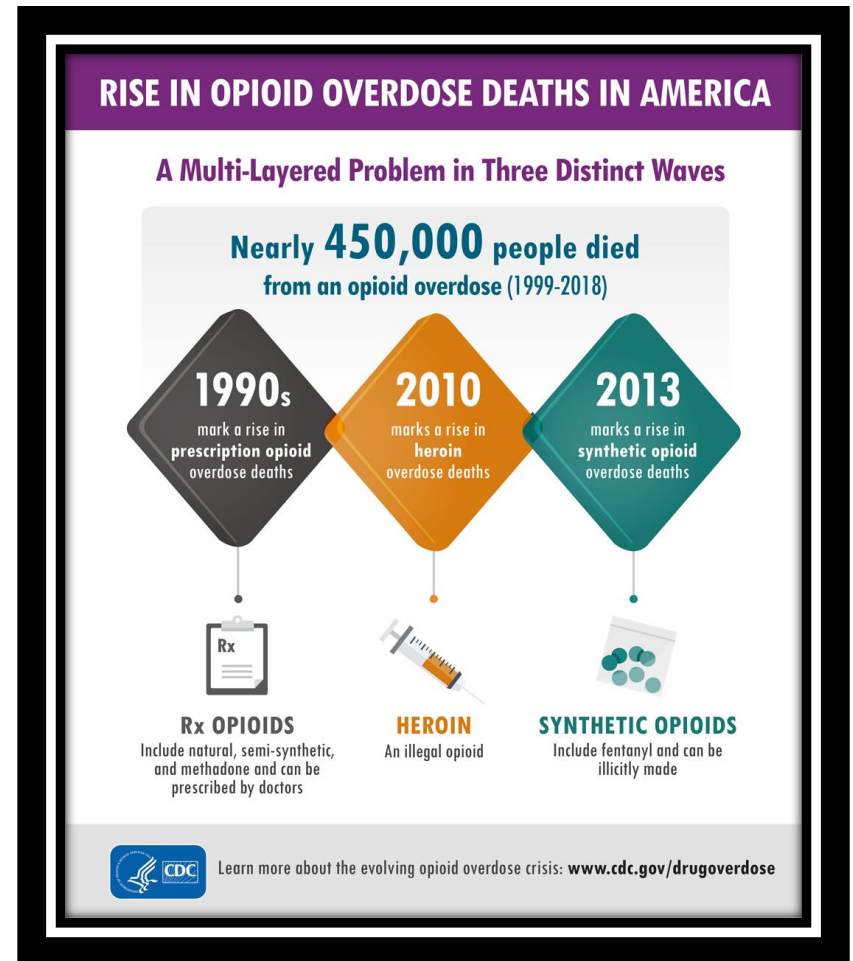
Video's To Watch

Opioid Diversion

<https://www.youtube.com/watch?v=bdlktTPLyvo>

Over Prescribing

<https://www.youtube.com/watch?v=o2sbEiFJe9c>



Supply Chain – PPE

COVID-19

Overpaying or vendor fraud

Inadvertently engaging with suppliers on an excluded list

Entering in unfavorable agreements

Post-COVID-19

Transparency and building a clinically integrated supply chain

Maintaining appropriate inventory, PPE and critical supply inventory levels

Redesign existing supply chain, procurement, operations, and structure to manage cost

Polling Question 3



Does your hospital have safety stock of essential supplies to ensure business continuity for a certain period in case supplies are reduced or ceased temporarily?

- A) We completed an inventory review and have all necessary supplies and equipment.
- B) We plan to have an inventory audit completed this year.
- C) Due to COVID-19, we have not reviewed inventory or supply chain processes.
- E) I'm not sure.

Provider Oversight



Contracting and
Compensation



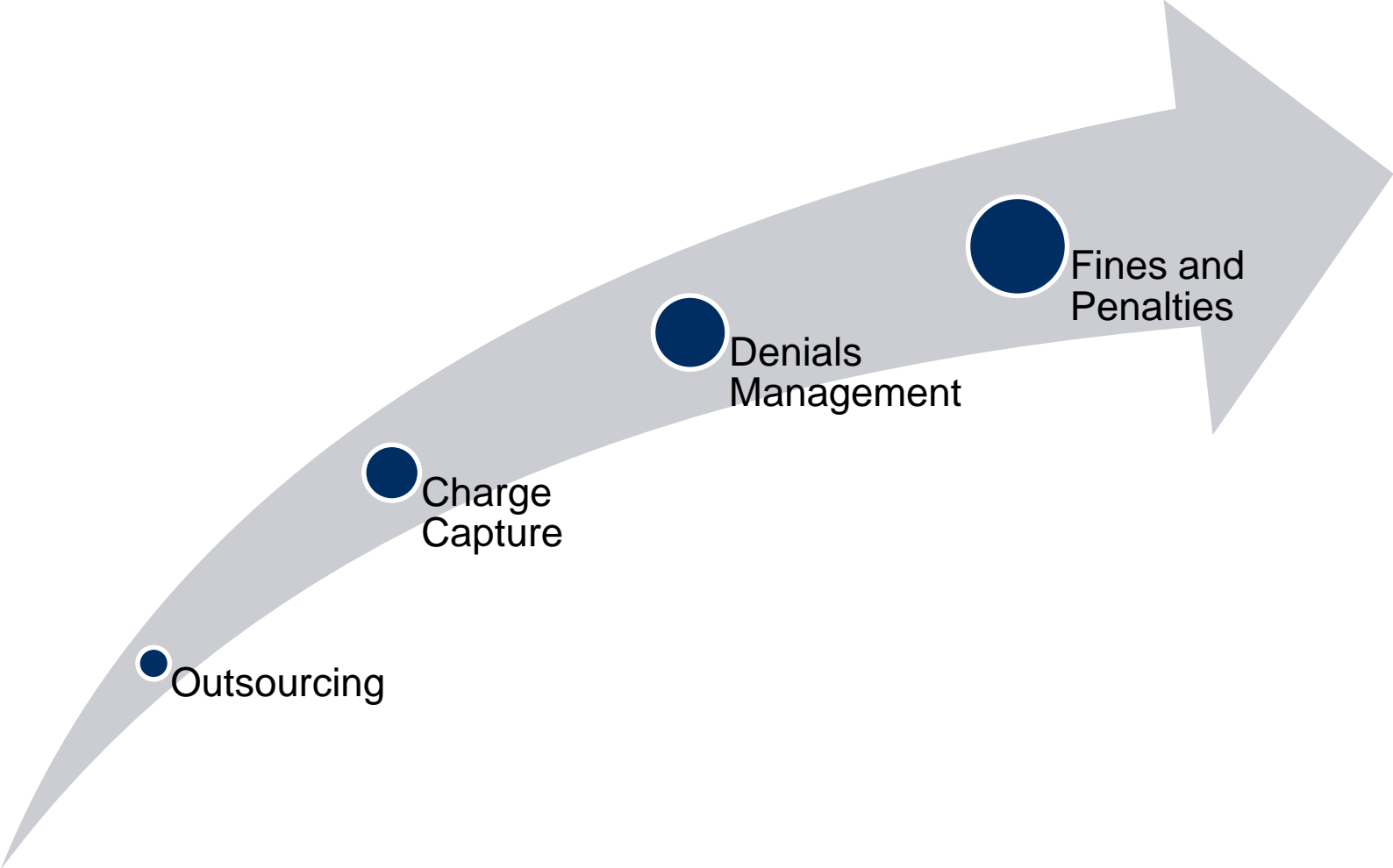
Physician
Alignment



Credentialing



Revenue Cycle



Financial



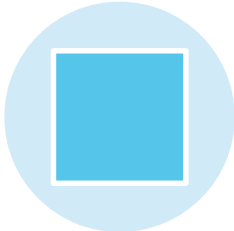
**DUPLICATE
VENDORS**



**AR AND AP
CREDITS**



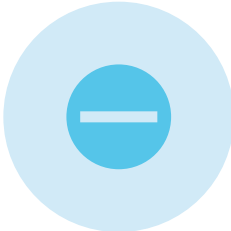
AR BALANCES



**OUT-OF-MODEL
ADJUSTMENTS**



**UNAUTHORIZED
OR INACCURATE
TRANSACTIONS**



**ACCRUALS AND
OTHER LIABILITY**

Third Party Vendor Management



Contracts may be initiated and awarded without appropriate reviews and a formalized vendor selection process.



Contracts lack critical terms which allow for measurement of satisfactory contractor performance.



Organization does not monitor contractor performance and address issues in a timely and effective manner.



Revenue collection and review are inadequate, leading to un-collected or under-collected revenue.

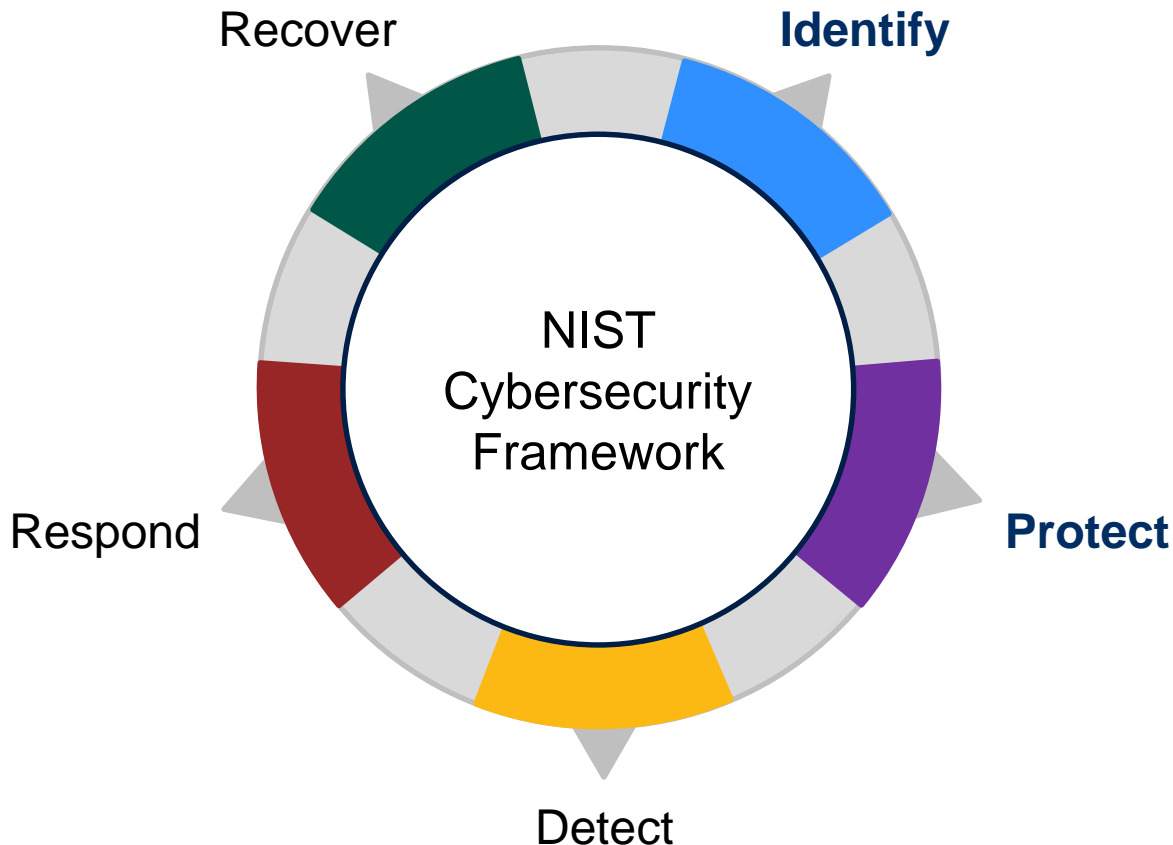


Contract expenditures are made without proper review and authorization or are not in compliance with contract terms resulting in incorrect payments or potential compliance concerns.

Technology Risks

Cybersecurity Risk

The National Institute of Standards and Technology (NIST) Cybersecurity Framework (CSF) provides a **comprehensive & organized** approach to developing a security program

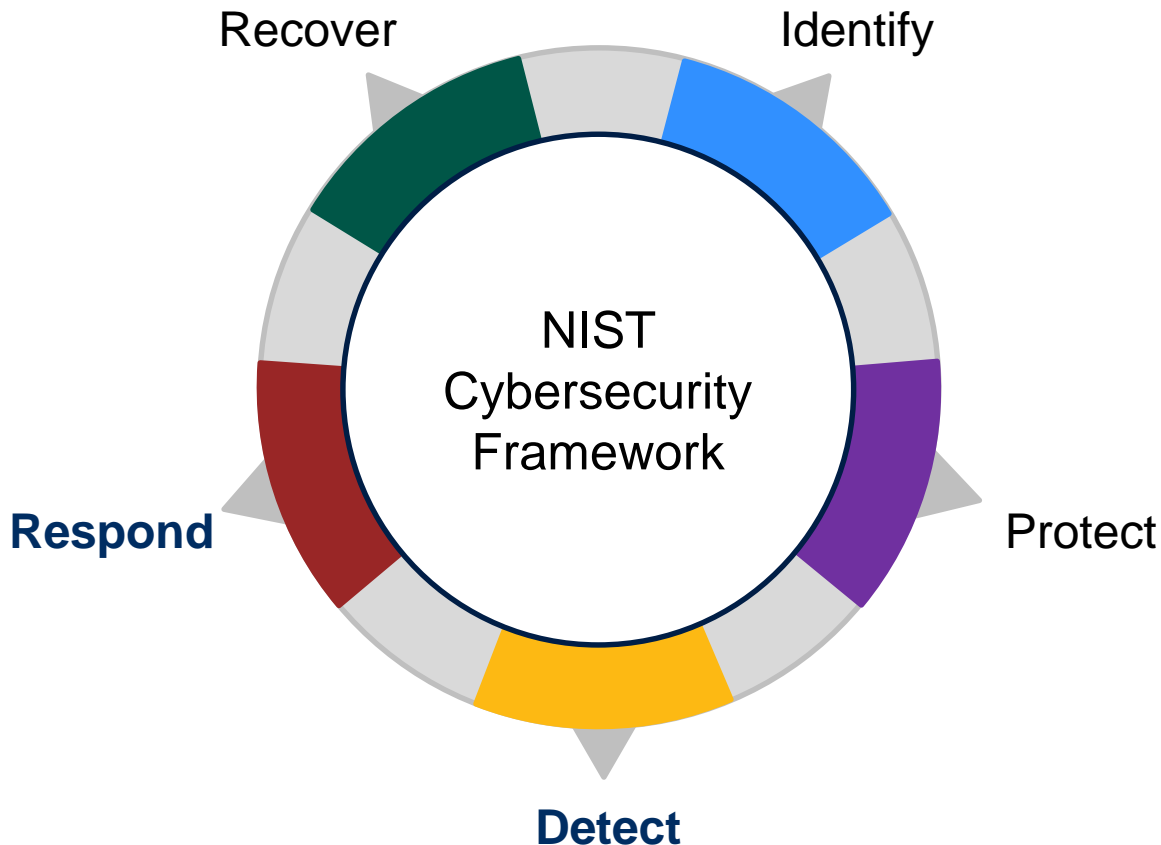


Key trends noted:

- Cyber risks have been acknowledged
- Third party management is gaining traction
- Training is improving
- Increased menu and appetite for better technology

Cybersecurity Risk

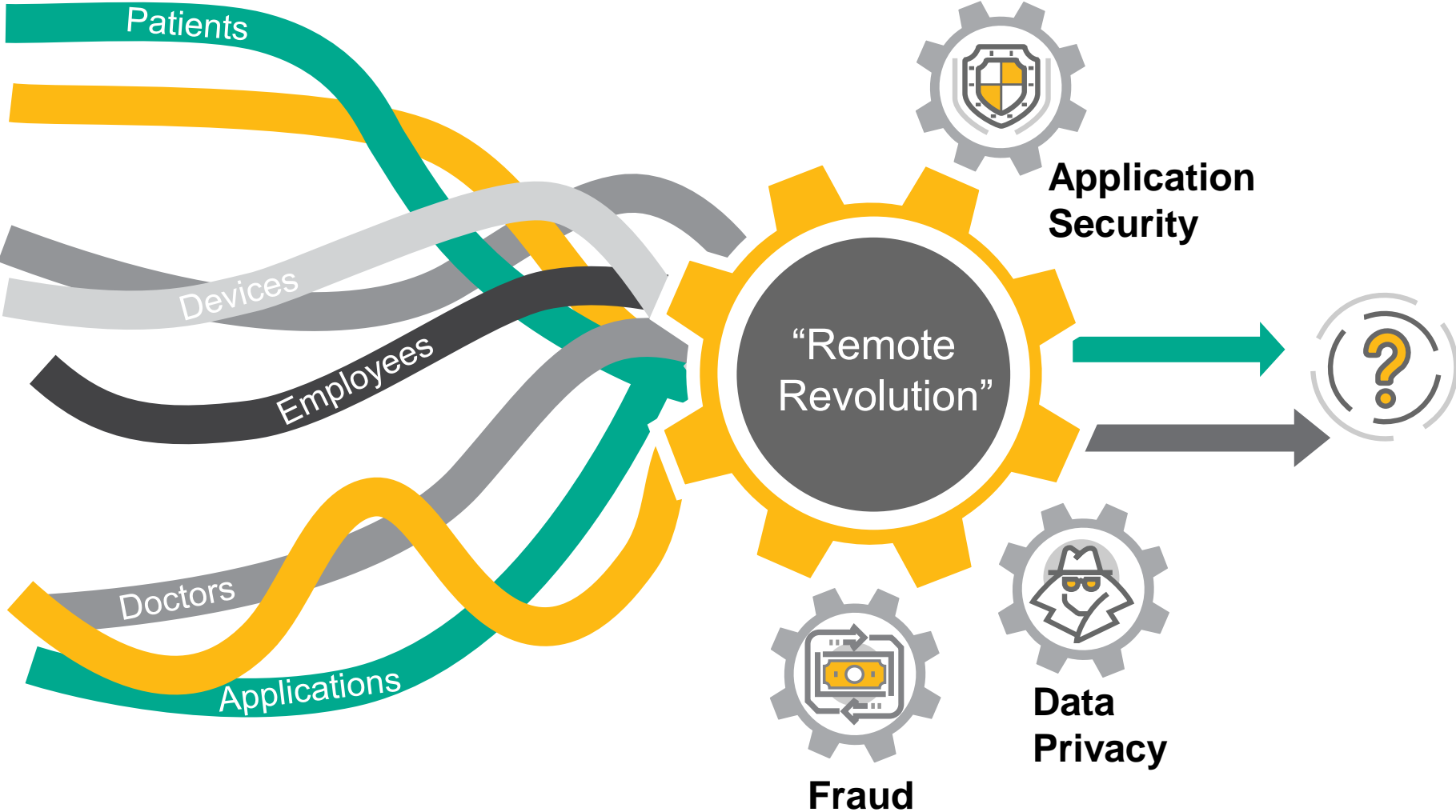
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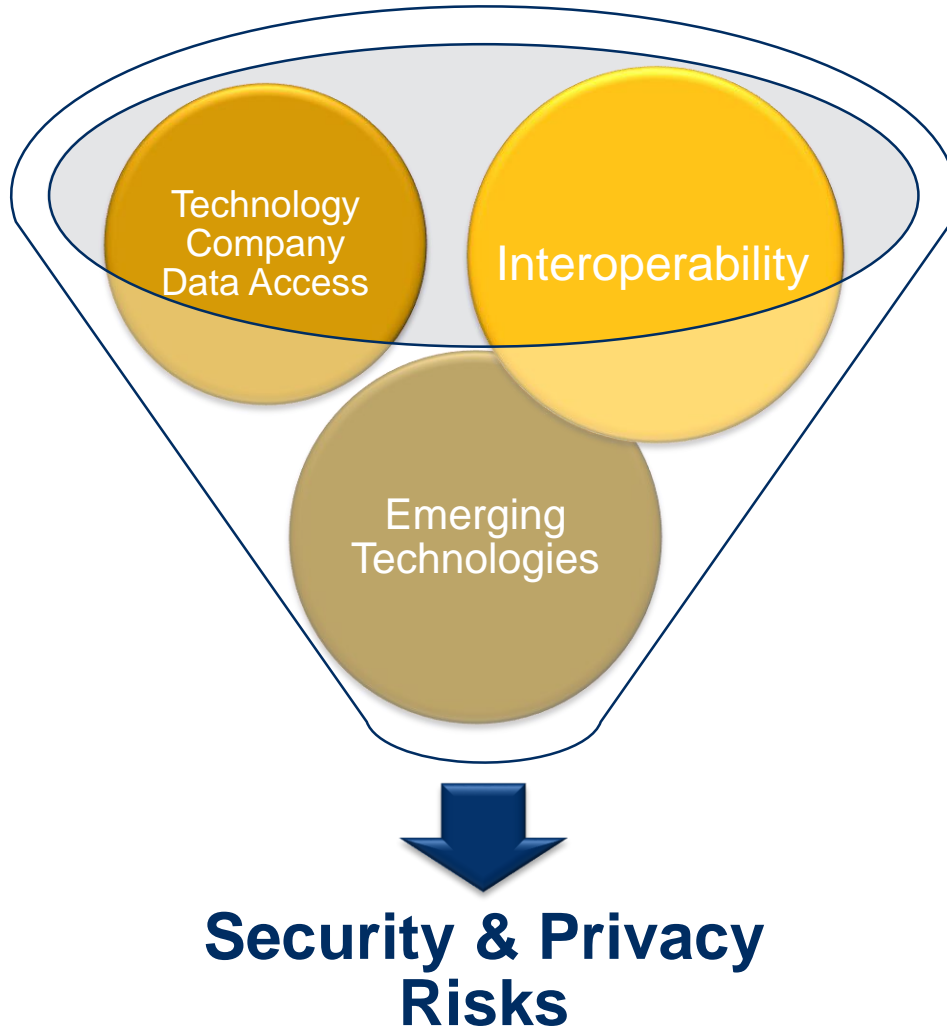
Key challenges noted:

- Large, heterogeneous IT environment
- Increased complexity with response
- Limited resources for documenting, testing, and training

Telehealth and Working Remotely



Data Sharing and Interoperability



The way we are using health data is **changing**. As a result:

- More systems are being introduced
- More data is being collected
- More data is being shared

We can be **proactive** in managing these risks through:

- Holistic approaches to **data governance**
- Innovative **access controls**
- Continued **third party oversight**

THANK YOU

