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Virtusa Implements Governance, Risk & Compliance Solution to Enable a Large Healthcare Provider Comply with State and Federal Regulations

Healthcare

The client is one of the largest health care delivery systems in the US with more than 40 hospitals spread across 10 states.

Challenge

The client's manual system failed to ensure real-time maintenance of compliance standards and failed to provide visibility and control of all operations across their delivery locations leading to violations and subsequent fines and damage to reputation. Lack of integration features in web, fax, smartphones etc. also led to increased security and privacy threats that could damage the client's reputation permanently.

Solution

Virtusa's solution leveraged Pega Systems Governance, Risk and Compliance framework to help automate the existing manual system enabling real-time maintenance of compliance standards. The solution enabled audit planning, exception tracking, remediation planning and development/implementation of corrective action plans. Integration capabilities were provided across fax, mobile and email to mitigate privacy and security threats.

Benefits Summary

- Better visibility
- Increased revenue
- Improved productivity
- Reduced Risk

Executive Summary

As the clinical, financial and societal (privacy) risks of healthcare rise, so do the requirements of compliance and the consequences of non-compliance. The consequences of non-compliance go way beyond financial penalties to include sanctions, lost market share and brand damage.

Hospitals are facing tough times trying to be profitable and at the same time provide quality service. Healthcare Reform has created a tough situation for hospitals to survive and at the same time more services are going unpaid.

Federal regulatory agencies have increased pressure for hospitals to comply with compliance mandates and therefore any violation would be treated with heavy fines and suspension of doing business with Medicaid and Medicare.

Hence hospitals require a robust Governance, Risk & Compliance (GRC) suite to handle all their compliance needs and provide the required audit information to comply with the mandates.

Business Challenge

In this tough economic situation hospitals are facing pressure on utilization rates, service level and compliance measures required by Medicare and Medicaid, and uncollected service payments. These violations if not monitored and resolved in time could result in huge fines and the possibility of contract cancellation. The compliance officer is primarily responsible for adhering to the compliance guidelines and faces a huge challenge to monitor all the activities across multiple locations.

The client had a manually driven system for compliance adherence that did not ensure real-time maintenance of compliance standards and failed to provide visibility and control of all operations across their delivery locations. The lack of established compliance standards led to the existence of several risk areas. The lack of an effective monitoring system failed to capture violations and did not examine the cause of the sudden increase in patient inflow. The client was eventually reprimanded by Medicare and heavily fined.

As a part of the civil settlement, the client also had to sign the Corporate Integrity Agreement (CIA) with the government that contained compliance obligations laid out by the Office of Inspector General (OIG). The client had to ensure complete adherence to the obligations stated in the CIA to save them from exclusion from participation in Medicare, Medicaid, and other federal healthcare programs. This created the need for an effective compliance adherence framework that prevents further possibilities of violations. The client's existing system also lacked integration capabilities for its web, fax and smartphones. The lack of compliance guidelines also led to messages containing confidential patient information being delivered to the wrong email and fax ids leading to privacy and security threats.

Virtusa delivered key functionality leveraging Pega's Governance, Risk & Compliance framework that was deployed across various hospitals owned by the client and enabled compliance officers at each location to address compliance issues as and when they arise in a timely manner.
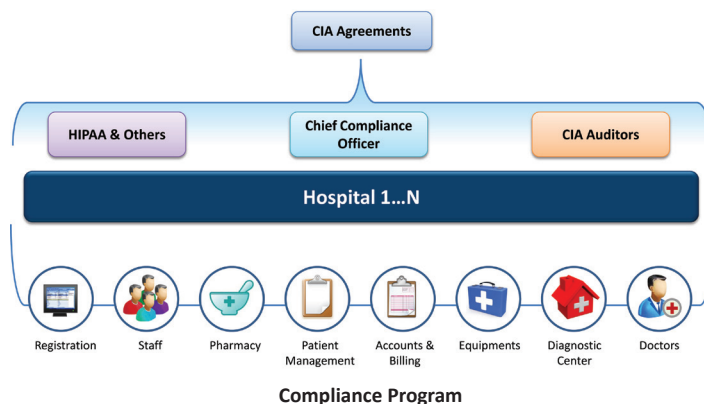
Technologies Used

- Pegasystems Governance, Risk & Compliance framework
- PRPC 6.1 SP2
- Pega Cloud
- Web Services
- Integrations (Fax, Email, Web and Mobile)

Virtusa solution

Virtusa analyzed the client requirements and the need for future expansion and built a robust solution that leveraged Pegasystems Governance, Risk and Compliance framework. The solution enabled the client's customers to get a 360 degree view of all compliance related activities and provided the ability to maintain an audit trail within the system for future references. The solution capabilities included:

- **Risk Assessment.** The solution established a strong risk assessment framework that helped in identifying possible risk areas, controlling and monitoring potential risks, running control tests to prevent issues and generating test events or mockups using Pega Cloud to test risk environments.

- **Manage Program Standards.** Critical, risk-prone activities were identified and classified as programs. Depending on the nature and criticality of the program as well as prevailing regulatory requirements such as HIPAA, standards were established for each program. Risk assessment exercises were carried out to ensure that program standards are met.

- **Perform Audits.** Automated audits were performed periodically to ensure that the various standards and regulatory obligations are kept in tandem.

- **Exception Management and Remediation.** The Control & Compliance (CC) Framework managed creation, tracking, and resolution of identified compliance exceptions to reduce risk and ensure compliance. Based on the nature of exceptions, effective remediation planning steps were carried out that involved establishing set rules for various remediation scenarios. Issues of non-adherence or exceptions are also tracked and documented to ensure that they are not repeated and are resolved. The solution also tracks the remediation process, enabling the users to create detailed remediation plans with individual assignments and deadlines.

- **Conflict of Interest Capture.** Automated emails are sent annually to employees to capture and validate compliance agreements. Promotions are tracked and automatic emails are routed to newly promoted employees with compliance requisites matching the new role and responsibilities.

- **Grievances, Appeals and Complaints.** Critical data is captured and routed to appropriate departments for immediate action. Data encryption based on user requests ensures unanimity. Trend reporting capabilities and predictive analytics helps build a more comprehensive solution to capture, manage, monitor, effectively resolve and in some cases prevent incidents.

Compliance Program

Business Benefits

- **Better Visibility.** 360 degree view of all compliance activities presented in easy to understand dashboards for management and auditors.

- **Increased Revenue.** Fewer claim rejections and faster claim processing. Accurate payment of claims and services and reduced fines.

- **Improved Productivity.** Fewer grievances, appeals, litigation to deal with. Immediate response to all compliance violations, better training.

- **Reduced Risk.** Compliance and adherence to regulations, policies, procedures and contracts reduces exposure to penalties and credibility. By building compliance capabilities into business processes, the probability of non-compliance reduces.

For information on how Virtusa can help solve your business problems, write to healthcaresolutions@virtusa.com or visit www.virtusa.com

About Virtusa

Virtusa provides end-to-end information technology (IT) services to Global 2000 companies. These services, which include IT consulting, application maintenance, development, systems integration and managed services, leverage a unique Platforming methodology that transforms clients' businesses through IT rationalization. Virtusa helps customers accelerate business outcomes by consolidating, rationalizing and modernizing their core customer facing processes into one or more core systems.

Virtusa delivers cost-effective solutions through a global delivery model, applying advanced methods such as Agile and Accelerated Solution Design to ensure that its solutions meet the clients' requirements. As a result, its clients simultaneously reduce their IT operations cost while increasing their ability to meet changing business needs.

Founded in 1996 and headquartered in Massachusetts, Virtusa has operations in North America, Europe and Asia.

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