

Order From Chaos: Controlling Costs and Confusion in Internal Investigations

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Once Upon a Time...



Hypothetical Scenario:

Saint Anywhere Hospital is a 500 bed tertiary care facility in a metropolitan area that serves a community of three million people. The hospital is owned by Saint Anywhere University which also has a medical school.

In the past two years, the Hospital and Medical School have focused on promoting centers of excellence in order to attract more referrals. One of the major accomplishments of this effort was recruiting Dr. Morris Howard, a world- renowned CTS surgeon from the prestigious Payola Clinic to head the Cardiothoracic Surgery service. The other two members of the CTS service are Drs. Elise George and Jerry A. Fine. Dr. George joined the division three years ago after completing her fellowship at St. Anywhere. Dr. Fine was the Chairman of the Department of Surgery for 19 years. Two years ago, he retired as Chairman, but he continues to come into the office daily. Eighteen months after Dr. Howard took over the service, Dr. George was seriously injured in a motor vehicle accident and has been out on medical leave for the past five months.

Almost immediately upon Dr. Howard's arrival at SAU, referrals to the CTS service skyrocketed. In fact, the hospital had to hire more OR staff and outfit additional OR suites in order to meet the demand. Dr. Howard's reputation as a great surgeon is only surpassed by his remarkable personal attention to patients and referring physicians. His abilities as a teacher are also notable. The Surgery residents twice voted him "Best Teacher and Mentor," the highest award given to Medical School faculty.

The Saint Anywhere University Compliance Office was started in 1997 as a result of the Physicians at Teaching Hospitals (PATH) initiative. The Compliance Office has a 24 hour toll free hotline number which they promote in twice yearly mandatory education programs.

Hotline Call

On April 1, the Compliance Officer was notified by fax of a hotline call. The caller identified him/herself as a physician at the SAU School of Medicine. The caller stated that Dr. Morris Howard often has 4 (four) simultaneous cases in the OR. The cases are staffed by fellows and chief residents. The caller stated that he/she believes that four concurrent cases is too many for one surgeon. The caller said that sometimes the cases are scheduled under Dr. Fine, the ex-chairman. The caller stated, "No matter what name they are scheduled under, Dr. Howard is the attending surgeon." The caller indicates that he/she is willing to provide more information as long as his/her identity remains anonymous.



Information

- Acquire more facts
- Review Data
- Interview
- Assemble pertinent documents



Policies and Procedures

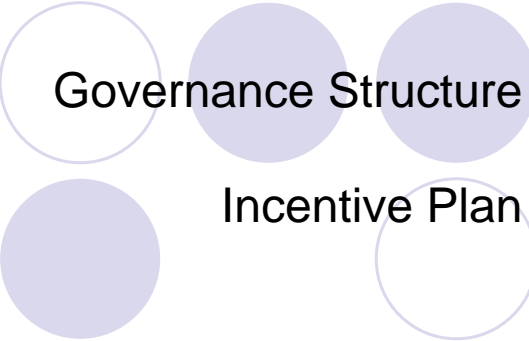


- General Compliance Policy
- Specific Compliance Policies/Procedures
 - Written
 - Relevant
 - Available
 - Communicated
 - Updated

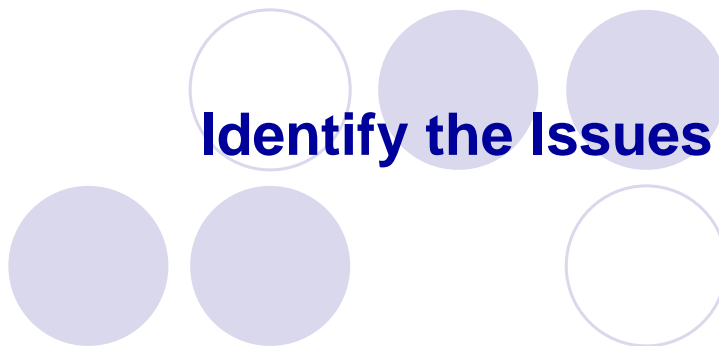
Associated Policies

Governance Structure

Incentive Plan



Identify the Issues





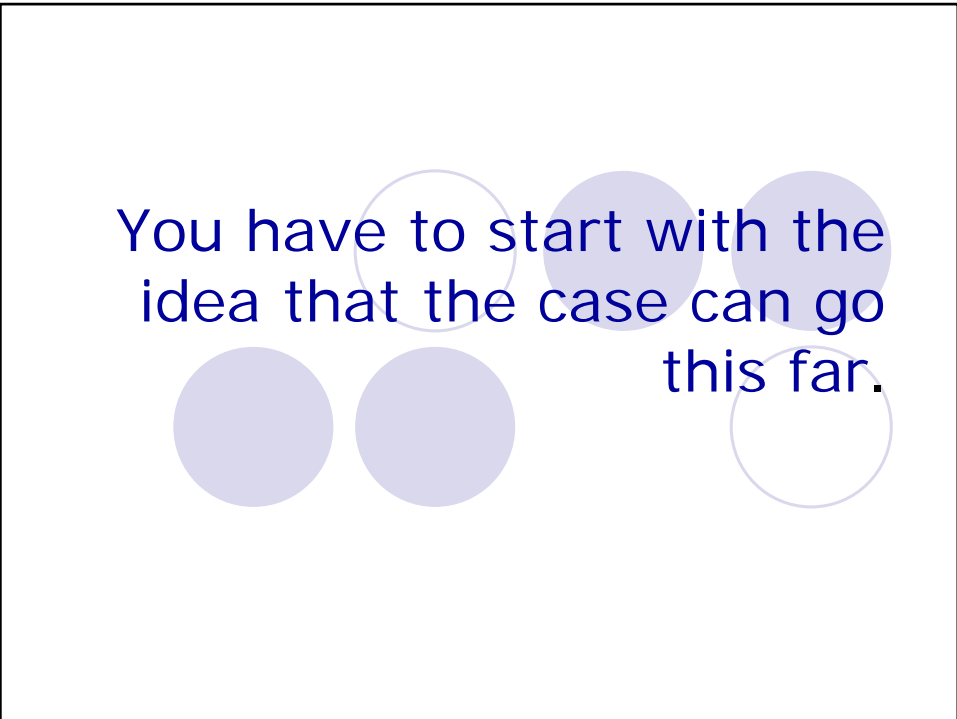
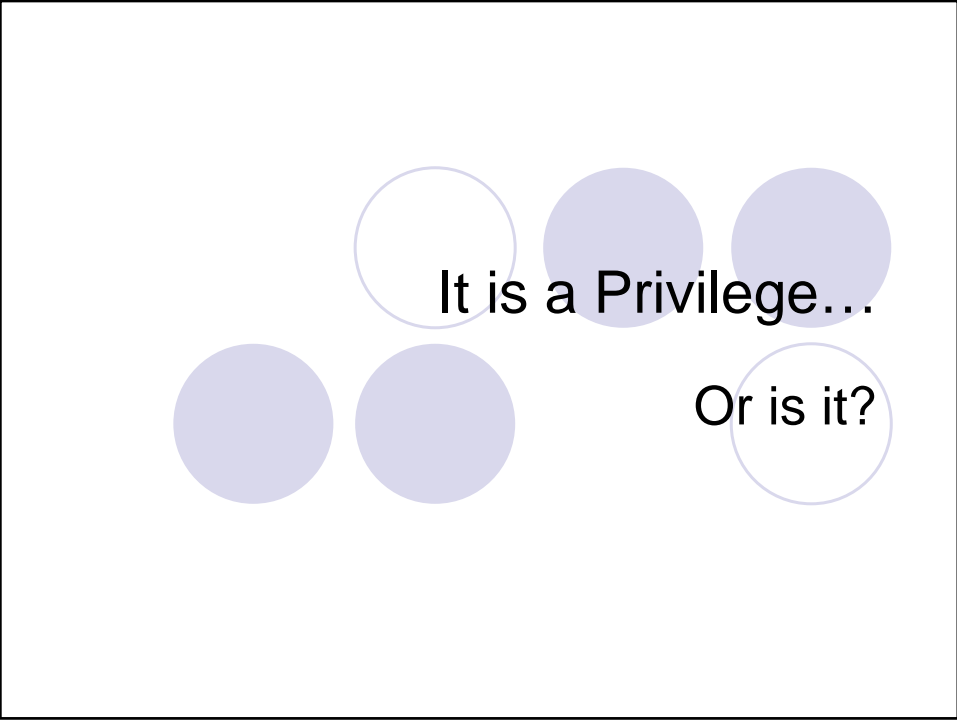
Issues

- credibility of the hotline caller
- “ghost” surgery
- concurrent cases cannot have overlapping key portions
- residents covering for the attendings
- falsification of the OR reports
- inflated incentive payments
- gaming the system



Inform

- Chain of command
- Politics
- Legal issues
- Complications



Where do I go next?



Decisions within the Organization

- Involving people in decision making: General Counsel, CEO or President, Dean, Chairman
- Role of Outside Counsel
- Role of External Consultants

Use your Internal Consultants
First



External Consultants



- Know who you are hiring



External Consultants

- Determine what you want and need
- Just the facts
- Plan carefully to avoid rework
- Remain focused



External Consultants

- Remember who you are working for
- Remember who they are working for

Don't take things personally.



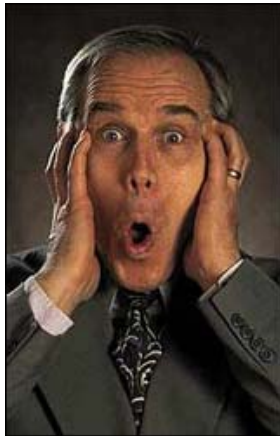
External Counsel

- Work with your internal counsel
- Provide accurate feedback
- Participate in the communication
- Partnering
- Ask questions

Settlement Negotiations



Sticker Shock



**Remember what's really at the heart of
the issue...**

