



POLICY TITLE: Risk Assessment and Annual Work Plan Development	SYSTEM POLICY AND PROCEDURE MANUAL
POLICY #: 800.13	CATEGORY: Compliance and Ethics
System Approval Date: 07/22/2025❖	Origination Date: 03/21/2024
Site Implementation Date: 07/22/2025❖	Previously Reviewed/Approved: 02/2025
Prepared by: Office of Corporate Compliance	Notations:

GENERAL STATEMENT of PURPOSE

The purpose of this policy is to define the method in which the Office of Corporate Compliance (Compliance) assesses and re-assesses risk.

POLICY

Compliance risk is mitigated through internal review processes. Monitoring and auditing provide early identification of program or operational weaknesses and substantially reduce exposure to regulatory risk and government related lawsuits. This policy outlines the method in which Compliance assesses and re-assesses risk.

SCOPE

This policy applies to all Northwell Health employees, as well as medical staff, volunteers, students, trainees, physician office staff, contractors, trustees and other persons performing work for or at Northwell Health; faculty and students of the Donald and Barbara Zucker School of Medicine at Hofstra/Northwell conducting research on behalf of the Zucker School of Medicine on or at any Northwell Health facility; and the faculty and students of the Hofstra Northwell School of Graduate Nursing and Physician Assistant Studies; and any other Affected Individual.

DEFINITIONS

Affected Individuals: “Affected Individuals” is defined as all persons who are affected by Northwell Health’s risk areas including, but not limited to, Northwell Health’s employees, the chief executive and other senior administrators, managers, medical staff members, contractors, agents, subcontractors, independent contractors, and governing body and corporate officers.

Data Mining: the analysis of Northwell Health data, through auditing/billing software to determine trends and potential aberrant billing practices from many information sources.

Payment for Evaluating Payment Patterns Electronic Report (PEPPER): an electronic report from the federal government containing hospital, skilled nursing facility, inpatient rehabilitation facility, hospice, partial hospitalization, and inpatient psychiatric-specific data for target areas that have been identified as high risk for payment areas (i.e., specific diagnosis-related groups ["DRGs"] and discharges).

Risk Assessment: an objective assessment of risk that may be present for Northwell Health.

Risk Matrix: a tool that allows the severity of risk to be determined.

Work Plan: a listing of the planned audit initiatives throughout Northwell Health in a given year.

PROCEDURE

1. RISK ASSESSMENT RESOURCE GUIDE

- a. Northwell Health's Risk Assessment Resource Guide is compiled semi-annually and briefly describes the various sources utilized by Compliance to identify and assess potential risk areas for the Annual Corporate Compliance Work Plan. The areas covered include but are not limited to:
 - i. The status of ongoing Compliance initiatives;
 - ii. Key changes and updates to pertinent rules and regulations;
 - iii. Risk profile chart;
 - iv. Northwell Health financial data including, inpatient and outpatient payor mix, inpatient case mix index, and inpatient and outpatient net patient service revenue as well as national comparison of Northwell Health data (PEPPER);
 - v. Government audit data trends and Northwell Health government audits;
 - vi. Internal audits conducted;
 - vii. Northwell Health voluntary disclosures;
 - viii. Industry developments and noteworthy cases;
 - ix. HIPAA statistics;
 - x. Value-based purchasing developments and status;
 - xi. Conflict of Interest statistics;
 - xii. Training and survey results;
 - xiii. Research developments;
 - xiv. New York Office of Medicaid Inspector General and Office of Inspector General for the U.S Department of Health and Human Services work plans and/or updates.
 - xv. Northwell Health developments; and
 - xvi. Compliance HelpLine trend analysis.

2. DETERMINING POTENTIAL RISK AREAS

- a. Interviews of key personnel including but not limited to: Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, Executive Vice President Enterprise Services, Chief Risk Officer, Facility Executive Directors, Chief Medical Officer, Chief Audit Officer and the Office of Legal Affairs to gather information about areas of the Health System that may be of possible interest. These areas are placed on a "potential audit" list.
- b. External work plans from the Office of Inspector General for the United States Department of Health and Human Services (OIG) and the New York State Office of the Medicaid Inspector General (OMIG) are reviewed. Monthly updates to the OIG work plan are also reviewed. Audit items that pertain to Northwell Health are placed on a "potential audit" list.
- c. Prevalent industry topics are also reviewed and items that are considered to be relevant to the Northwell Health are placed on a "potential audit" list.
- d. Data mining, through third party software and service vendors is conducted to assess potential risk areas for facility claims. Audit items that pertain to Northwell Health are placed on a "potential audit" list.
- e. Financial data is assessed to evaluate reimbursement trends.
- f. Areas that have been audited in previous years and were determined to contain ongoing risk are also considered for re-audit in the coming year and placed on a "potential audit" list.
- g. The results of all internal and external audits, or audits conducted by the State or Federal government shall be reviewed for risk areas that can be included in updates to the Compliance Program and Compliance Work Plan.
- h. Any overpayments identified shall be reported, returned and explained in accordance with the provisions of the OIG or OMIG Self-Disclosure Programs.

3. RISK MATRIX AND WORK PLAN DEVELOPMENT

- a. All items identified through the process of determining risk, are placed on a matrix divided by topic (facility or professional fee) to be scored (high risk to low risk) since all items cannot be audited and/or developed due to resources.
- b. The risk scores are based upon the Risk Impact to the Organization (mission, financial and legal) and Vulnerability of the Organization (likelihood of risk, detectability and controls).

- c. The scores for "Risk Impact" and "Vulnerability" are added together for the total score which will determine the topic's relevance for audit.
- d. A Risk Profile chart is developed to demonstrate where the identified risks for Northwell Health rank based upon "Risk Impact" and "Vulnerability."
- e. The items that are determined to be the most relevant for audit, based upon scoring and resource availability, will be placed on the Office of Corporate Compliance Annual Work Plan (Work Plan).
- f. The planning process for this Work Plan is ongoing and dynamic; therefore, Compliance continually evaluates new data throughout the year to identify and reassess the likelihood of any potential risk to Northwell Health.

4. REPORTING RISK ASSESSMENT AND WORK PLAN RESULTS

- a. The Risk Assessment Resource Guides and Work Plan are provided to the Executive Audit and Compliance Committee, Chief Executive Officer and the Board of Trustee's Audit and Corporate Compliance Committee for review and feedback. The Work Plan is also provided to the Board of Trustee's Audit and Corporate Compliance Committee for approval. The Risk Assessment Resource Guides and Work Plan are also shared with members of senior management and other Board Committees as applicable.
- b. Material compliance developments and audit findings from the Work Plan are reported to the Board of Trustee's Audit and Corporate Compliance Committee, the full Board of Trustees (as appropriate), the Executive Audit and Compliance Committee, and other members of Senior Management periodically.

REPORTING AND ENFORCEMENT

All violations of this policy shall be reported to the appropriate manager/supervisor/director or to the Office of Corporate Compliance (516.465.8097) for appropriate resolution of the matter. The HelpLine is available 24 hours a day, seven days a week at (800) 894-3226 or online at www.northwell.ethicspoint.com, is accessible to all Affected Individuals and allows for questions regarding compliance issues to be asked and for compliance issues to be reported. Reports of potential fraud, waste and abuse and compliance issues also may be made directly to the Chief Corporate Compliance Officer or designee in person, in writing, via email, mobile device via a QR code, or by telephone. All reports received by the Office of Corporate Compliance are investigated and resolved to the fullest extent possible. The confidentiality of persons reporting compliance issues shall be maintained unless the matter is subject to a disciplinary proceeding, referred to, or under investigation by Medicaid Fraud Control Unit, U.S. Department of Health and Human Services, (HHS), Office for Civil Rights, Office of Inspector General, Office of Medicaid Inspector General or law enforcement, or disclosure is required during a legal proceeding, and such persons shall be protected under Northwell Health's policy for non-intimidation and non-retaliation. Violations of this policy will be subject to disciplinary action as

outlined in the Human Resources Policy and *Northwell Health Policy #800.73 – Compliance Program Disciplinary Standards for Non-Employees*.



REFERENCES to REGULATIONS and/or OTHER RELATED POLICIES

- Office of the Inspector General for the United States Department of Health and Human Services' (OIG) Work Plan
- New York State Office of Medicaid Inspector General's (OMIG) Work Plan
- OMIG Compliance Program Guidance, Title 18 NYCRR § 521 – Fraud, Waste and Abuse Prevention (March 28, 2023)
- Socials Services Law § 363-D – Provider Compliance Program
- Northwell Health Policy #800.73 – Compliance Program Disciplinary Standards for Non-Employees

CLINICAL REFERENCES/PROFESSIONAL SOCIETY GUIDELINES

N/A

ATTACHMENTS

N/A

FORMS

N/A

<u>CURRENT REVIEW/APPROVALS:</u>	
Service Line/Department Review	07/03/2025
Northwell Health Policy Committee	07/22/2025❖
System PICG/Clinical Operations Committee	07/22/2025❖

Standardized Versioning History:

Approvals: * =Northwell Health Policy Committee; ** = PICG/Clinical Operations Committee; ☒ = Provisional; ❖ = Expedited

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