

# You've Been "2567'ed."

**New Mexico Hospital Association  
Webinar Series 3**

**CMS**

**Plan of Correction**

**Expectations, Preparation, Sustained  
Success**



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# *Featured Speakers*

**Gary Purvines, MA**

District 1 Manager,  
Department of Health,  
Health Facility Licensing & Certification  
Bureau



**Lisa Eddy, RN, CPHQ**

Senior Consultant  
The Greeley Company



New Mexico  
Hospital Association

# The Regulatory Perspective



# Purpose of a 2567

- Any hospital that wants to become a CMS provider goes through the “855” process.
- Hospitals must apply to become a CMS provider.
- Process is voluntary and must be initiated by hospital.



# The Agreement

- After CMS approval, hospital signs a provider agreement.
- Agreement states that in return for CMS reimbursement, hospital agrees to be in compliance with CMS hospital regulations at all times.
- This is a contractual agreement.



# Deficient Practice

- CMS authorizes
  - recertification and validation surveys
  - EMTALA
  - complaint investigations
- If the hospital is determined to not be in compliance with the hospital regulations, a **DEFICIENT PRACTICE** has occurred



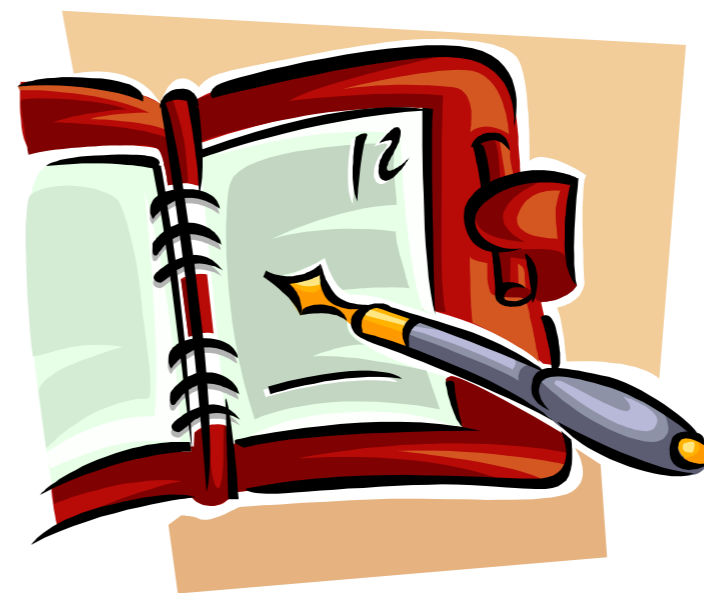
# “Statement of Deficiencies”

- Title of CMS Form 2567
  - identifies deficient practices that have been found (left column of form).
- Documents:
  - Regulatory language that applies.
  - Deficient practice(s) found during survey or investigation.



# Statement of Deficiencies

- Legal document
- May be admitted as evidence in court
- When Plan of Correction (POC) is complete, hospital/provider representative must sign to validate information in Plan



# Federal Hospital Regulations – CONDITIONS

- Hospital regulations are grouped into 23 areas called CONDITIONS
  - Each condition covers all regulations for a particular service (Surgical, Nursing, etc)
  - Condition is a general statement of regulatory requirements for that hospital service



# Condition

- Each *Condition* is comprised of a number of *Standards*, each of which deals with specific area or more specific regulatory requirement.
  - Under Surgical Services (*Condition*) is the *Standard* for H&P:
    - “*Prior to surgery or procedure a medical history and physical exam must be done no more than 30 days before or within 24 hours after admission and registration.*”



# *Condition vs. Standard*

- Hospital may be out of compliance with a *standard* or have been guilty of a *deficient practice* and is still be considered to be in “substantial compliance.”
- Hospital writes a POC describing how the deficient practice will be corrected. If POC is accepted by HFLC, nothing further will happen - there will not be a revisit.



# Condition

- A hospital may be out of compliance with a *condition* because:
  - Hospital did not meet regulatory language cited in *Condition* statement
  - Number of *Standards* of compliance for that *Condition* indicates that *Condition* is not generally being met
  - Deficient practice* found under even one *Standard* is so egregious that it is determined that *Condition* is out.



# DOWNSIDE of Condition Being Out

- If even **one** *Condition* is out of compliance, hospital is put on a 90 day termination track.
  - Termination track means hospital will lose its provider status with CMS unless deficient practice is corrected prior to the 90<sup>th</sup> day.
  - The hospital will no longer qualify for CMS reimbursement.



# Enforcement Process

- Once hospital receives either a **survey** or **investigation** that determines that a *Condition* is out of compliance, hospital is sent a **STATEMENT OF DEFICIENCIES**
- Hospital is required to write POC in the right column on **STATEMENT OF DEFICIENCIES**
- Hospital has ten (10) **calendar** days to complete POC on **STATEMENT OF DEFICIENCIES** form and return it to Santa Fe.



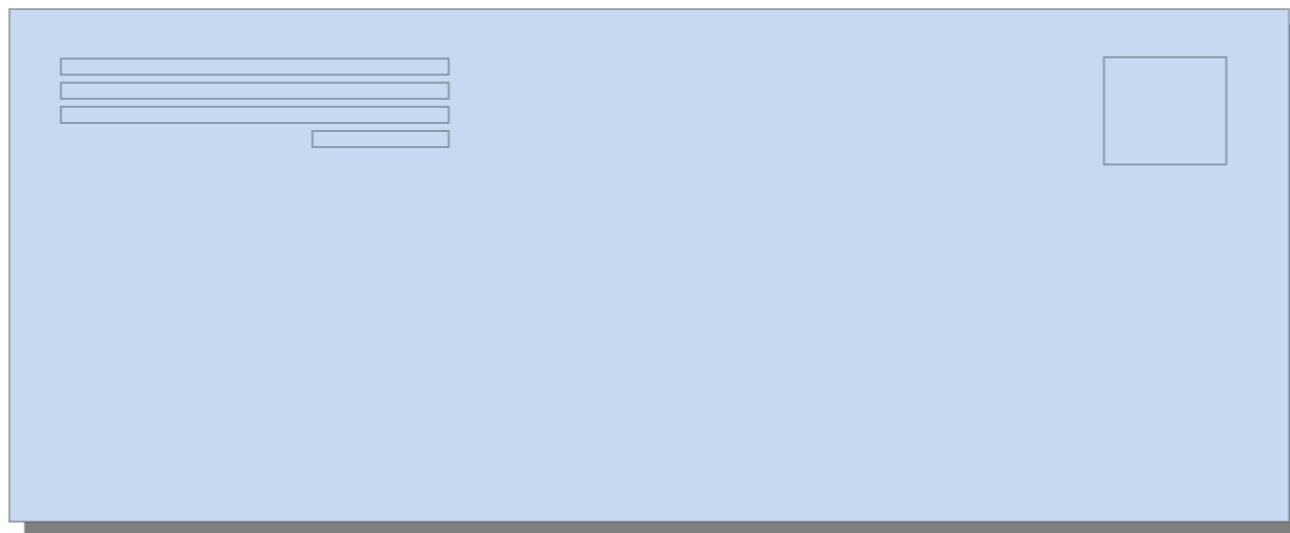
# ***Standard*** out of compliance?

- If only Standard(s) are out of compliance:
  - Hospitals that are **deemed** have the choice of writing a POC or not responding (because they are in substantial compliance)
  - Hospitals that are **accredited** but not **deemed** must write a POC
  - All hospital **Statement of Deficiencies** are eventually posted on Hospital Compare (CMS public website)
  - A revisit will not be done in either case.



# The Enforcement Letter

- STATEMENT OF DEFICIENCIES is sent to the hospital - accompanied by an *Enforcement Letter*, stating:
  - ✓ type of survey done
  - ✓ when survey was done
  - ✓ *Conditions/Standards* out of compliance



# Enforcement letter (cont.)

- ✓ Hospital is in substantial compliance (*Standard* level if deemed)
- ✓ Hospital is out of compliance and is on a termination track (*Condition* out)
- ✓ Date of 90 day prospective termination



# Enforcement letter (cont.)

- ✓ Date when hospital is expected to be back in compliance (30 days from date of exit)
- ✓ Information about what must be in **POC**
- ✓ Address where **POC** must be sent



# Plan of Correction

## Purpose

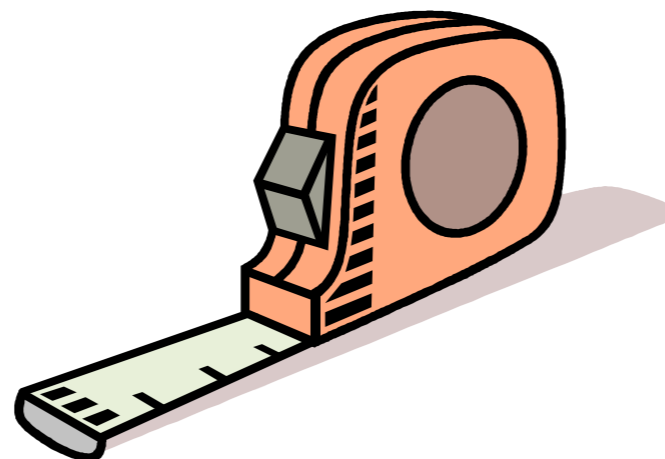
- Explain hospital plan to eliminate **deficient practice(s)** that were identified during survey or investigation.
  - ALL steps to be taken to resolve **deficient practice(s)** such that a federally certified surveyor can read Plan of Correction and clearly understand how steps taken will remove **deficient practice(s)**.



# Plan of Correction (cont.)

**Must contain the following steps (as specified in enforcement letter):**

- ✓ Specific actions that will be taken to correct deficiency.
- ✓ Measures that will be put into place or systemic changes that will be made to ensure deficient practice does not recur.



# Plan of Correction (cont.)

**Must contain the following steps (as specified in enforcement letter):**



- Title of person in organization responsible for correcting deficiency and/or implementing acceptable Plan of Correction.
- Monitoring procedure to ensure Plan of Correction is effective and specific deficiency cited remains corrected.



# Completion Date

(narrow column on right side of form)

- This is DATE when hospital's correction(s) for deficient practice(s) will be **totally done and complete**
- Enforcement letter will give hospital **latest possible completion date** for corrective action



# Completion Date

(cont.)

- Date that hospital puts in the Completion Date column **MUST NOT** be later than date in enforcement letter unless hospital has contacted HFCLC Technical Manager for NLTC and received permission to go beyond that date.
- Completion date is VERY important - tells HFCLC the earliest date that on-site revisit can be done.

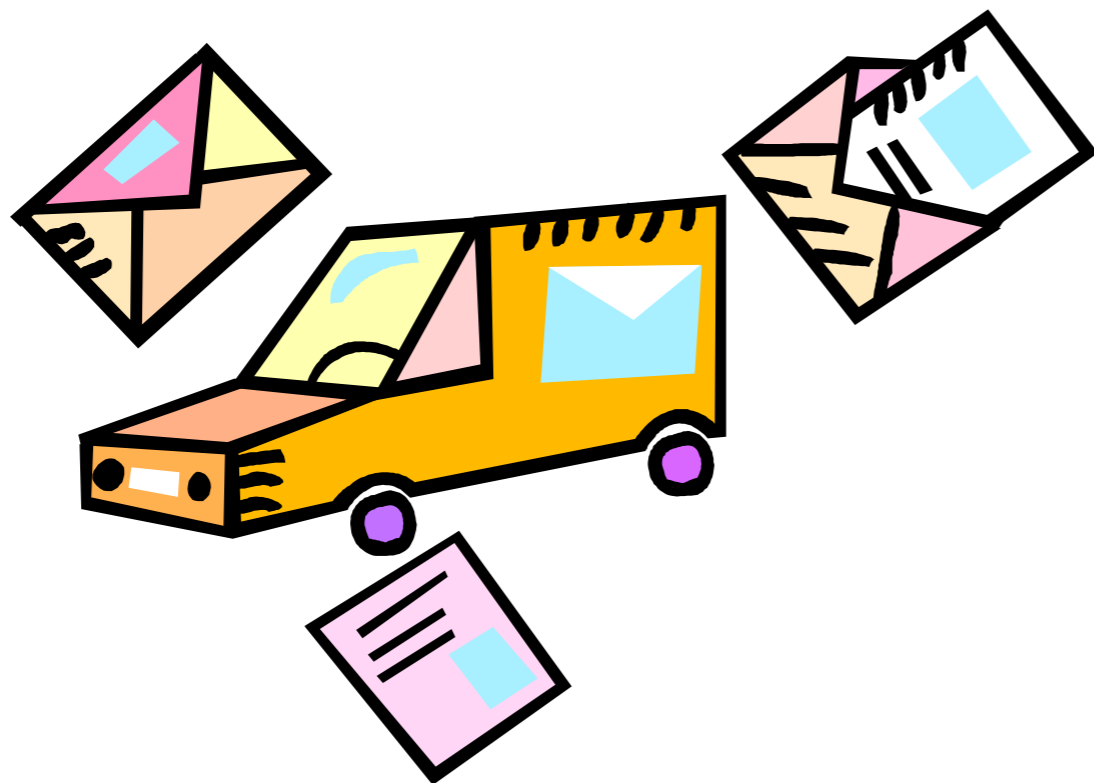


# Completion Date

(cont.)

- If NO DATE in this column.....

→ Plan of Correction is returned to hospital for insertion of date



# Importance of Monitoring – 4<sup>th</sup> requirement

“The monitoring procedure to ensure that the Plan of Correction is effective and the specific deficiency cited remains corrected.” Essential for two reasons:

**#1** If adequate monitoring not done, deficient practice may reappear prior to revisit

– If deficient practice still present during revisit, hospital will face termination, UNLESS

- There is time for HFCLC to produce another STATEMENT of DEFICIENCIES
- Hospital has time to write another POC
- HFCLC has time to make 2<sup>nd</sup> visit prior to the 90<sup>th</sup> day



# Importance of Monitoring (cont.)

**#2** If hospital has gone to time and expense to remedy deficient practice, not a good use of resources to allow deficient practice to continue.

- ✓ Monitoring should be done by hospital staff who have expertise in area of deficient practice and have adequate time to check remedial actions put into place



# Importance of Monitoring (cont.)

- **Hospital management** decides how long monitoring needs to be done to ensure that deficient practice will not reappear.
- CMS monitors **Statement of Deficiencies** written on hospitals
  - If a hospital has repeat deficiency in subsequent survey, CMS may decide to increase number of surveys to be done at that hospital.



# Common Mistakes

- Hospital representative forgets to sign bottom of first page of the Plan of Correction BEFORE it is mailed to Santa Fe.
  - ✓ If this happens, Plan of Correction sent back to hospital for signature and meanwhile.....
  - ✓ 90 day termination date is moving ever closer

**Tick, tick, tick, tick**



# Common Mistakes (cont.)

Hospital fails to write a Plan of Correction for *EACH Condition* and *EACH Standard*.

- ✓ If hospital fails to respond to **any** of the deficiencies,
  - ✓ Plan of Correction will be returned for that deficiency to be answered and .....
  - ✓ Clock is still ticking toward termination.



# Common Mistakes (cont.)

Hospital Fails to make sure POC **clearly** spells out reasonable plan to remove deficient practice.

- ✓ If POC is vague or unclear, it may be sent back for clarification.



# Common Mistakes (cont.)

- Hospital fails to identify by title person who will be responsible for ensuring that the POC will be carried out and deficient practice has been removed.
- Hospital fails to put **completion date** for each deficiency.



# Common Mistakes (cont.)

- Hospital puts in a date that is **LATER** than date specified in enforcement letter
- Hospital fails to ensure that proposal to remove deficient practice will actually be done by completion date.

*Poor follow through  
does not stop the  
termination clock*



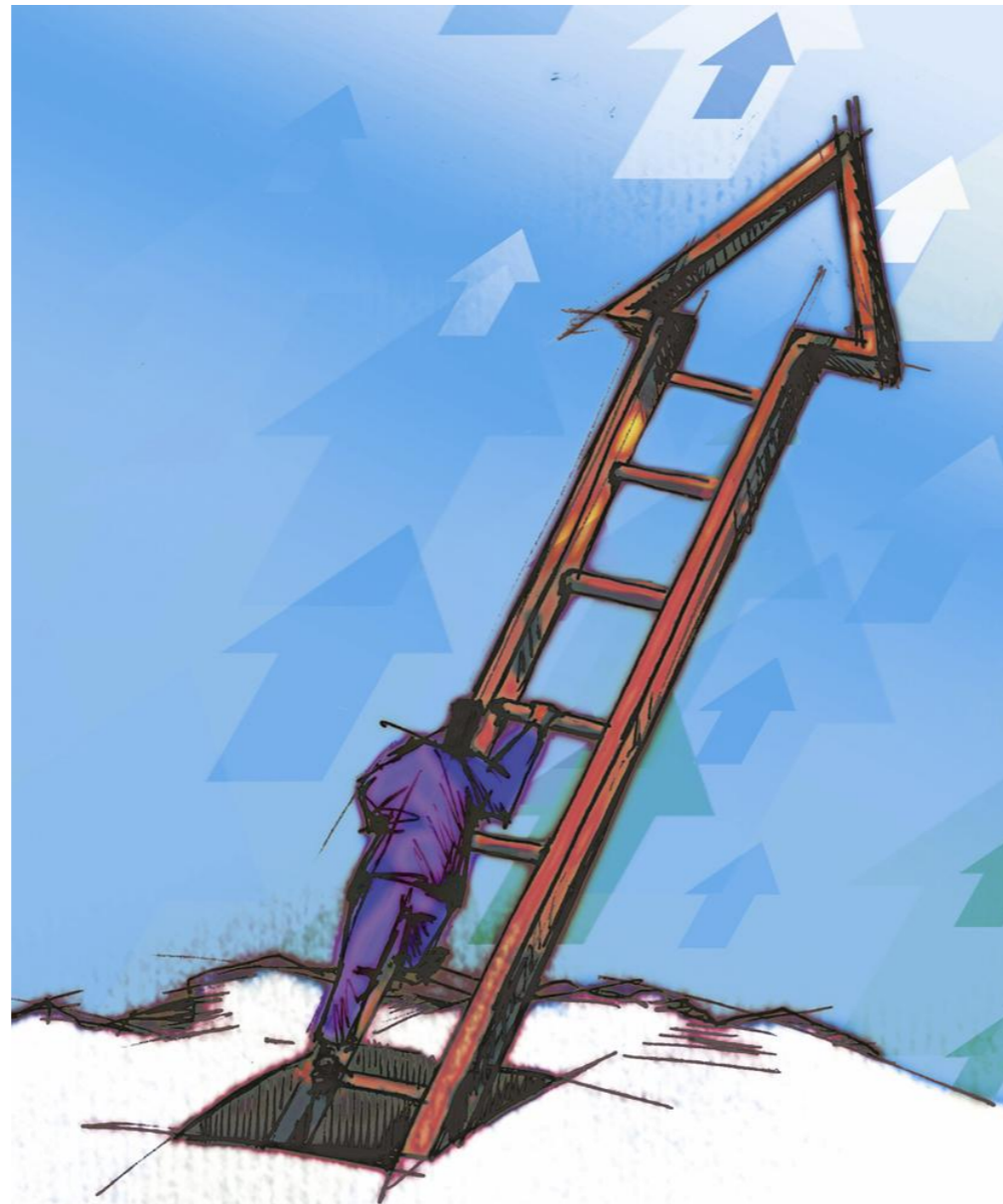
# Questions



# The Battle Begins!



# How to Build a Successful Plan



# Process

- **How will you correct?**
- **Who is responsible for monitoring?**



- **By when must it be completed?**



# During Survey...

Get ready to show a LOT of data

Surveyors can and WILL ask for evidence of how your organization is meeting compliance



# During Survey....

## Each Condition is reviewed

- Compliance with Federal Law
- Governance
- QAPI
- Patient Rights
- Medical Staff
- Anesthesia Services
- Radiographic Services
- Laboratory

- Pharmaceutical Services
- Food and Dietetic Services
- Utilization Review
- Physical Environment



# And .... ALL Standards related to Conditions

- Nursing Services
- Medical Records
- Organ, Eye, Tissue Procurement
- Surgery Services
- Emergency Services
- Respiratory Services
- Infection Control
- Discharge Planning
- Nuclear Medicine
- Outpatient Services
- Rehabilitation



# Surveyors can request:

- Record of menus served over the previous 30 days.
- Log of receipt and distribution of radiopharmaceuticals.
- Log of incidents related to nosocomial infections/communicable diseases for previous 6 mos.
- Evidence that frequency and detail of data collection for QAPI have been specified by Board.



# Notification

- Post survey, notification of deficiencies is done by a **CMS-2567** (02-99)

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
CENTERS FOR MEDICARE & MEDICAID SERVICES

PRINTED: 10/03/08  
FORM APPROVE  
OMB NO. 0938-031

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER:  480018	(X2) MULTIPLE CONSTRUCTION A. BUILDING _____ B. WING _____	(X3) DATE SURVEY COMPLETED  C 09/23/08
NAME OF PROVIDER OR SUPPLIER  PARKLAND HEALTH AND HOSPITAL SYSTEM		STREET ADDRESS, CITY, STATE, ZIP CODE 8301 HARRY HINES BLVD DALLAS, TX 75238	
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)
A 940	Continued From page 1  The hospital failed to properly execute their informed consent form for 12 of 12 patients (# 1 through 12) who had surgical procedures during July through September 2008. Cross refer to Tag A 0955.	A 940	
A 945	The hospital failed to have surgical privileges delineated for the Resident who had performed surgery for 6 of 5 patients during July through September 2008. Cross refer to Tag A 0945, 482.51(a)(6) SURGICAL PRIVILEGES  Surgical privileges must be delineated for all practitioners performing surgery in accordance with the competencies of each practitioner. The surgical service must maintain a roster of practitioners specifying the surgical privileges of each practitioner.  This STANDARD is not met as evidenced by: Based on review of the surgical consent form and the operative report in medical records, Resident personnel files, surgical roster and interviews: A. Surgical privileges were not delineated for 6 of 5 Residents named on the consent form as the "Surgeon of Record" between July and September 2008. Resident personnel files contained the form which designated the residents' post graduate year (PGY) level specific to the residents' program. Surgical faculty had privileges delineated and were named in the operative report, however, faculty was not named on the consent form.  Resident A, PGY 5, general surgery, was surgeon of record for patient # 2 who underwent total thyroidectomy on 08/07/08. Faculty FN was the	A 945	

FORM CMS-2567(02-99) Previous Versions Obsolete      Form ID: T10011      Facility ID: #1008      If continuation sheet Page 2 of 7

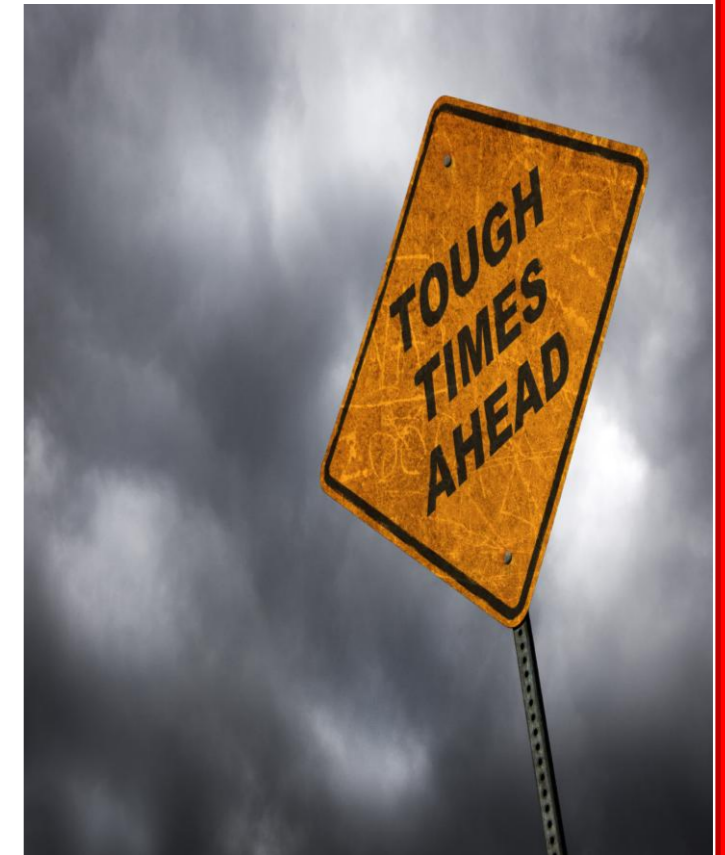
- Event ID 8IME11
- Facility ID: xxxx
- Page 1 of 25



# Notification (cont.)

Post survey hospitals receive:

- 2567 Survey Report of Findings..... *plus*
  - Letter discussing hospital status
  - Simple notification
  - Letter with decertification date
  - 23 days for Immediate Jeopardy (IJ)
  - 90 days for Non-Immediate Jeopardy (IJ)



# Response to 2567

- Plan of Corrective Action
  - Submitted by deadline date
  - Must be accepted by CMS
  - CMS will return to validate plan
  - Just looking at cited areas
  - Corrections ***must*** be evident



# Why POCs are Rejected

- Plans do not adequately address the **Condition** out (plans address the observation, NOT requirement)
- Proposed actions are insufficient to resolve identified **Condition** out
- No provision for integrating actions into QAPI program



# Why POCs Fail

- Many Hospitals Have Trouble Because:
  - POC addresses surveyor's findings - not the true **Condition** out
  - POCs frequently are unrealistic and cannot be achieved



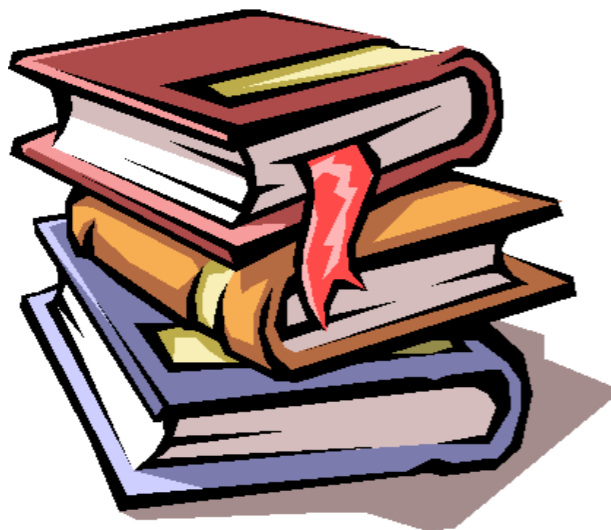
# Why POCs Fail (cont)

- Organizations Have Difficulty Executing POCs
  - Too complex
  - Written without input from staff that must implement the changes
  - Process revisions are not “rolled out” effectively
  - “Fixes” are not reflective of the natural processes of patient care



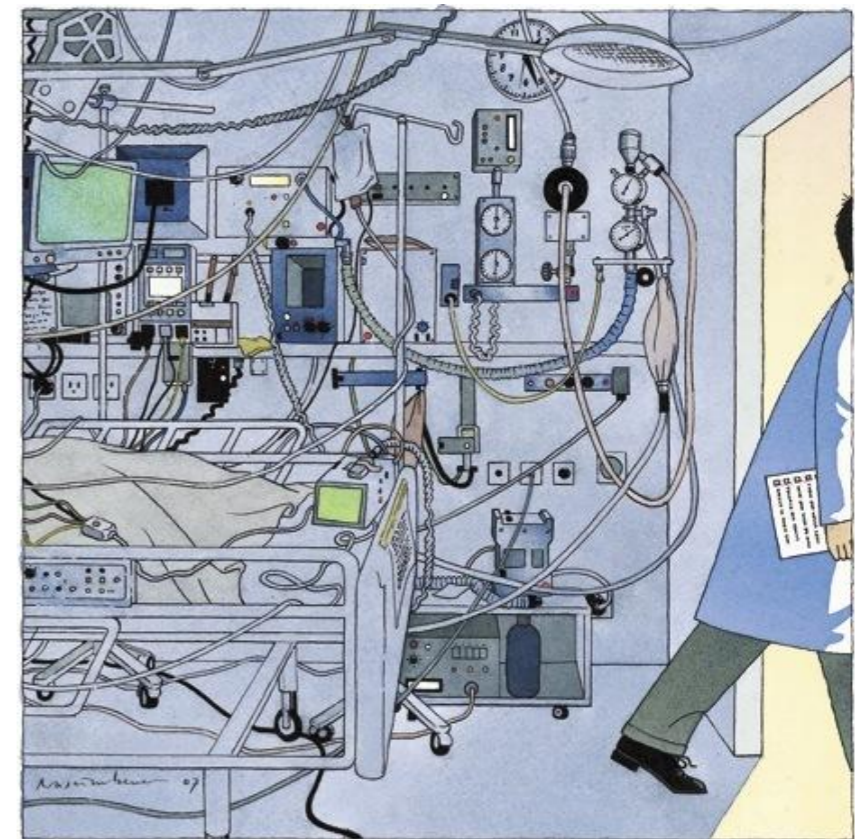
# Why POCs Fail (cont)

- Hospitals so busy documenting in the name of compliance that:
  - Lose sight of the core issue
  - Obliterate the core issue with meaningless layers
  - Focus on the “document” and forget about the process (of care)



# Why POCs Fail (cont.)

- Trouble Clearing *Conditions* Out:
  - Leadership crafts action/response without line personnel input
    - Staff is compelled to perform actions with little value
    - Actions may not contribute to care or treatment



# Managing A Potential Decertification

- This is Serious!
  - Know when you need help
    - You may need to contact legal counsel
    - You may need other outside help



# Develop an Evidence Book

- Establish an “Evidence Book”
- Highlight each “Tag”
- Outline how your organization is meeting the requirement
- Place evidence behind the title sheet



# EVIDENCE

- EVIDENCE -

Submitting Agency: \_\_\_\_\_

Case No.: \_\_\_\_\_

Item No.: \_\_\_\_\_

Date of Collection: \_\_\_\_\_

Time of Collection: \_\_\_\_\_

Collected by: \_\_\_\_\_

Badge No.: \_\_\_\_\_

Description of Enclosed Evidence: \_\_\_\_\_

Location Where Collected: \_\_\_\_\_

Type of Offense: \_\_\_\_\_

Victim's Full Name: \_\_\_\_\_

Suspect's Full Name: \_\_\_\_\_

Tri-Tech Inc. Reorder No.: TAGEV3X6

## A160 – Performance Improvement Projects

1. Quality Council Agenda Performance Improvement Initiatives
  - a. Quality Council Meeting minutes reflecting PI initiatives, including follow-up activities related to initiatives (excerpted minutes with corresponding SBAR attachments)
  - b. Board of Trustees meeting minutes reflecting PI activities (excerpted for xx-xx-xx meeting)



# Evidence Book

- Don't include the kitchen sink
- Address EXACTLY how you are meeting requirements
- Examples
- Plans
- Minutes
- Reports, Data, Scorecards, etc.
- Invoices

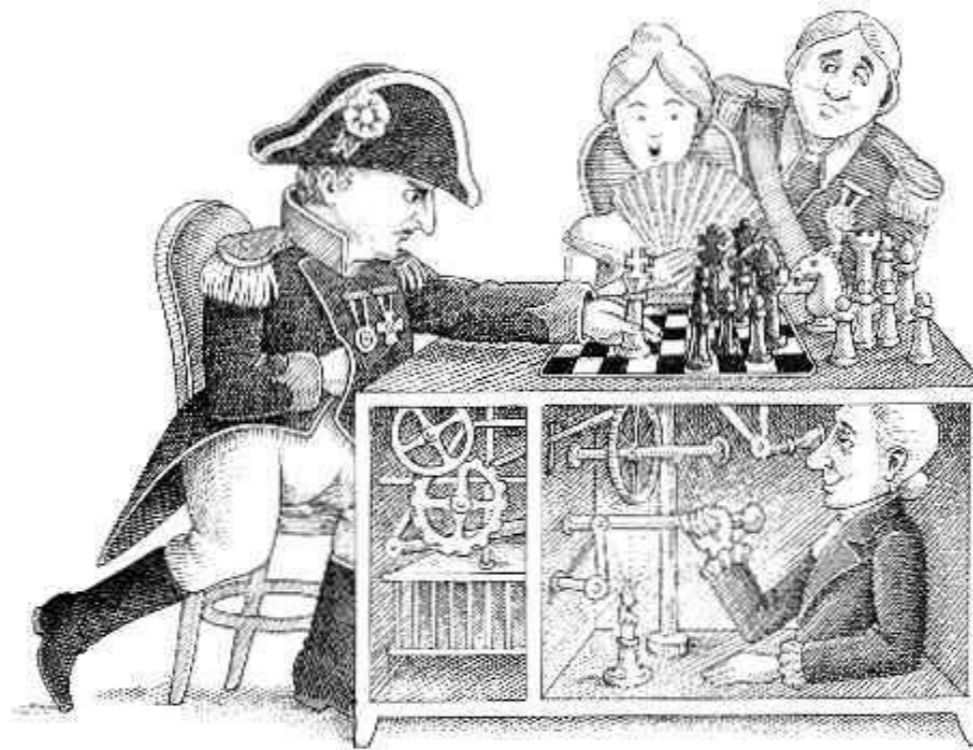
Goal	Average	Month	JUL	AUG	SEP
5	6.00	Pre-Registration Error Rate	5.00	7.00	6.00
<b>Registration Team</b>					
35	34.74	Main Admitting: # Cases Registered per FTE	36.00	36.40	31.82
35	29.00	Outpatient Admitting: # Cases Registered per FTE	30.00	32.00	25.00
35	25.00	ER/Minor Care Admitting: # Cases Registered per FTE	25.00	22.50	27.50
<b>Processing Time</b>					
25	24.00	Main Admitting: Patient Processing Time	25.00	23.00	24.00
28	25.00	Outpatient Admitting: Patient Processing Time	25.00	26.00	24.00
25	20.00	ER/Minor Care Admitting: Patient Processing Time	20.00	21.00	19.00
<b>Error Rate</b>					
4.5	5.00	Main Admitting: Error Rate	5.00	4.50	5.50
3.5	5.00	Outpatient Admitting: Error Rate	5.00	4.00	6.00
4	5.00	ER/Minor Care: Admitting Error Rate	5.00	4.00	6.00



# Managing A Potential Decertification (cont)

- Many citations focus on patient care (or the lack thereof)
- The key to success is to revise care processes that reflect the way care is naturally provided because.....





- Realistic care processes naturally drive compliance
- Artificial care processes detract from compliance
- So fix it because it is the right thing to do, NOT because you are trying to please a surveyor



# An Important Consideration... *The Domino Effect*

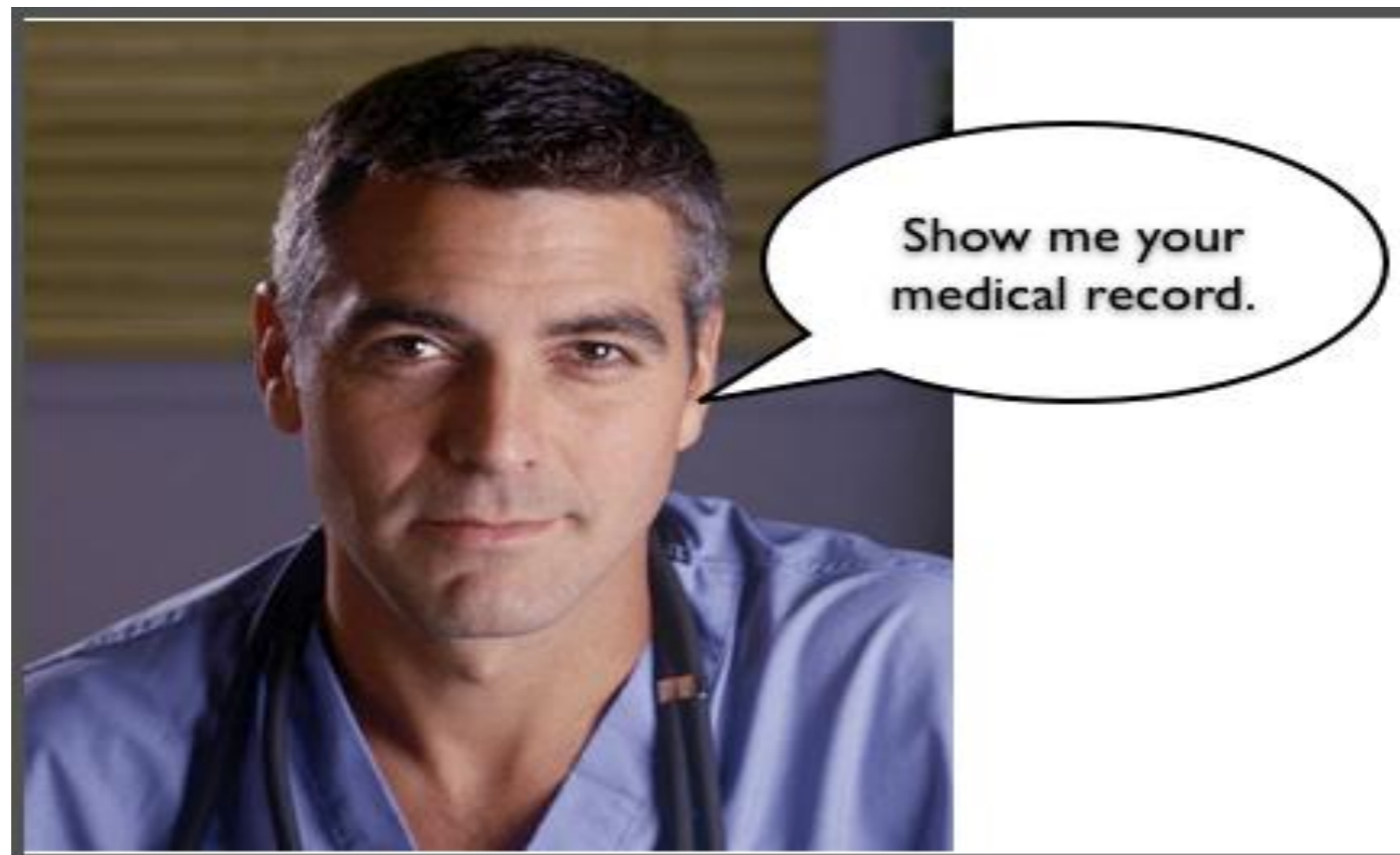


- When QAPI Is Not Evident or **Patient Care** and **Safety** are compromised, the QAPI Condition may be “OUT”
- When QAPI Condition Falls “Out,” so does...
  - Governance
  - Medical Staff
- In your POC, be prepared to evidence STRONG compliance with QAPI, and how your QAPI program funnels into **Governance** and **Medical Staff**



# Medical Records must demonstrate compliance

- May require process change
- Will require frequent and focused record evaluation for care processes



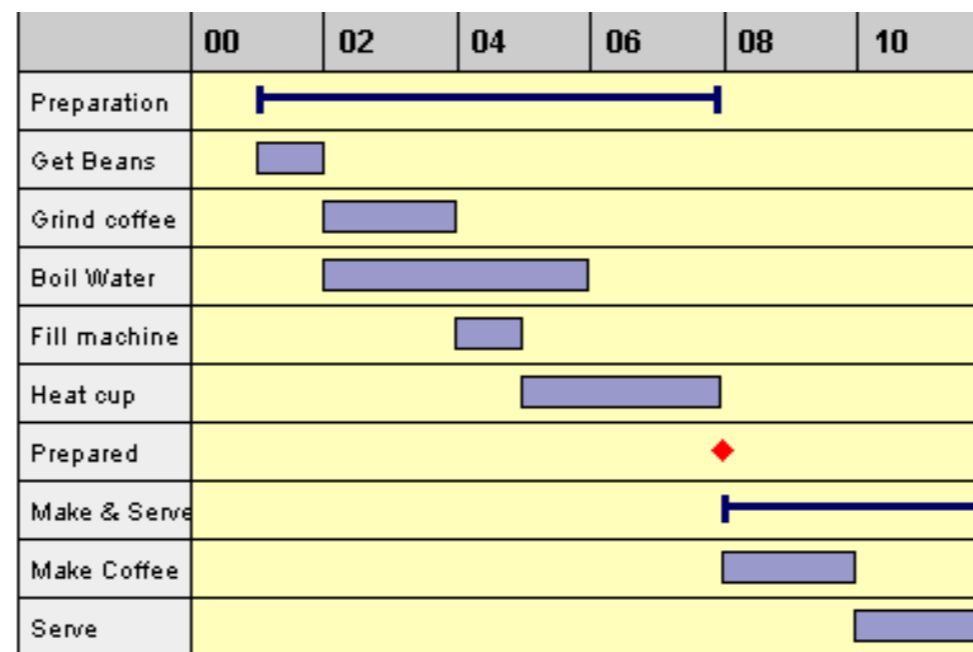
# Managing A Potential Decertification (cont)

- Monitor Your Plan
  - If it involves patient care, review charts frequently
  - If it involves diets, observe the tray line
  - If it involves medication storage, observe medication storage areas
- You Have to Get This Right. This is Serious!



# Managing A Potential Decertification (cont)

- Stay in Contact with Your DOH/CMS Regional Office
  - Discuss the Issues with the Regional Office if You Have Questions
- Stay on Top of the Time Line!!



# Success Strategies

- **Know CMS Conditions of Participation**
- Implement corrective actions that are reflective of natural care process
  - Implement a few simple, effective actions
    - Select actions that have value
      - **Do NOT** select actions to please your surveyors
- **Monitor for Compliance**



# Maintaining the Gains

- Prevent Creep..... (returning to old habits and noncompliance)
- You've worked hard to craft a compliance plan
- Let it work for you!
- You'll achieve a dual goal
  - Compliance with the CoPs
  - Improved Patient Care and Safety



# QUESTIONS?



# Continuing Education/Certificate of Attendance

To receive your certificate of attendance and/or 1.5 hrs. Nursing Continuing Education, you must go to <http://www.surveymonkey.com/s/3SD79K5> to fill out evaluation form online

