

Office of the President

TO MEMBERS OF THE COMPLIANCE AND AUDIT COMMITTEE:

ACTION ITEM

For Meeting of July 12, 2017

APPROVAL OF ETHICS AND COMPLIANCE PROGRAM PLAN FOR 2017-18

RECOMMENDATION

The Interim Senior Vice President – Chief Compliance and Audit Officer recommends that the Compliance and Audit Committee approve the Ethics and Compliance Program Plan for 2017-18, as shown in Attachment 1.

BACKGROUND

The Ethics and Compliance annual work plan for fiscal year 2017-18 (Plan) has been designed to reflect the ongoing evolution and maturation of the University of California Ethics and Compliance Program. As in other industries, higher education continues to be encouraged by governmental regulatory guidance to develop a comprehensive, integrated ethics and compliance program, designed to affect positively the culture of the organization in its efforts to meet its mission and maintain its value. The University of California Ethics and Compliance Program continues its ongoing efforts to develop and implement a state-of-the-art compliance program for higher education using the most innovative and effective methodologies that supports the individual UC locations in their overall compliance efforts.

The Plan has been developed using a risk intelligence approach and review of work plan activities and risk priorities from the ethics and compliance risk committees from all ten campuses, the five academic medical centers, the UCR School of Medicine, the Lawrence Berkeley National Laboratory, Agriculture and Natural Resources, and the Office of the President. Campus compliance staff worked collaboratively with internal audit and, increasingly, the risk management functions at each campus to capture more completely identifiable compliance risks for inclusion in the individual work plans. Campus ethics and compliance officers then discussed, reviewed and assisted Ethics, Compliance, and Audit Services (ECAS) staff with the prioritization of risks reflected in this systemwide Plan.

This Plan will focus on the following systemwide compliance risk areas, listed in no specific order of priority, and will include key mitigation activities. Outcomes will be measured and reported throughout the 2017-18 year in the review of management risk mitigation activities and resolution of identified risks.

Campus Risk Priority Areas

- 1. Cybersecurity**
- 2. Sexual violence/sexual assault/sexual harassment**
- 3. Campus safety including laboratory, public, and fire**
- 4. Americans with Disability Act (ADA) and accessibility**
- 5. Minors on campus including volunteer activities**
- 6. International activities including export control**

Health Sciences Risk Priority Areas

- 1. Healthcare revenue cycle**
- 2. Pharmacy services**
- 3. Privacy**

(Attachment)



University of California

Office of Ethics, Compliance & Audit Services



ETHICS AND COMPLIANCE PROGRAM PLAN FOR FY 2017-18

TABLE OF CONTENTS

TABLE OF CONTENTS	2
EXECUTIVE SUMMARY	3
METHODOLOGY	4
RISK PRIORITY OVERVIEW	7
A. CYBERSECURITY.....	8
B. SEXUAL VIOLENCE/SEXUAL HARASSMENT	10
C. AMERICANS WITH DISABILITIES ACT (ADA) AND ACCESSIBILITY	11
D. LIFE SAFETY.....	12
E. MINORS AND VOLUNTEERS ON CAMPUS.....	13
F. INTERNATIONAL ACTIVITIES AND EXPORT CONTROL.....	14
G. HEALTHCARE REVENUE CYCLE.....	16
H. PHARMACY SERVICES	17
I. PRIVACY	18
SUMMARY	19

EXECUTIVE SUMMARY

The 2017-18 Ethics and Compliance Program Plan (“Plan”) for the University of California combines the individual compliance work plans and risk assessments for all University locations including the ten campuses, six UC health systems, Agriculture & Natural Resources (ANR), and the Lawrence Berkeley National Laboratory (LBNL). The Plan represents the culmination of a multi-month systematic effort to coordinate risk and compliance assessment efforts across the University enterprise. It is the first time that a deliberate effort was made to coordinate and align campus and health system compliance plans and include them all into one overall Plan. This Plan represents the input and involvement of hundreds of staff from leadership roles including compliance, internal audit, health sciences, risk services, privacy, information and security, and a variety of academic representatives. Together, these representatives came together in multiple sessions to assess, evaluate, and then design the individual plans that were then reviewed by the Ethics, Compliance and Audit Services (ECAS) staff in the Office of the President.

To develop this Plan, over 300 individually identified risk areas from the locations’ plans were analyzed and compiled into the top risk priorities. Through assessing the relative likelihood, impact and control for these risk priorities, nine risk priorities were identified to be included in this Plan. Although these risks often affect the whole campus enterprise, they are categorized as follows for ease of administration:

Campus-focused Risk Priorities

- Cybersecurity
- Sexual Violence/Sexual Harassment
- Americans with Disabilities Accommodations
- Minors and Volunteers on Campus
- Life Safety
- International Activities Including Export Control

Health System-focused Risk Priorities

- Healthcare Revenue Cycle
- Pharmacy Services
- Privacy

The Plan takes these nine risk priorities and lists specific compliance actions and planned mitigation activities and metrics for each. These mitigation activities will be implemented and coordinated by ECAS throughout 2017-18 in collaboration with campus and health system partners. Progress on the Plan will be reported regularly to University leadership and the Regents. Because the above risk priorities were developed from the locations’ plans, these systemwide mitigation activities will parallel and support the efforts of the campuses, LBNL, and the health system. Compliance risk mitigation efforts on individual location plans will continue as well.

The 2017-18 Plan represents further evolvement of efforts to improve the risk intelligence of the University of California. Working in partnership with ECAS, campus and health system leadership, risk services, and internal audit will collaborate in ongoing efforts to mitigate established risks, instigate processes that can identify future risks, and establish a culture where risk response can be more robust and effective.

John Lohse
Interim Senior Vice President/Chief Compliance and Audit Officer

Methodology

Summary: The current Plan builds on the 300+ individual risks identified in the location compliance and risk plans. These 300+ risks were then culled down to 12 overarching risk priorities and eventually developed into the nine risk priorities included in this plan. A high-level depiction of this process is illustrated in Figure 1.

The Process: Each University of California campus and health system used a campus-specific process, including interviews with stakeholders, review of government guidance, surveys, etc., to gather compliance risks and produce work plans for the coming fiscal year. In April, ECAS collected the campus and health system work plans and aligned the over 300 risks and work plan actions. In a meeting at UC Irvine in May, the Campus Ethics and Compliance Officers (CECOs) and ECAS reviewed the systemwide collection of risks and identified a subset of the 12 most important risk categories. The risks were listed as general “risk priority” topics, with examples of possible areas of focus, e.g., ADA accommodations (Physical and electronic accessibility, Accommodations, Governance). The risks included both systemwide campus risks and risks specific to the health system.

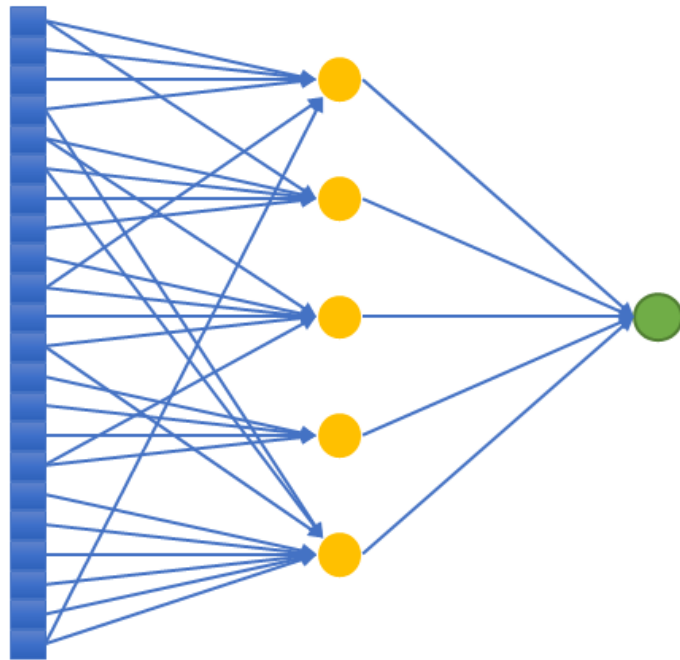
Following the in-person discussions, ECAS sent out a survey to the CECOs asking them to rank the top five risks at their location regarding the likelihood of the risk occurring on campus, the impact that such an occurrence would have on a campus, and level of control that is currently in place to mitigate the risk. Fifteen anonymous responses were received.

To identify the most pressing risk priorities included in the current Plan (that will be addressed systemwide), ECAS calculated a *Relative Residual Risk Value* from the survey responses*. The *Relative Residual Risk Value* was calculated by multiplying the relative risk likelihood values with the relative risk impact values divided by relative risk level of control values. The Relative Residual Risk Values were then sorted from highest to lowest to show the Relative Residual Risk Ranking. We picked the top systemwide and health system related compliance risks to focus the attention of our effort and ended up with nine risk priorities. The compilation of the building of this year’s Plan is depicted in Figure 2.

The Final Product: It is important to remember that this Plan does NOT supplant the individual campus and health system plans. Each location will continue their own risk mitigation process based on their location’s decisions. Since the current Plan does build on the campus and health system compliance work plans, this Plan will support and augment what the campuses will accomplish.

Given that the systemwide risks are derived from the campus and health system compliance work plans, there is often substantial overlap between campus efforts, health system, and systemwide plans. However, for administrative ease, the Plan has six distinct “campus” focused risk priorities and three distinct “health system” risk priorities. This approach allows the Plan to focus better attention to issues of overall concerns.

* Methodology Note: We asked only for the top five risks; therefore, the risk values are averaged by the number of responses received for each risk value. Thus, smaller numbers of responses had a larger influence on the result. The relative likelihood value of a risk is calculated by multiplying the average likelihood value with the number of responses for this particular risk and dividing by the maximum number of responses overall for risk likelihood.



- 300+ items submitted in Campus Compliance Work Plans
- Discussions initially yield 12 Systemwide Priority Risk Areas
- Survey leads to nine highest Residual Priority Risk Areas in Systemwide Compliance Program Plan. The Plan articulates specific objectives for each of the nine.

Figure 1: Depiction of Process Used to Select Risk Priorities

Building the Compliance Plan

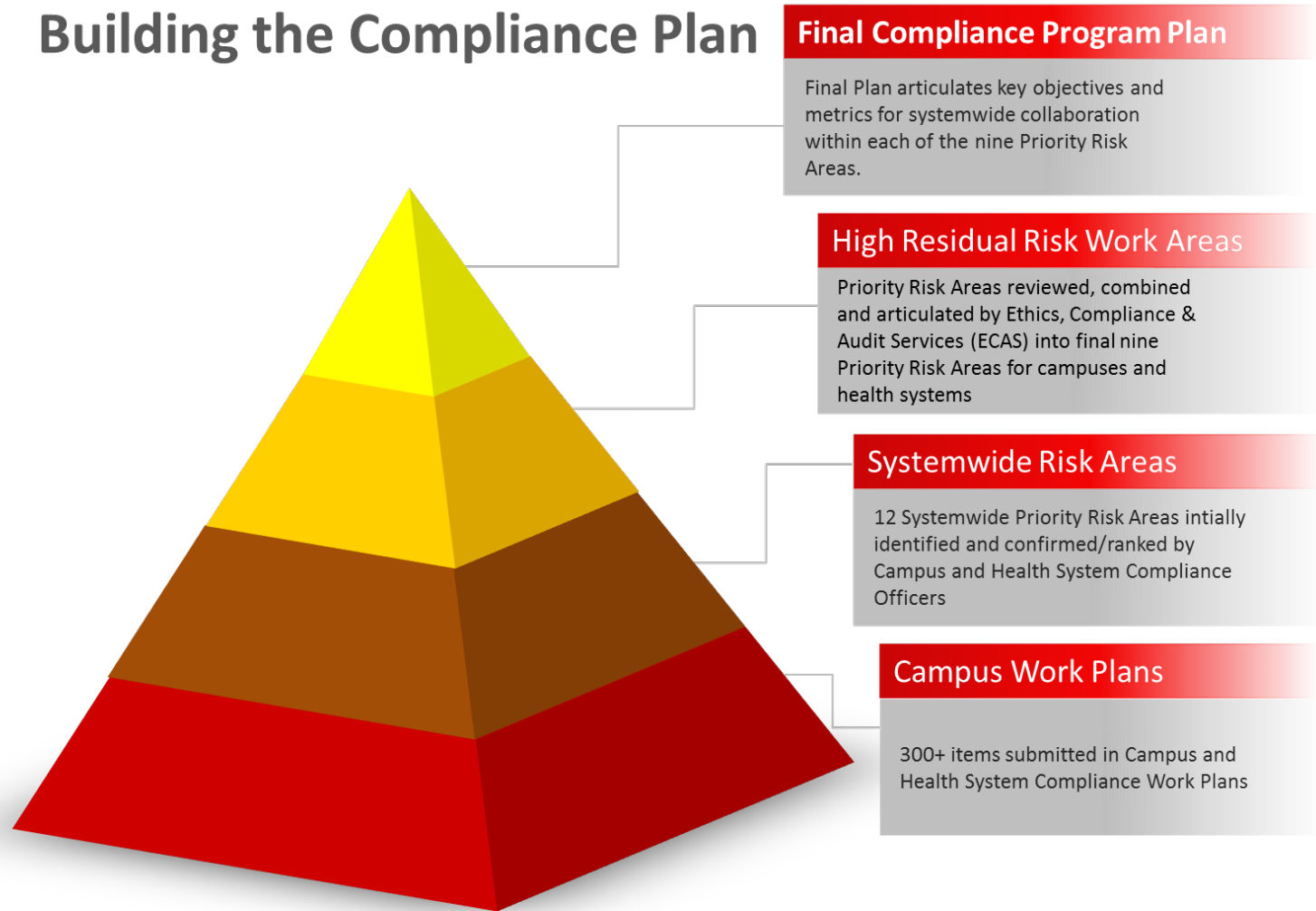


Figure 2: Building the Compliance Plan

Risk Priority Overview

From the process explained in the last section, the following *Risk Priorities* were established:

1. Campus-focused Risk Priorities
 - Cybersecurity
 - Sexual Violence/Sexual Harassment
 - Americans with Disabilities Accommodations
 - Minors and Volunteers on Campus
 - Life Safety
 - International Activities Including Export Control
2. Health system-focused Risk Priorities
 - Healthcare Revenue Cycle
 - Pharmacy Services
 - Privacy

On the following pages, each Risk Priority is highlighted and specific work plan “Compliance Action Item(s)” is/are listed. These action items highlight the approaches ECAS and the campus and/or health system partners will take over the next year to address the Risk Priority.

It is important to recognize that many of the “campus-focused” Risk Priorities apply to “health system -focused” Risk Priorities and vice versa. To the extent of such overlap, the planned mitigation activities will address the system and/or locations as a whole.

Seven Elements of an Effective Compliance Program: Each work plan Compliance Action Item is linked to one of the seven elements recommended as a foundation for an effective compliance program by the Department of Justice, the Office of Inspector General for Health & Human Services, and/or the Federal Sentencing Guidelines. This process allows this Plan to complement the overall compliance program structure of the University.

Finally, each work plan Compliance Action Item lists projected metrics and progress steps to be taken. These metrics provide a clear way for ECAS and campus/health system partners to track progress and report to leadership, the President and the Regents on a regular basis.

A. Cybersecurity

Cybersecurity continues to be one of the highest priorities for the University. Several laws and regulations govern the privacy and security of our records for employees and students, including Health Insurance Portability and Accountability Act (HIPAA) and Family Educational Rights and Privacy Act (FERPA). In addition, the operation of the University depends on continued access to records and other important data. As well as educating staff and students about the perils of cyber-attacks, the University is currently updating the information security policy, *BFB-IS-3*. A part of next year’s plan will be to finalize, facilitate and monitor adoption of this new policy.

OIG/DOJ/HCCA* Compliance Program Guidance	Compliance Action Item	Planned Risk Mitigation Activity/Metric
Structure	<ol style="list-style-type: none"> a. Review current Compliance committee sub-groups to interface with other cybersecurity activities b. Establish additional interface structures as necessary 	<ul style="list-style-type: none"> • Identify campus groups dedicated to cybersecurity • Develop relationships with cyber-security stakeholders
Policies	<ol style="list-style-type: none"> a. Continue to draft and promulgate policy on data management, including Access to Student Data, Policy on Research Data Storage and necessary procedures to ensure the adoption of IS-3 such as the identification of Institutional Information Proprietors b. Adopt the new systemwide data classification standard that will be present in the IS-3 rewrite c. Develop and deploy infrastructure to enable the implementation of four CyberRisk Governance Council CIO priorities: Multifactor Authentication, EndPoint Management, Vulnerability Scanning and Network Access Control d. Develop a multi-year plan to respond to the UC wide Risk Assessment report and findings 	<ul style="list-style-type: none"> • Develop local policies and internal controls for data breaches and other cybersecurity incidents • Recommendations for improved cybersecurity policies/procedures as necessary
Education & Training	<ol style="list-style-type: none"> a. Formalize training to communicate the importance of purging unnecessary data and limiting data collection to the minimum required to accomplish a task 	<ul style="list-style-type: none"> • Track adoption of box.com or other cloud services as shared data work space • Implement cybersecurity awareness training for staff and students

OIG/DOJ/HCCA* Compliance Program Guidance	Compliance Action Item	Planned Risk Mitigation Activity/Metric
Auditing & Monitoring	a. Work with ECAS cybersecurity audit team to review vulnerability assessments and penetration testing at UC health systems and campuses b. Implement results of the campus vulnerability assessments	<ul style="list-style-type: none"> Track implementation of recommendations and solutions for improving resistance to penetration
Enforcement & Discipline	a. Work with Information Technology Services (ITS) and cybersecurity teams (C3) on surveillance criteria in accordance with applicable laws and regulations	<ul style="list-style-type: none"> Develop framework to balance privacy concerns with increased security demands, cloud computing and mobile device usage
Risk Assessment & Mitigation	a. Review implementation of multi-factor authentication b. Explore the implementation of encrypted storage at managed workstations	<ul style="list-style-type: none"> Track number of systems and users using 2-factor authentication Track number of systems using encrypted storage

*OIG – Office of Inspector General / DOJ – Department of Justice / HCCA – Health Care Compliance Association

B. Sexual Violence/Sexual Harassment

The University has made significant progress and devoted considerable time and resources to respond to, and prevent, sexual violence and sexual harassment. However, the campus plans continued to identify this area as a high priority for compliance risk. Consequently, the risk continues to be included in the Systemwide Plan. Much of the work identified to be conducted in this Plan follows directly from the recommendations approved by the President.

OIG/DOJ/HCCA Compliance Program Guidance	Compliance Action Item	Planned Risk Mitigation Activity/Metric
Structure	Review Title IX structure and campus infrastructure implementation as required by SVSA Task Force reports	<ul style="list-style-type: none"> • Review Task Force and other committee recommendations • Review President’s recommendations • Work with systemwide Title IX Officer to assess progress on implementation • Provide review of campus programs and structures in partnership with Systemwide Title IX Office
Policies	Review requirements of systemwide Sexual Violence/Sexual Harassment Policy	<ul style="list-style-type: none"> • Review compliance implementation with campus programs and Systemwide Title IX Office • Ask for the Office of General Counsel (OGC) review of legal developments for changes to policy
Education & Training	Provide continued monitoring of completion rates for required Sexual Harassment Prevention training.	<ul style="list-style-type: none"> • Metrics from the Learning Management System reviewed and disseminated
Enforcement & Discipline	Review process per new adjudication models and resulting outcomes for faculty, staff and students	<ul style="list-style-type: none"> • Analyze complaints, timelines, findings and discipline actions for trends and consistencies across campuses
Response & Prevention	Review metric data and process reviews from campus reports on Title IX complaints to ensure compliance with timelines and other requirements	<ul style="list-style-type: none"> • Review Title IX reports from campus • Completion data from campus advocates, Title IX offices, and Systemwide Title IX Office

C. Americans with Disabilities Act (ADA) and Accessibility

Complying with the Americans with Disabilities Act (ADA) is a major area of regulatory compliance required for all University locations. This year’s Plan includes a review of current policies, training, and response mechanism to gauge how our locations are adequately and appropriately addressing this important area. Many campuses identified this area and given the regulatory pressure being exerted on universities regarding accessibility of materials and websites, this area was identified as a key risk priority.

OIG/DOJ/HCCA Compliance Program Guidance	Compliance Action Item	Planned Risk Mitigation Activity/Metric
Policies	<ul style="list-style-type: none"> a. Review current UC policies and review current legal regulations and requirements b. Develop assessment for current processes and issues across the system c. Review accessibility of university policies 	<ul style="list-style-type: none"> • Ask for OGC review of new and pending state and federal legislation for necessary changes to UC policy • Review current systemwide HR policies and procedures for ADA compliance • Continue with accessibility project of Presidential policies
Education & Training	<ul style="list-style-type: none"> a. Review current educational and training available b. Assess needs for further training to maintain compliance with ADA implementation 	<ul style="list-style-type: none"> • Develop trainings as needed and required
Response & Prevention	Review system and campus processes for responding to ADA needs of faculty, staff, and students including those who are on campus for visiting appointments	<ul style="list-style-type: none"> • Review current campus procedures • Develop recommendations for compliance as needed to implement best practices for ADA compliance

D. Life Safety

The safety of our whole University community remains the highest priority. This priority was clearly reflected in the individual location plans and, therefore, this year’s Plan includes several areas for compliance risk mitigation activities addressing life safety issues. Specifically, compliance action items focus on specific areas of safety including laboratories, Clery Act Compliance, seismic, and fire. ECAS continues to coordinate the campus Clery Coordinators and collaborate with Campus Police to comply with Clery Act requirements. Working across the University enterprise is critical for this area and ECAS will work with Risk Services and campus locations to coordinate any compliance activities to ensure a comprehensive approach is taken on any reviews and actions.

OIG/DOJ/HCCA Compliance Program Guidance	Compliance Action Item	Planned Risk Mitigation Activity/Metric
Policies	a. Review existing laws, regulations, and UC policies b. Complete systemwide Clery Policy c. Complete systemwide Video Safety/Security Policy	<ul style="list-style-type: none"> • Coordinate review with Risk Services • Suggest areas for policy development • Completion of systemwide policies
Structure	Review campus structures to address life, public, seismic, and fire safety mitigation and response	<ul style="list-style-type: none"> • Develop risk mitigation plan with Risk Services and other partners to recommend changes in structures and deficiencies identified
Education & Training	a. Review current training programs b. Develop new training to respond to identified areas of importance or deficiencies c. Implement new mandated training for Campus Security Authorities (CSA) per Clery Act and new systemwide policy	<ul style="list-style-type: none"> • Complete roll-out of new CSA training • Track and report compliance with training efforts
Response & Prevention	a. Review protocols for reporting safety issues and procedures to follow-up on reports b. Review prevention programs and efforts	<ul style="list-style-type: none"> • Update response plan as based on review • Update prevention programs as based on review

E. Minors and Volunteers on Campus

The University of California offers a wide array of programs and events involving volunteers of all ages and may include youth and minors. Minors involved in University activities present unique and important compliance obligations and responsibilities. Working with volunteers brings additional areas of concern that must be addressed including registration processes and background checks. Because of the potential risk, the Plan includes several compliance action items that came from campus and health system work plans.

OIG/DOJ/HCCA Compliance Program Guidance	Compliance Action Item	Planned Risk Mitigation Activity/Metric
Policies	Review existing laws, regulations, and UC policies	<ul style="list-style-type: none"> • Coordinate any suggestions for policy development
Structure	<ol style="list-style-type: none"> Review campus and location structures and processes for addressing and vetting staff and volunteer who work with youth and volunteers Review processes for vetting staff and volunteers who work with minors Review processes for managing staff and volunteer interactions with minors 	<ul style="list-style-type: none"> • Based on campus processes, provide recommendations and implement processes for improvement in vetting process and requirements for staff and volunteers working with minors
Education & Training	<ol style="list-style-type: none"> Review current training programs Recommend new trainings to respond to identified areas of importance or deficiencies 	<ul style="list-style-type: none"> • Design training and education programs as required or recommended • Track and report compliance with training efforts
Response & Prevention	<ol style="list-style-type: none"> Review protocols for reporting compliance and ethical issues Review prevention programs and efforts 	<ul style="list-style-type: none"> • Update response plan as based on review • Update prevention programs as based on review

F. International Activities and Export Control

The footprint of activities for the University of California is truly global. With a presence throughout the world, University faculty, staff, and students come across a myriad of international regulations, compliance rules, and cultural issues. In addition, the University must ensure that laws and regulations from the U.S. are followed in international locations as required. Given UC’s huge research focus in the international arena, export control, FCPA, and other global regulations are of critical importance to the mission of the University. Several of the campus and health system plans included this area as a top risk. Consequently, this year’s Plan includes several items for compliance action.

OIG/DOJ/HCCA Compliance Program Guidance	Compliance Action Item	Planned Risk Mitigation Activity/Metric
Structure	a. Continue support of UCOP International Compliance Work Group and Export Control Work Group b. Maintain UCGO website with RPAC for campus and UCOP information, guidance, and support	<ul style="list-style-type: none"> ● UCOP Work Plan for coordination of International Activities support for campuses ● Track traffic on UCGO website
Policies	Follow Academic Senate response to the draft Export Control Policy through final approval and implementation	<ul style="list-style-type: none"> ● Review compliance implementation of the Export Control Policy with campus programs and systemwide members of the Export Control Work Group and other UC stakeholders ● Continue Policy Subgroup for review of new and pending state and federal legislation for necessary changes to UC policy ● Monitor campus compliance with export control regulations

Education & Training	Assess needs for further training to maintain compliance with Export Control Policy, restricted party screening, sanctions, and IT Security issues.	<ul style="list-style-type: none"> • Rollout new training to educate on Export Control Policy • Training on pre-travel checklists including FCPA • Training on international travel with mobile devices • Expand training on RPS and Classification screening
Auditing & Monitoring	Complete Q9 Phase II and Phase III systemwide Export Control Assessments	<ul style="list-style-type: none"> • 2017 Phase II Campus Desk Assessment • Review final reports with for each location with that location’s leadership to address Management Corrective Actions • 2018 Phase III Campus visits to review location response to Management Corrective Actions (MCAs) and implementation of systemwide Export Control Policy
Response & Prevention	<ol style="list-style-type: none"> a. Review system and campus processes for responding to International Travel and collaboration requests b. Classify technology c. RPS Screening d. Work with Contracts & Grants office and RPAC to address new contracts which require compliance with NIST SP 800-171 	<ul style="list-style-type: none"> • Work with local and systemwide IT Security on solutions to NIST 800-171 requirements and/or deployment • Work with local and systemwide Research office and IT Security to implement a travel laptop solution program

G. Healthcare Revenue Cycle

Three areas within the Healthcare Revenue Cycle Risk Priority are included: a) Medical billing and coding; b) Risks identified in the Office of Inspector General (OIG) Work Plan, and: c) Clinical Research Billing (CRB). First, UC health system compliance programs currently utilize software solutions for medical billing and coding audits. This year’s plan includes reviewing these practices. Second, UC’s health system routinely review the OIG work plan that identifies potential categories of improper payments made by Medicare and Medicaid (CMS). This Risk Priority includes some of the specific topics within the revenue cycle highlighted as focus areas by the OIG. Finally, CRB continues to present challenges to healthcare providers in academic settings. Reimbursement for certain items and services provided to patients enrolled in clinical trials is being challenged by enhanced documentation and billing requirements. ECAS has previously evaluated CRB practices at UC health system locations including coverage analyses, study data management, clinical trial modifiers, and third party medical billing. Compliance Action Items in this area will focus on work needed to enhance the adoption of best practices across the University.

OIG/DOJ/HCCA Compliance Program Guidance	Compliance Action Item	Planned Risk Mitigation Activity/Metric
Structure	Assemble the Healthcare Compliance Council and its sub-committees, including the Medical Billing Advisory Group and CRB Work Group, to oversee healthcare revenue cycle compliance activities	<ul style="list-style-type: none"> • Convene regular meetings, as documented by agendas and minutes
Policies	Evaluate CRB policies and practices to identify compliance gaps and mitigation strategies	<ul style="list-style-type: none"> • Identify CRB best practices at UC locations and distribute related policies and procedures across the system
Auditing & Monitoring	Monitor OIG Work Plan and identify potential areas of compliance risk, including payments to UC for Transitional Care Management (TCM) and Chronic Care Management (CCM) services	<ul style="list-style-type: none"> • Review UC billing practices for TCM and CCM services and other audit categories identified in the OIG Work Plan • Initiative systemwide improvement efforts to enhance compliance
Response & Prevention	Evaluate new software tools that allow comparison of billing data among various UC locations as well as similar non-UC healthcare providers to enhance internal risk-based auditing activities	<ul style="list-style-type: none"> • Procure and implement enterprise data software tools for billing & coding audits • Develop system measures for revenue cycle compliance • Identify any compliance gaps and initiate systemwide improvement efforts

H. Pharmacy Services

Specific areas of focus with this Risk Priority include the 340B Discount Drug Pricing Program and Controlled Substance Diversion Prevention. UC participates in the federal 340B Program that allows certain healthcare providers to purchase outpatient drugs from manufacturers at reduced prices. UC must ensure that discounted drugs are only used for eligible dispensing activities, and we must properly coordinate with the Medicaid program to avoid duplicate discounts. In June 2017, Congress initiated a review of Health Resources & Services Administration (HSRA)'s previous auditing activities that could impact UC health system locations. Consequently, the compliance action items listed below include objectives in this area. Controlled substance (CS) diversion in health systems can lead to serious patient safety issues, harm to the diverter, and significant liability risk to the organization. Despite these negative outcomes, diversion of CS remains unfortunately common in the healthcare industry. In response, various regulatory entities including the U.S. Drug Enforcement Agency (DEA) and California Board of Pharmacy have increased oversight activities in recent years. UC health system locations employ a variety of internal monitoring measures to prevent CS diversion in our system, which often involve partnerships between compliance, legal, risk and pharmacy operational teams. This year's Plan includes several action items in this critical area.

OIG/DOJ/HCCA Compliance Program Guidance	Compliance Action Item	Planned Risk Mitigation Activity/Metric
Structure	Charter a Pharmacy Compliance governance committee that includes membership from the Healthcare Compliance Council, Office of General Counsel, UC Health Pharmacy leadership and Risk Services	<ul style="list-style-type: none"> • Convene regular meetings, as documented by agendas and minutes
Policies	<ol style="list-style-type: none"> Assess current 340B Program compliance policies and procedures to identify any areas for improvement Assess current CS diversion policies and procedures to identify any areas for improvement 	<ul style="list-style-type: none"> • Identify "best practices" and strategies to spread adoption throughout the system
Auditing & Monitoring	Review results of previous Pharmacy Compliance internal and external audits	<ul style="list-style-type: none"> • Ensure internal tracking mechanisms and communication protocols exist for disseminating audit results to all stakeholders

I. Privacy

Privacy across the University is an important shared value. This Plan focuses on three areas: HIPAA Notice of Privacy Practices, HIPAA Audit Readiness, and UC Privacy Program Gap Analysis. The UC Health System Notice of Privacy Practices (NPP) is a document we share with patients to inform them about how UC will use and share their health information. Based on recent developments in the use of electronic health records (EHR) and clinically integrated networks at UC, our NPP requires revision to describe better the innovative work we do. In 2016 the U.S. Department of Health & Human Services (DHHS) Office for Civil Rights (OCR), which has responsibility for enforcing HIPAA, issued three times more monetary fines than in any previous year. OCR has also increased its audit and investigation efforts every year since 2011. While UC health system locations have been reviewed for individual allegations of non-compliance, OCR has not yet selected UC for a comprehensive audit.

In FY13 the UC President’s Steering Committee on Privacy and Information Security issued recommendations for establishing an overarching UC privacy framework, including governance, implementation and accountability structures. Since then ECAS has led the implementation of the approved recommendations. This year’s Plan focuses on continuation of achieving the goals identified, including by promoting institutional decision-making that is consistent with the UC Statement of Privacy Principles and Values.

OIG/DOJ/HCCA Compliance Program Guidance	Compliance Action Item	Planned Risk Mitigation Activity/Metric
Structure	Assemble the Healthcare Compliance Council and Campus Privacy Officials to oversee privacy compliance activities	<ul style="list-style-type: none"> • Convene regular meetings, as documented by agendas and minutes
Policies	Engage various stakeholders to identify needed NPP updates	<ul style="list-style-type: none"> • Develop revised NPP template • Ensure new form is disseminated and provided to all patients
Education & Training	Assess currently available privacy education and training materials	<ul style="list-style-type: none"> • Develop privacy education and training materials to maintain compliance
Auditing & Monitoring	Conduct systemwide OCR HIPAA audit readiness activities, including a review of business associate management and EHR audit trail monitoring	<ul style="list-style-type: none"> • Finalize audit readiness protocol and conduct mock auditing • Identify risk areas and implement corrective actions
Response & Prevention	Conduct a gap assessment of achievement of the FY2013 President’s Steering Committee on Privacy and Information Security recommendations	<ul style="list-style-type: none"> • Identify areas for improvement to achieve UC Privacy Program recommendations • Initiate specific activities to achieve full program compliance

SUMMARY

The FY17-18 Ethics and Compliance Program Plan summarizes a multi-month effort by hundreds of staff across the University of California to identify and then prioritize the University's highest risks. This Plan is the first time that the risk assessment process for the campus and health system locations paralleled and complemented each other. Compliance staff, regulatory experts, internal auditors, risk partners, privacy, ITS, and legal staff came together at each UC location to survey, review and discuss various risk priorities. The priorities were then reviewed by Ethics, Compliance, and Audit Services (ECAS) staff in the Office of the President.

Out of this process, nine systemwide risk priorities were identified for this Compliance Program Plan. Within each Risk Priority, several objectives and action items were developed and cross-linked to one of the seven elements that forms the basis of an effective compliance plan using benchmarks identified by industry and regulatory agencies.

Throughout FY17-18, ECAS will work with campus and health system staff to address the objectives listed in this plan. Regular reports to the President, Campus and UCOP leadership, and the Regents will be provided. Throughout the year, newly identified risks may emerge. These new items will be added to the Plan as necessary and adjustments to the Plan will be made and approved by the President and the Regents.