2023-Medicare Parts C and D General Compliance Training

This 2023 Medicare Parts C and D Training course is brought to you by the Medicare Learning Network

INTRODUCTION

The Medicare Learning Network® (MLN) offers free educational materials for health care professionals on Centers for Medicare & Medicaid Services (CMS) programs, policies, and initiatives. Get quick access to the information you need.

▶ MLN Publications & Multimedia on the web at: https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts

▶ MLN Events & Training on the web at: https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNGenInfo/Events-and-Training.html

▶ MLN News & Updates (on the web at https://www.cms.gov/Outreach-and-Education/Outreach/FFSProvPartProg

▶ Continuing Education Credits on the web at https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNGenInfo/Continuing-Education.html

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INTRODUCTION

This training assists Medicare Parts C and D plan Sponsors' employees, governing body members, and their first-tier, downstream, and related entities (FDRs) to satisfy their annual general compliance training requirements in the regulations and sub-regulatory guidance at:

▶ 42 Code of Federal Regulations (CFR) Section 422.503(b)(4)(vi)(C)

▶ 42 CFR Section 423.504 (b)(4)(vi)(C)

▶ Section 50.3 of the Compliance Program Guidelines (Chapter 9 of the Medicare Prescription Drug Benefit Manual and Chapter 21 of the Medicare Managed Care Manual

▶ The "Downloads" section of the CMS Compliance Program Policy and Guidance webpage (https://www.cms.gov/Medicare/Compliance-and-Audits/Part-C-and-Part-D-Compliance-and-Audits/ComplianceProgramPolicyandGuidance.html)

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Why Do I Need Training?

Every year, **billions** of dollars are improperly spent because of fraud, waste, and abuse (FWA). It affects everyone—**including you**. This training helps you detect, correct, and prevent FWA. **You** are part of the solution.

Compliance is everyone's responsibility! As an individual who provides health or administrative services for Medicare enrollees, every action you take potentially affects Medicare enrollees, the Medicare Program, or the Medicare Trust Fund.

Training Requirements: Plan Employees, Governing Body Members, and First-Tier, Downstream, or Related Entity (FDR) Employees

▸ Certain training requirements apply to people involved in Medicare Parts C and D. All employees of Medicare Advantage Organizations (MAOs) and Prescription Drug Plans (PDPs) (collectively referred to in this course as "Sponsors") must receive training about compliance with CMS program rules.

▸ You may need to complete FWA training within 90 days of your initial hire. More information on other Medicare Parts C and D compliance trainings and answers to common questions (https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-LN/MLNProducts/Downloads/Fraud-Waste_Abuse-Training_12_13_11.pdf) is available on the CMS website. Please contact your management team for more information.

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Learn more about Medicare Part C

▸ Medicare Part C, or Medicare Advantage (MA), is a health insurance option available to Medicare beneficiaries. Private, Medicare-approved insurance companies run MA programs. These companies arrange for, or directly provide, health care services to the beneficiaries who enroll in an MA plan.

▸ MA plans must cover all services Medicare covers with the exception of hospice care. They provide Part A and Part B benefits and may also include prescription drug coverage and other supplemental benefits.

4 Parts of Medicare

Part A	Part B	Part C	Part D
Hospital Insurance	Medical Insurance	Medicare Advantage Plans	Prescription Drug Plans
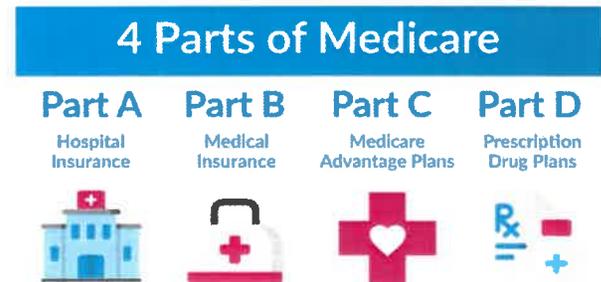
Learn more about Medicare Part D

Medicare Part D, the Prescription Drug Benefit, provides prescription drug coverage to Medicare beneficiaries enrolled in Part A and/or Part B who enroll in a Medicare Prescription Drug Plan (PDP) or an MA Prescription Drug (MA-PD) plan. Medicare-approved insurance and other companies provide prescription drug coverage to individuals living in a plan's service area.
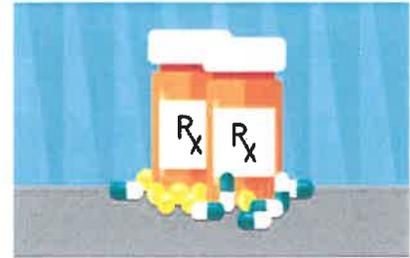
Course Objectives

After completing this course, you should correctly:

- ☐ Recognize how a compliance program operates

- ☐ Recognize how compliance program violations should be reported

Compliance Program Requirement

The Centers for Medicare & Medicaid Services (CMS) requires Sponsors to implement and maintain an effective compliance program for its Medicare Parts C and D plans. An effective compliance program must:

Articulate and demonstrate an organization's commitment to legal and ethical conduct

Provide guidance on how to handle compliance questions and concerns

Provide guidance on how to identify and report compliance violations

What Is an Effective Compliance Program?

An effective compliance program fosters a culture of compliance within an organization and, at a minimum:

- Prevents, detects, and corrects non-compliance
- Is fully implemented and is tailored to an organization's unique operations and circumstances
- Has adequate resources
- Promotes the organization's Standards of Conduct
- Establishes clear lines of communication for reporting non-compliance

An effective compliance program is essential to prevent, detect, and correct Medicare non-compliance as well as fraud, waste, an d abuse (FWA). It must, at a minimum, include the seven core compliance program requirements.

Seven Core Compliance Program Requirements

CMS requires an effective compliance program to include seven core requirements:

1. Written Policies, Procedures, and Standards of Conduct	2. Compliance Officer, Compliance Committee, and High-Level Oversight	3. Effective Training and Education
• These articulate the Sponsor's commitment to comply with all applicable Federal and State standards and describe compliance expectations according to the Standards of Conduct.	• The Sponsor must designate a compliance officer and a compliance committee accountable and responsible for the activities and status of the compliance program, including issues identified, investigated, and resolved by the compliance program. • The Sponsor's senior management and governing body must be engaged and exercise reasonable oversight of the Sponsor's compliance program.	• This covers the elements of the compliance plan as well as preventing, detecting, and reporting FWA. Tailor this training and education to the different employees and their responsibilities and job functions.

Seven Core Compliance Program Requirements (Cont.)

CMS requires an effective compliance program to include seven core requirements:

| 4. Effective Lines of Communication	5. Well-Publicized Disciplinary Standards	6. Effective System for Routine Monitoring, Auditing, and Identifying Compliance Risks	7. Procedures and System for Prompt Response to Compliance Issues
• Make effective lines of communication accessible to all, ensure confidentiality, and provide methods for anonymous and good-faith compliance issues reporting at Sponsor and first-tier, downstream, or related entity (FDR) levels.	• Sponsor must enforce standards through well-publicized disciplinary guidelines.	• Conduct routine monitoring and auditing of Sponsor's and FDR's operations to evaluate compliance with CMS requirements as well as the overall effectiveness of the compliance program. • Sponsors must ensure FDRs performing delegated administrative or health care service functions concerning the Sponsor's Medicare Parts C and D program comply with Medicare Program requirements.	• The Sponsor must use effective measures to respond promptly to non-compliance and undertake appropriate corrective action.

Compliance Training: Sponsors and Their FDRs

▸ CMS expects all Sponsors will apply their training requirements and "effective lines of communication" to their FDRs. Having "effective lines of communication" means employees of the Sponsor and the Sponsor's FDRs have several avenues to report compliance concerns.
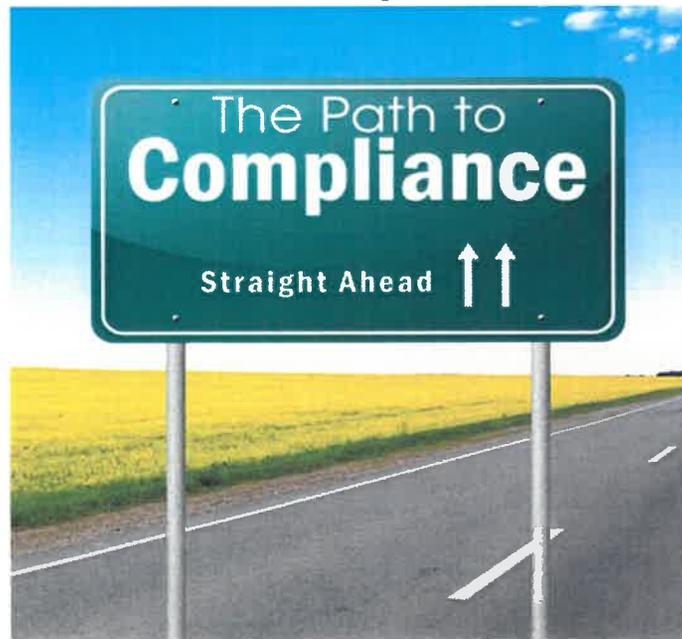
Ethics: Do the Right Thing!

As part of the Medicare Program, you must conduct yourself in an ethical and legal manner. It's about doing the right thing!

▶ Act fairly and honestly

▶ Adhere to high ethical standards in all you do

▶ Comply with all applicable laws, regulations, and CMS requirements

▶ Report suspected violations

How Do You Know What Is Expected of You?

▸ Standards of Conduct (or Code of Conduct) state the organization's compliance expectations and their operational principles and values. Organizational Standards of Conduct vary. The organization should tailor the Standards of Conduct content to their individual organization's culture and business operations.

▸ Ask management where to locate your organization's Standards of Conduct.

▸ Reporting Standards of Conduct violations and suspected non-compliance is **everyone's** responsibility.

▸ An organization's Standards of Conduct and Policies and Procedures should identify this obligation and tell you how to report suspected non-compliance

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What Is Non-Compliance?

Non-compliance is conduct that does not conform to the law, Federal health care program requirements, or an organization's ethical and business policies.

CMS identified the following Medicare Parts C and D high risk areas:

- Agent/broker misrepresentation
- Appeals and grievance review (coverage and organization determinations)
- Beneficiary notices
- Conflicts of interest
- Claims processing
- Credentialing and provider networks
- Documentation and Timeliness requirements
- Ethics
- FDR oversight and monitoring
- Health Insurance Portability and Accountability Act (HIPAA)
- Marketing and enrollment
- Pharmacy, formulary, and benefit administration
- Quality of care

Know the Consequences of Non-Compliance

Failure to follow Medicare Program requirements and CMS guidance can lead to serious consequences, including:

- Contract termination
- Criminal penalties
- Exclusion from participation in all Federal health care programs
- Civil monetary penalties

Additionally, your organization must have disciplinary standards for non-compliant behavior. Those who engage in non-compliant behavior may be subject to any of the following:

- Mandatory training or re-training
- Disciplinary action
- Termination

Non-Compliance Affects Everybody

Without programs to prevent, detect, and correct non-compliance, we all risk:

Harm to beneficiaries, such as:

- Delayed services
- Denial of benefits
- Difficulty in using providers of choice
- Other hurdles to care

Less money for everyone, due to:

- High insurance copayments
- Higher premiums
- Lower benefits for individuals and employers
- Lower Star ratings
- Lower profits

How to Report Potential Non-Compliance

Employees of a Sponsor:
- Call the Medicare Compliance Officer
- Make a report through your organization's website
- Call the Compliance Hotline

First-Tier, Downstream, or Related Entity (FDR) Employees:
- Talk to a Manager or Supervisor
- Call your Ethics/Compliance Help Line
- Report to the Sponsor

Beneficiaries:
- Call the Sponsor's Compliance Hotline or Customer Service
- Make a report through the Sponsor's website
- Call 1-800-Medicare

How to Report Potential Non-Compliance

Don't Hesitate to Report Non-Compliance

When you report suspected non-compliance in good faith, the Sponsor **can't** retaliate against you.

Each Sponsor must offer reporting methods that are:
- Anonymous
- Confidential
- Non-retaliatory

What Happens After Non-Compliance Is Detected?

Non-compliance must be investigated immediately and corrected promptly.

- Internal monitoring should ensure:
  - No recurrence of the same non-compliance
  - Ongoing CMS requirements compliance
  - Efficient and effective internal controls
  - Protected enrollees

What Are Internal Monitoring and Audits?

▸ **Internal monitoring** activities include regular reviews confirming ongoing compliance and taking effective corrective actions.

▸ **Internal auditing** is a formal review of compliance with a particular set of standards (for example, policies, procedures, laws, and regulations) used as base measures.
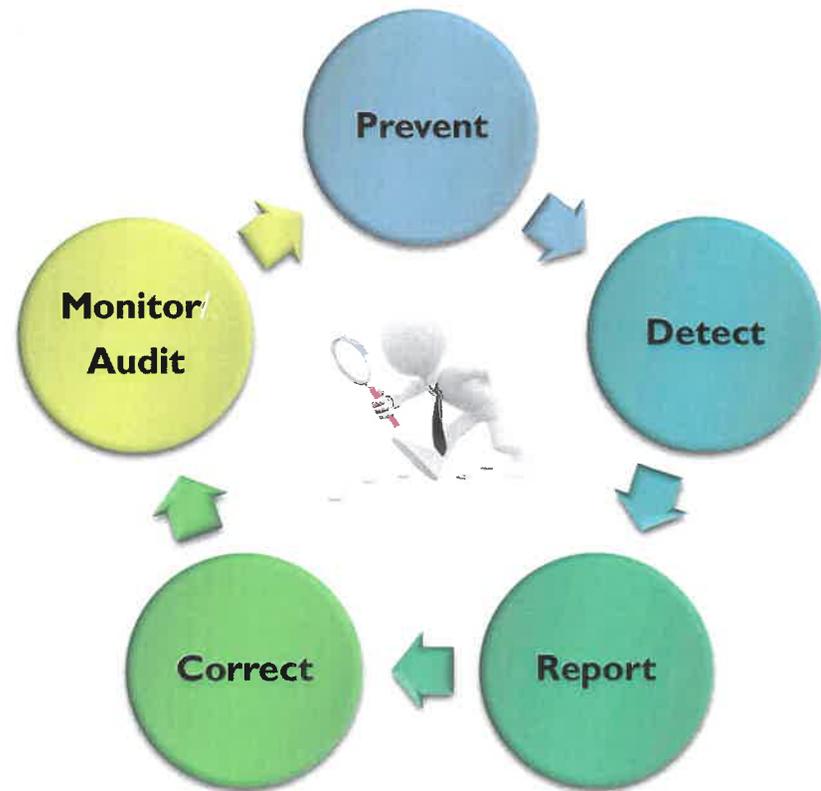
Lesson Summary

▶ Organizations must create and maintain compliance programs that, at a minimum, meet the seven core requirements. An effective compliance program fosters a culture of compliance.

▶ To help ensure compliance, behave ethically and follow your organization's Standards of Conduct. Watch for common instances of non-compliance, and report suspected non-compliance.

▶ Know the consequences of non-compliance, and help correct any non-compliance with a corrective action plan that includes ongoing monitoring and auditing.

Compliance Is Everyone's Responsibility!

▶ **Prevent:** Operate within your organization's ethical expectations to prevent non-compliance!

▶ **Detect & Report:** Report detected potential non-compliance!

▶ **Correct:** Correct non-compliance to protect beneficiaries and save money!

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