



# Medicare Parts C and D General Compliance Training

2026

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# Why Do I Need Training?

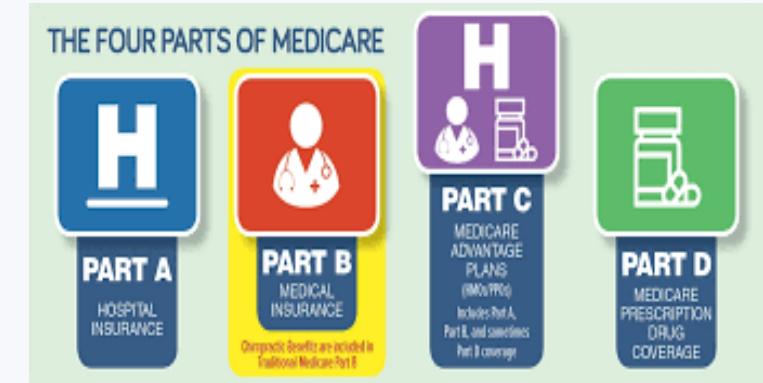
Every year, billions of dollars are spent improperly because of fraud, waste, and abuse (FWA). It affects everyone – **including you**. This training helps you detect, correct, and prevent FWA. **You** are part of the solution.

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.



# 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 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.



# 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.



# Compliance Program Requirement

The Centers for Medicare and 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 implemented fully and is tailored to an organization's **unique operations and circumstances**
- Has **adequate resources** to support compliance efforts
- Promotes the organization's **Code 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, and 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 Code of Conduct**

*These articulate the Sponsor's commitment to comply with all applicable Federal and State Standards and describe compliance expectations according to the Code of Conduct.*

## **2. Compliance Officer, Compliance Committee, and High-Level Oversight**

*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.*

## **3. Effective Training and Education**

*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.)

## 4. Effective Lines of Communication

*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*

## 5. Well Publicized Disciplinary Standards

*Enforce standards through well-publicized disciplinary guidelines.*

*Perform OIG and GSA SAM Sanction Screening*

## 6. Effective System for Routine Monitoring, Auditing, and Identifying Compliance Risks

*Risk Assessments*

*Routine monitoring and auditing of operations, including FDR's to evaluate risk*

## 7. Prompt Response to Compliance Issues

*Effective measures to address non-compliance, identify root cause, and implement appropriate corrective actions to prevent recurrence.*

# 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

- Code of Conduct states the organization's compliance expectations and operational principles and values. Organizational Codes of Conduct vary. The organization should tailor the Code of Conduct content to their individual organization's culture and business operations.
- Ask management where to locate your organization's Code of Conduct.
- Reporting Code of Conduct violations and suspected non-compliance is everyone's responsibility.
- An organization's Code of Conduct and Policies and Procedures should identify this obligation and tell you how to report suspected non-compliance.



# 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
- Beneficiary notices
- Conflicts of interest
- Claims processing
- Credentialing and provider networks
- Documentation and Timeliness requirements
- FDR oversight and monitoring
- Health Insurance Portability and Accountability Act (HIPAA)
- Marketing, enrollment and quality of care
- Pharmacy, formulary and benefit administration

# 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-compliance 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

**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
- Call the Compliance Hotline

## First-Tier, Downstream, or Related Entity (FDR) Employees:

- Talk to a Manager or Supervisor
- Call your Compliance Hotline
- Report to the Sponsor

## Beneficiaries:

- Call the Sponsor's Compliance Hotline or Customer Service
- Call 1-800-Medicare



# 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 report methods that are:**

- Anonymous
- Confidential
- Non-Retalatory

# 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



# 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 Code 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 corrective action plans 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!