

COMPLIANCE PLAN REQUIREMENTS for MANAGED CARE ORGANIZATIONS and PART D SPONSORS



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CMS

CENTERS for MEDICARE & MEDICAID SERVICES



Compliance Regulations

Regulations at 42 CFR § 422.503(b)(3)(vi)
and 42 CFR § 423.504(b)(4)(vi)
contain requirements for the Compliance Plans
of Medicare Advantage Organizations and
Part D Sponsors

Compliance Requirements

Executive Manager and Policy-Making Body

The Organization must have an executive manager and a policy-making body that exercises oversight and control over policies and personnel to ensure that management actions are in the best interest of the organization and its enrollees. The policy-making body must control the appointment and removal of the executive manager.

Compliance Requirements

Compliance with Federal and State Standards

2006

The Organization must have and implement a compliance plan that consists of written policies, procedures, and standards of conduct articulating the organization's commitment to comply with all applicable Federal and State standards.

2007

Organizations must have written standards of conduct for their Medicare business that clearly articulate their commitment to compliance with all laws and *delineate their expectation that all employees act in an ethical manner.*

Compliance Requirements

Designation of Compliance Officer & Committee

2006

The Organization must have and implement a compliance plan that designates a compliance officer and compliance committee accountable to senior management.

2007

In order to be accountable to senior management *CMS requires that the organization designate a compliance officer who is employed at the organization holding the CMS contract.* This individual is accountable to senior management and has *direct reporting access to senior management.*

Compliance Requirements

Effective Compliance Training

2006

The Organization must have and implement a compliance plan that includes effective training and education between the Compliance Officer and Plan employees, contractors, agents, and directors.

2007

All personnel, including contractors and agents, must receive compliance training *upon hire, or upon the initial adoption of the compliance program and annually thereafter, documentation must be maintained.*

Compliance Requirements

Effective Lines of Communications

2006

The Organization must have and implement a compliance plan that includes effective lines of communication between the compliance officer, and employees, contractors, agents, directors, and members of the compliance committee.

2007

Organizations must demonstrate that it has *mechanisms for the compliance officer to continually disseminate the compliance message* in effective ways to company leadership and employees.

Compliance Requirements

Disciplinary Guidelines and Enforcement

2006

The Organization must have and implement a compliance plan that includes the enforcement of standards through well-publicized disciplinary guidelines.

2007

Written standards of conduct must specify *the disciplinary actions that can be imposed for non-compliance including reprimands, suspensions, terminations or financial penalties. The standards of conduct must be approved by the governing body.*

Compliance Requirements

Internal Monitoring and Auditing Procedures

2006

The Organization must have and implement a compliance plan that includes procedures for effective internal monitoring and auditing.

2007

The Organization must have an *internal audit plan identifying audits to be performed. A risk assessment must be performed regarding Medicare operations.*

Compliance Requirements

Response to Detected Offenses and Corrective Action Plan

2006

Organizations must implement a compliance plan that includes procedures to ensure a prompt response to detected offenses relating to the organization's contract with CMS, and must conduct a timely, reasonable inquiry upon discovery of evidence of misconduct related to payment or delivery of prescription drug items or services under the contract. The Plan must also develop and conduct appropriate corrective actions in response to identified violations.

2007

The organization must have *policies and procedures that ensure corrective actions have been taken and fully implemented.*

Compliance Requirements

2006

The PDP or MA/PD must have and implement a compliance plan that includes a comprehensive plan to detect, correct and prevent fraud, waste, and abuse.

2007

The PDP or MA/PD must have and implement a compliance plan that includes a comprehensive plan to detect, correct and prevent fraud, waste, and abuse.

Contact Information

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