

**Medicare Part C and Part D Measure
Standards for Selecting a Data Validation Contractor**

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1.0 BACKGROUND

Organizations contracted to offer Medicare Part C and Part D benefits are required to report data to the Centers for Medicare & Medicaid Services (CMS) on a variety of measures. In order for the data to be useful for monitoring and performance measurement, it must be reliable, valid, complete, and comparable among sponsoring organizations. To meet this goal, CMS has established reporting standards and data validation specifications with respect to the Part C and Part D reporting requirements. These standards will provide a review process for Medicare Advantage Organizations (MAOs), Cost Plans, and Part D sponsors to use to conduct data validation checks on their reported Part C and Part D data effective for 2010.

Part C organizations and Part D sponsors are responsible for acquiring data validation resources through a contractor. In order to ensure the independence of the data validation, organizations should not use their own staff to conduct the data validation. CMS is providing this set of Standards for Selecting a Data Validation Organization as guidance for organizations to use in acquiring a data validation contractor. These standards describe the minimum qualifications, credentials, and resources that the selected data validation contractor must possess.

2.0 STANDARDS FOR RELATED DATA VALIDATION EXPERIENCE

2.1 Previous Experience Conducting Similar Types of Work

The data validation contractor must have at least two years of previous experience conducting similar types of data review and validation with projects of similar size and scope.

The contractor shall possess, at a minimum, the following specialized expertise:

- Knowledge of the Part C and Part D Reporting Requirements and Technical Specifications;
- Knowledge of managed care and pharmacy benefits operations and management and how they relate to Medicare Part C and Part D;
- Ability to evaluate an organization's performance of Medicare Part C and Part D data collection, storage, compilation, and reporting using established data validation standards;
- Ability to conduct manual source code review
- Ability to interface with a variety of data systems in a secure environment;
- Experience in conducting data validation for commercial entities or governmental agencies;
- Thorough understanding of HIPAA and Privacy requirements.

2.2 Successful Completion of Similar Data Validation Projects

The data validation contractor must demonstrate successful performance of current and previous data validation projects of similar size and scope. This may be demonstrated by submitting performance evaluations that include a description of the project, information on any problems encountered during the execution of the project and how they were resolved, and whether budgets and deadlines established for the project were met.

3.0 STANDARDS FOR ORGANIZATIONAL BACKGROUND

3.1 Staff Credentials

The data validation contractor must provide a cross-functional team to conduct the data validation. The size and composition of this team will depend on the scope and complexity of the Part C and/or Part D Reporting Requirements and the expertise required for each data validation area. Available staff should include individuals with the following qualifications:

- IT staff with knowledge of different coding languages and methodologies (e.g., SAS, SQL, Crystal Reports, Cognos)
- Statisticians

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- Reviewers with a Bachelor's degree or higher in Accounting, Finance, Business Administration, or other closely related field
 - Individuals with experience in the review of claims and medical records data
 - Staff with knowledge of managed care and pharmacy benefits operations and management and how they relate to Medicare Part C and Part D;
 - Analysts with demonstrated understanding and subject matter expertise of Title I and II of the Medicare Modernization Act (MMA), Medicare Part C and Part D regulations (42 CFR § 422 and § 423), Medicare Managed Care Manual and Prescription Drug Benefit Manual

The contractor must ensure that it has the right mix of expertise and qualified staff who can efficiently and successfully carry out all tasks prescribed in the least disruptive manner to the provider.

3.2 Management Personnel Credentials

The data validation contractor must provide management personnel with the following qualifications:

- Demonstrated project management experience leading to the successful completion of projects of similar size and scope, including maintaining project schedules and budgets
- Documented technical knowledge of CMS Part C and Part D Reporting Requirements and experience with Medicare Part C and Part D programs
- Knowledge of different coding languages and methodologies (e.g., SAS, SQL, Crystal Reports, Cognos) and statistical methodologies

3.3 Overall Management Framework

The data validation contractor must provide an organization chart showing the management framework and placement of all personnel who would be affiliated with the data validation. The organization chart must be sufficient to provide an understanding of the roles and responsibilities or placement of proposed personnel.

3.4 Facility Requirements

The data validation will be conducted through a combination of on-site (at the Part C organization/Part D sponsor location) and off site activities. Therefore, the data validation contractor must provide the facilities and equipment necessary to perform the off site portion of the data validation. Given that the data validation contractor will be handling Personally Identifiable Information (PII) and proprietary/sensitive information regarding Part C organization/Part D sponsor internal operations, it must provide a facility and equipment that complies with applicable industry security standards, as well as maintain appropriate administrative, technical, procedural, and physical procedures to safeguard this information. This includes the following essential physical and operational security requirements:

- Ability to store secure data (hard copies and soft copies)
- Ability to provide a secure work space to ensure employees not directly involved with the data validation project do not have routine access to sensitive information
- Systems capable of storing data and retrieving it securely; Computer files with sensitive information shall not be filed or backed up on the hard drive of personal computers, unless one of the two following exceptions are met: 1) the hard drive is a removable one that can be secured at night (the presumption is that a computer with a fixed hard drive is not secure); or 2) the computer can be protected (secured with a "boot" password, a password that is entered after the computer is turned on or powered on). This password prevents unauthorized users from accessing any information stored on the computer's local hard drive(s)
- Ability to securely shred and dispose of documents

3.5 Overall Resource Availability

The data validation contractor must have the resources required to successfully perform the data validation review on time and within budget while handling competing obligations. It must clearly demonstrate an approach to executing this project that provides a clear chain of responsibility, quality assurance monitoring, cost control, contract administration, and adequate, qualified staff resources.