



CMS 2010 BI-REGIONAL MEDICARE HEALTH PLAN COMPLIANCE CONFERENCE

Boston & New York – Serving Our Beneficiaries Together

Verbatim Transcript
Oversight & Compliance
Cynthia G. Tudor, Ph.D. and Danielle R. Moon, J.D., MPA

>> NOW WE'RE GOING TO MOVE ON
TO OVERSIGHT AND COMPLIANCE.

OUR NEXT 2 SPEAKERS WILL
ADDRESS THAT TOPIC--

CYNTHIA TUDOR AND DANIELLE MOON.

I'LL INTRODUCE THEM BOTH

AND THEN THEY'LL JOIN
YOU ON STAGE.

CYNTHIA TUDOR IS THE DIRECTOR
OF THE MEDICARE DRUG BENEFIT

AND C&D DATA GROUP
AT CMS IN BALTIMORE.

THE MEDICARE DRUG BENEFIT AND
C&D DATA GROUP IS RESPONSIBLE

FOR MOST ACTIVITIES RELATED
TO THE IMPLEMENTATION

AND OPERATION OF THE DRUG
BENEFIT PART D FOR CMS.

CYNTHIA'S PART D OPERATIONAL
RESPONSIBILITIES INCLUDE

APPLICATIONS, FORMULARY
DEVELOPMENT, CONTRACTING,

DAY-TO-DAY OPERATIONS,
AND BENEFITS POLICY.

CYNTHIA IS ALSO RESPONSIBLE
FOR DEVELOPING AND ANALYZING

MEDICARE ADVANTAGE--THAT
IS PART C--AND PART D DATA,

AND THE DEVELOPMENT
OF PERFORMANCE

AND QUALITY METRICS.

DR. TUDOR LED THE IMPLANTATION
AND OPERATIONS OF RISK

ADJUSTMENT PAYMENTS PRIOR
TO SERVING IN THIS AREA.

THOSE PAYMENTS WERE MADE
TO MEDICARE

ADVANTAGE ORGANIZATIONS.

BEGINNING AT THE OFFICE
OF RESEARCH

AND DEMONSTRATIONS AT CMS,
DR. TUDOR LED A TEAM

OF RESEARCHERS
WHO WERE RESPONSIBLE

FOR THE DEVELOPMENT
OF MULTIPLE APPROACHES

FOR RISK ADJUSTMENT.

THE RISK ADJUSTMENT
METHODOLOGY WAS IMPLEMENTED

SUCCESSFULLY FIRST IN JANUARY,
2000, AND THEN MODIFIED

FOR PAYMENTS BEGINNING IN
2004 USING AN EXPANDED MODEL.

DR. TUDOR ALSO LED
THE DEVELOPMENT OF THE RISK

ADJUSTOR FOR PART D.

BEFORE COMING TO CMS, DR.
TUDOR SERVED AS A CONSULTANT

IN MEDSTAT IN SUCH AREAS AS

MEDICAID PHARMACEUTICAL COSTS,
THE USE OF HOME HEALTH SERVICES
BY MEDICARE BENEFICIARIES,
AND QUALITY OF
CARE ASSESSMENT IN MEDICAID
NURSING FACILITIES.

DR. TUDOR RECEIVED HER DOCTORATE
FROM THE JOHNS HOPKINS
UNIVERSITY

AND RECEIVED POST-DOCTORAL
TRAINING AT THE UNIVERSITY
OF MARYLAND MEDICAL SCHOOL,
DEPARTMENT OF EPIDEMIOLOGY
AND PREVENTIVE MEDICINE.

SHE'LL BE JOINED BY HER
COLLEAGUE DANIELLE MOON.

DANIELLE MOON IS THE DIRECTOR
OF THE MEDICARE DRUG AND HEALTH

PLAN CONTRACT ADMINISTRATION
GROUP IN CMS IN BALTIMORE.

THIS GROUP IS RESPONSIBLE
FOR THE DEVELOPMENT

AND IMPLEMENTATION OF
POLICIES AND PROCEDURES

FOR THE OPERATIONS OF THE
MEDICARE ADVANTAGE PROGRAM,

WHICH INCLUDES NEW PRODUCT
TYPES, SUCH AS SPECIAL NEEDS

PLANS AND MEDICARE
SAVINGS ACCOUNTS.

SHE ALSO IS INVOLVED IN
CONTRACTING, BID NEGOTIATIONS,

PLAN PERFORMANCE,
AND RELATED DATA ANALYSES.

PRIOR TO HER CURRENT POSITION,

MS. MOON SERVED
AS THE DEPUTY DIRECTOR

OF THE MEDICARE
ENROLLMENT AND APPEALS GROUP,

WHICH IS RESPONSIBLE
FOR MEDICARE BENEFICIARY

ENROLLMENT, ELIGIBILITY,
AND APPEALS POLICY

FOR THE TRADITION MEDICARE
FEE-FOR-SERVICE PROGRAM.

MS. MOON RECEIVED HER JURIST
DOCTORATE FROM THE UNIVERSITY

OF MARYLAND SCHOOL OF LAW,

AND HER MASTER'S
IN PUBLIC ADMINISTRATION

FROM GEORGE
WASHINGTON UNIVERSITY.

SHE'S A MEMBER
OF THE MARYLAND BAR.

PLEASE JOIN ME IN WELCOMING
DANIELLE AND CYNTHIA.

[APPLAUSE]

>> GREAT, OK.

CAN YOU HEAR ME OK? GOOD.

AND I CAN REACH
THE MIC, TOO.

SOMETIMES I GET UP HERE,
THERE'S NO STOOL OR ANYTHING.

YOU KNOW, I'M
A LITTLE CHALLENGED,

BUT THIS IS GOOD.
AND, YOU KNOW,

OTHER TIMES THERE'S SOMEONE
WHO IS REALLY TALL BEFORE ME,

AND THEN I HAVE
TO CRANK THIS DOWN.

GOOD. WELL, GREAT.

WELL, THANK YOU VERY MUCH.

IT'S GREAT TO BE
HERE THIS AFTERNOON.

I THINK THIS IS THE FIRST TIME

I'VE BEEN TO BROOKLYN,
SO I HOPE TO MAKE IT BACK.

AND I APPRECIATE,
YOU KNOW, BEING HERE

TO TALK TO YOU TODAY

ABOUT WHAT'S ON THE TOPIC OF
THE CONFERENCE IS COMPLIANCE,

AND SO--AND ONE THAT'S
IMPORTANT TO US,

AND IT'S IMPORTANT TO YOU

AND IMPORTANT TO
OUR BENEFICIARIES.

SO, CYNTHIA AND I ARE GOING
TO DO A TAG-TEAM PRESENTATION.

I'M GOING TO GO THROUGH
THE FIRST HALF OF THE SLIDES

AND GO THROUGH SEVERAL ISSUES,

AND THEN TURN IT
OVER TO CYNTHIA,

AND THEN WE'LL
DO SOME QUESTIONS--

HOPEFULLY HAVE
SOME TIME FOR QUESTIONS

AND ANSWERS AT THE END.

SO, JUST A BIT OF
AN OVERVIEW OF THE SESSION.

WE'LL TALK A LITTLE BIT
ABOUT EVALUATING PERFORMANCE,

TALK ABOUT THE DIMENSIONS
OF THE OVERSIGHT,

AND HOW ALL
OF THAT PLAYS TOGETHER.

THINGS LIKE
ACCOUNT MANAGEMENT,

AS WELL
AS THE REPORTING REQUIREMENTS,

MONITORING AND SURVEILLANCE,

AND THEN CYNTHIA WILL TALK
ABOUT THE AUDITING PIECE

OF THINGS, AS WELL, AND
ALSO BE PUTTING IT ALL TOGETHER

WITH PERFORMANCE METRICS,
AND THE PERFORMANCE REVIEW--

PAST PERFORMANCE ANALYSIS THAT
WE DO EVERY YEAR, AND BEYOND.

SO...

I AM A LITTLE HEIGHT
CHALLENGED BECAUSE I CAN'T

QUITE SEE MY SLIDES UP THERE,
BUT I'VE GOT THEM RIGHT HERE.

SO IF YOU SEE ME
STANDING ON TIPTOE,

IT'S SO I CAN SEE THOSE.

UM...OK.

AND AS MARVA
MENTIONED IN MY BIO,

I LEAD THE GROUP
THAT'S RESPONSIBLE

FOR PART C IN THE MEDICARE
ADVANTAGE PROGRAM OVERSIGHT.

AND HEIDI ARENT
OF MY STAFF WAS HERE EARLIER

TALKING ABOUT
SPECIAL NEEDS PLANS,

AND PAUL FOSTER
WAS HERE THIS MORNING TALKING

ABOUT THE PROVIDER
DISPUTE RESOLUTION PROCESS.

I THINK WE'VE GOT A GREAT TEAM
DOING ALL OF THE OVERSIGHT

AND COMPLIANCE
RESPONSIBILITIES

FOR THE MEDICARE ADVANTAGE
PROGRAM, INCLUDING COST PLANS

AND SPECIAL NEEDS PLANS.

AND SO IT'S A NEW ROLE FOR ME,

AS YOU'VE PROBABLY HEARD

IN THE BIO,

BUT I'M EXCITED
TO BE DOING THAT

AND TO BE HERE
TALKING TO YOU ABOUT IT.

SO...LET'S SEE.

SO, THE FIRST THING WE'LL
TALK ABOUT IS KIND

OF EVALUATING PERFORMANCE.

I MEAN, YOU KNOW, BOTH OF THESE
PROGRAMS, PART C AND PART D,

YOU KNOW,
THEY'RE LARGE PROGRAMS,

AND I THINK IT'S A CHALLENGE
TO KIND OF FIGURE OUT

HOW WE'RE GOING TO GET
OUR HANDS AROUND ALL OF THIS

AND MAKE SURE THAT THE
PROGRAM IS WORKING EFFICIENTLY

AND EFFECTIVELY
FOR OUR BENEFICIARIES,

AND THAT ORGANIZATIONS,

WHETHER YOU'RE A MEDICARE
ADVANTAGE ORGANIZATION

OR A PART D SPONSOR, A
PRESCRIPTION DRUG PLAN SPONSOR,

THAT, YOU KNOW,
YOU'RE FOLLOWING THE RULES.

AS YOU'VE HEARD SOME OTHERS
SAY TODAY, YOU KNOW,

OUR FOCUS
IS ON MEDICARE BENEFICIARIES.

AND I FEEL VERY STRONGLY COMING
FROM THE ENROLLMENT APPEALS

GROUP, WHERE, YOU KNOW,
WE WERE DEALING

WITH GETTING BENEFICIARIES
IN THE PROGRAM

AND REACHING OUT TO THEM,

WHETHER IT'S
THE FEE-FOR-SERVICE PROGRAM,

OR THE, UM--MEDICARE ADVANTAGE,
OR PART D.

UM--AND THAT'S REALLY
WHERE WE'RE LOOKING.

WHEN WE LOOK AT DIFFERENT
ISSUES THAT COME UP,

WE WANT TO KNOW WHAT'S THAT
IMPACT ON THE BENEFICIARY?

WHAT'S THE BEST DECISION

THAT'S IN
THE BENEFICIARY'S INTEREST?

AND THAT'S SOMETHING THAT
I SUPPORTED WHOLEHEARTEDLY

WHEN I WAS IN THE OTHER GROUP,

AND NOW THAT I'M IN THIS GROUP
AND LEADING THIS GROUP,

THAT'S OUR PRIMARY FOCUS.

YOU KNOW, SO
IN ADDITION TO THAT,

WE NEED TO MAKE SURE THAT,
YOU KNOW, ORGANIZATIONS--

THAT YOU'RE FOLLOWING
THE RULES OF THE PROGRAM,

AND THAT OUR OVERSIGHT
STRATEGY IS EFFICIENT

AND SUSTAINABLE BECAUSE
OF THE LARGE NUMBER

OF CONTRACTORS THAT WE HAVE.

AND THAT IT'S SUSTAINABLE
FOR US, AS WELL AS YOU.

THAT THIS IS SOMETHING THAT
WE CAN ALL WORK TOGETHER ON.

AND, YOU KNOW, WE HAVE
TO MONITOR ALL OF THESE

CONTRACTS CONTINUOUSLY.

SO WE'VE DEVELOPED AN

OVERSIGHT STRATEGY THAT RESTS ON

OR RELIES ON DATA DRIVEN
MONITORING AND QUANTIFIABLE

PERFORMANCE MEASURES, AND
TO MEASURE ALL ORGANIZATIONS

ON THE SAME CRITICAL ELEMENTS,
AND TO APPLY THE RESULTS

AND TAKE
THE ACTIONS CONSISTENTLY.

SO, YOU KNOW, THAT'S
ANOTHER KEY CHALLENGE

IS WE HAVE TO KIND OF MAKE SURE

THAT ALL THE RULES
ARE ENFORCED,

BUT ALSO THAT
IT'S DONE CONSISTENTLY

ACROSS THE COUNTRY AND
ACROSS ALL ORGANIZATIONS.

AND SO FOR MORE RESOURCE
INTENSIVE ACTIVITIES,

WE TARGET OUR EFFORTS

IN MORE SELECTED WAYS
BY LOOKING AT RISK ASSESSMENT

AND RISK MANAGEMENT
TECHNIQUES, AND TO IDENTIFY

THOSE ORGANIZATIONS OR PROGRAM
AREAS THAT NEED THAT ATTENTION.

AND SO WE'RE TRYING
TO KIND OF FOCUS ON, OK,

WHERE'S THERE
A PARTICULAR IMPACT

THAT WE'RE REALLY
CONCERNED ABOUT?

AND TRYING TO ZERO IN
ON THOSE PROBLEM AREAS

WHEN WE TALK ABOUT, YOU KNOW,

MAKING SURE THAT THE RULES
ARE BEING FOLLOWED.

LET'S SEE. UM, SO,

OUR OVERSIGHT STRATEGY,

UM, YOU KNOW,
HAS A NUMBER OF BENEFITS

BY DOING IT IN A WAY
THAT WE'VE TALKED ABOUT.

WE CAN OFTEN CATCH PROBLEMS
RELATIVELY EARLY BEFORE THEY

EVOLVE INTO SOMETHING
MORE SYSTEMIC, OR BEFORE A LOT

OF HARM HAS BEEN DONE.

AND, YOU KNOW, THE CORRECTIVE
RESPONSES AT THAT STAGE

OF THE GAME ARE GOING TO BE--
YOU KNOW, IF THE PROBLEM'S

MILDER AT THE OUTSET,
IT CAN BE REMEDIED MORE EASILY

AND MORE QUICKLY
AND WITH FEWER RESOURCES.

AND SO THAT'S KIND
OF THE GOAL, IS TO REALLY TRY

AND IDENTIFY THINGS BEFORE
THEY BECOME A BIG IMPACT.

AND THAT SHOULD BE
YOUR GOAL, AS WELL.

OBVIOUSLY,
YOU HEARD RENESHA TALK

EARLIER TODAY ABOUT THE
COMPLIANCE PROGRAM AND HAVING

AN EFFECTIVE COMPLIANCE
PROGRAM, AND THAT'S REALLY

THE KEY IS TO IDENTIFY
AND DETECT THOSE PROBLEMS.

I MEAN, YOU WANT
TO BE PREVENTING THEM,

BUT WHEN THEY DO OCCUR,

YOU WANT TO BE ABLE
TO IDENTIFY THEM QUICKLY

BEFORE THEY BECOME
MUCH MORE SERIOUS.

SO, I'VE ALREADY MENTIONED THAT
AN IMPORTANT GOAL IS TO BE

CONSISTENT IN HOW WE EVALUATE
AND TREAT ALL OF OUR PLANS.

BUT BECAUSE WE HAVE A VARIETY
OF TACTICS AT OUR DISPOSAL,

I'M GOING TO TALK ABOUT IN
DETAIL IN A FEW MORE MINUTES--

WE ALSO HAVE A FAIR AMOUNT
OF FLEXIBILITY IN HOW WE HANDLE

A PARTICULAR ISSUE.

AND SO WE CAN TAILOR
OUR RESPONSE TO THE UNIQUE

SITUATIONS OR CIRCUMSTANCES.

UM, AND I THINK CYNTHIA'S GOING
TO BE TALKING ABOUT LATER, TOO,

OUR STRATEGY IS VERY DATA-
ORIENTED, AND SO WE END UP

WITH A FAIR AMOUNT OF DATA,
YOU KNOW, THAT WE CAN USE

TO INFORM OUR
DAY-TO-DAY DECISIONS,

AND, YOU KNOW, THAT HELPS US

UNDERSTAND HOW THE PROGRAM'S
OPERATING OVERALL.

SO THOSE ARE SOME BENEFITS
OF HOW OUR STRATEGY IS WORKING.

OK. AND SO THIS DIAGRAM REALLY
SHOWS YOU KIND OF THE 4 WAYS

WE CONDUCT OVERSIGHT.

AND THE MAIN POINT THAT
I THINK WE WANT TO MAKE HERE IS

THAT, YOU KNOW, EACH OF
THESE AREAS ARE SEPARATE

AND DISTINCT, AND I'LL BE
PRESENTING THEM THAT WAY.

BUT THEY'RE NOT PERFECTLY
DISTINCT, AND THERE IS A FAIR

DEGREE OF OVERLAP THAT OCCURS,

AND WE SEE THIS
ON A DAILY BASIS.

FOR INSTANCE, YOU KNOW,
YOU MIGHT HAVE INFORMATION

FROM MONITORING AND
SURVEILLANCE ACTIVITIES

THAT WOULD SURELY TELL YOU
KIND OF WHICH PLANS SHOULD

BE AUDITED, AS WELL AS WHAT
TOPIC AREAS TO FOCUS ON.

AS YOU CAN SEE,
DAY-TO-DAY MANAGEMENT,

REPORTING REQUIREMENTS,
THE AUDITS,

AND THEN THE MONITORING.

AND SO WE'LL GO
THROUGH EACH OF THOSE.

I ALSO WANTED TO TALK
ABOUT THE COMPLIANCE TOOLS,

AND IT'S KIND OF A CASCADE.

WE ALSO CALL THIS OUR
PROGRESSIVE COMPLIANCE MODEL,

AND THIS IS--YOU KNOW,
WE USE THESE TOOLS ACROSS

ALL OF THE
4 OVERSIGHT ACTIVITIES.

WE HAVE A VERY BROAD SPECTRUM
OF COMPLIANCE ACTIONS

THAT WE CAN TAKE, DEPENDING
ON THE NATURE OF THE PROBLEM.

AGAIN, REALLY TAILORING THAT
TO THE SPECIFIC CIRCUMSTANCES.

SO, ON THE SCREEN YOU'LL
SEE THAT THE TOOLS ARE KIND

OF ARRAYED FROM MORE
MILD TO MORE SEVERE.

AS YOU KIND OF GO DOWN THE
LIST, THEY BECOME MORE SERIOUS.

THE NOTICE OF NON-COMPLIANCE,

IS OUR MOST MILD TYPE

OF WRITTEN
FORMAL COMMUNICATION

AND IT DOES NOT
INCLUDE WARNING LANGUAGE.

MOST OF OUR COMPLIANCE
PROTOCOLS START OUT

WITH THE ISSUANCES
OF NOTICES OF NON-COMPLIANCE

WITH AN ESCALATION
TO A WARNING LETTER

IF THE PATTERN CONTINUES.

YOU KNOW, AND DEPENDING ON
THE NATURE OF THE PROBLEM,

WE MAY ALSO INVOKE A VARIETY
OF SUSPENSIONS, OR SUPPRESSIONS,

OR EXCLUSIONS,
SUCH AS, FOR EXAMPLE,

A TEMPORARY SUPPRESSION
FROM MEDICARE PLAN FINDER OR--

ON MEDICARE.GOV.

OR WE MIGHT EXCLUDE
THE CONTRACT FROM MEDICARE

AND YOU, YOU KNOW, FROM
OUR BENEFICIARY HANDBOOK.

WE MAY ALSO, IF YOU'RE
A SPONSOR WHO HAS A PREMIUM

AND THAT'S OFFERED
BELOW THE BENCHMARK

AND IS SET UP TO BE RECEIVING

OLD ENROLLEES AND
REASSIGNEES OF INDIVIDUALS

WHO ARE LOW-INCOME
SUBSIDY ELIGIBLE,

WE MIGHT EXCLUDE YOUR CONTRACT

FROM RECEIVING THOSE
FOR A CERTAIN PERIOD OF TIME,

IF WE FIND THAT THERE'S
A PARTICULAR ISSUE WITH RESPECT

TO DEALING WITH
THOSE BENEFICIARIES.

NEXT, WE CAN GO UP TO
THE CORRECTIVE ACTION PLAN,

OR CAP, WHICH BECOMES
PUBLIC KNOWLEDGE.

AND, YOU KNOW, WE CAN
DISAPPROVE NEW APPLICATIONS

OR SERVICE AREA EXPANSIONS
BY THE ORGANIZATION,

AND WE'VE DONE THIS,
AS CYNTHIA WILL TALK ABOUT.

AND WE CAN ALSO REFER
THE ORGANIZATION

TO THE REGIONAL
OFFICE FOR AN AUDIT.

UM, AND THEN THE NEXT STEP,
IF NONE OF THESE WORK,

IS TO MOVE TO ENFORCEMENT,
ENFORCEMENT ACTION,

WHICH COULD INCLUDE, YOU KNOW,
FOR EXAMPLE, AN ENROLLMENT

AND MARKETING FREEZE, OR
AN ACTUAL CONTRACT TERMINATION.

BUT, AGAIN, YOU KNOW, WHAT
WE WANT TO DO IS REALLY GET

THE PROBLEM RESOLVED.
AND, UM...

SO WE START OUT USUALLY WITH
THE NOTICES OF NON-COMPLIANCE.

BUT I REALLY--ONE MESSAGE
I WANT YOU TO TAKE AWAY

IS TO REALLY PAY STRONG
ATTENTION TO THOSE.

YES, THEY DON'T HAVE
WARNING LANGUAGE IN THEM,

BUT ORGANIZATIONS GET INTO
TROUBLE WHEN THEY IGNORE THOSE,

AND THEY DON'T TAKE
THEM SERIOUSLY,

AND THEN THEY
GET THE WARNING LETTER,

OR THEN THEY HAVE
ANOTHER ACTION,

AND THEY WONDER
HOW IT ALL HAPPENED.

UM, SO THEY AREN'T--
YOU KNOW,

THEY DON'T HAVE AS
SCARY LANGUAGE IN THEM,

BUT YOU SHOULD DEFINITELY
PAY ATTENTION IF YOU GET ONE

AND, YOU KNOW, AND TAKE
THE NECESSARY STEPS

TO INVESTIGATE WHAT HAPPENED
AND TO RESOLVE IT.

THE OTHER THING, YOU KNOW,
YOU SHOULD KNOW, TOO,

IS THAT EVEN THOUGH

WE HAVE THESE KINDS OF
CASCADING STEPS, WE CAN,

IF WE FEEL IT'S NECESSARY,
WE MAY JUMP INTO

THE WARNING LETTER
WITH A REQUEST

FOR A BUSINESS PLAN,
OR SOMETHING

MORE SERIOUS, IF WE HAVE
A SERIOUS ISSUE THAT ARISES.

SO, WE MIGHT GO AT ANY
POINT ALONG THAT CONTINUUM.

UM...OK.

OK, SO, NOW WE'LL TALK A LITTLE
BIT ABOUT ACCOUNT MANAGEMENT,

WHICH I'M SURE YOU'RE
ALL PRETTY FAMILIAR WITH,

AS THAT'S KIND OF
YOU MAIN CONTACT AT CMS.

UM...[MUTTERING]

GREAT. YOU KNOW, SO,
THEY'RE REALLY THE HUB

FOR MANAGING THE PLAN,
YOU KNOW, UM...OPERATIONS.

AND, AS YOU CAN SEE,
THERE'S ALL THESE OTHER KIND

OF PIECES THAT INTERACT,
YOU KNOW,

THERE'S THE SUBJECT
MATTER EXPERTS,

THERE'S THE COMPLIANCE
AND ENFORCEMENT ARM,

THERE'S CASE WORK.

SO, EACH ORGANIZATION THAT
WE CONTRACT WITH IS ASSIGNED

AN ACCOUNT MANAGER,
AS YOU PROBABLY ARE AWARE,

AND THESE ASSIGNMENTS ARE MADE

AT THE PARENT
ORGANIZATION LEVEL,

MEANING THAT IF
MULTIPLE ENTITIES

ARE RUN BY
THE SAME PARENT.

WE TREAT THEM ALL
AS A SINGLE ORGANIZATION.

AND ACCOUNT MANAGERS WORK
OUT OF OUR REGIONAL OFFICES,

AND, AS I SAID, SERVE AS THE
CENTRAL HUB AND PRIMARY POINT

OF CONTACT AND WORK
WITH YOU ON A DAILY BASIS.

EXCEPT PERHAPS FOR SOME
OF THE MORE TECHNICAL WORK

THAT MIGHT BE DONE,
LIKE WITH RESPECT TO SAFE DATA

REVIEWS OR FORMULARY REVIEWS,
WHICH WE DO IN CENTRAL OFFICE,

THE ACCOUNT MANAGERS REALLY

ARE INVOLVED IN, OR AT LEAST

AWARE OF, YOU KNOW,
EVERY ISSUE

THAT'S AFFECTING THE PLANS.

AND SO, YOU KNOW,
REGARDLESS OF WHAT

THE ISSUE MIGHT BE, I MEAN,

THEY'RE IN A POSITION
TO FIGURE OUT--

YOU KNOW, EITHER HELP
TO FIGURE OUT WHAT THE ANSWER

TO THE QUESTION MIGHT BE,
OR WHAT THE ISSUE MIGHT BE,

OR FIND SOMEONE WHO CAN.

>> SO THE ROLE OF
THE ACCOUNT MANAGER IS,

YOU KNOW, IN DAILY OVERSIGHT
AND COMMUNICATION,

LEARN THAT POLICY AND
OPERATIONS OF THE SPONSOR,

BOTH INSIDE AND OUT,

AND REALLY ENSURE
THAT THE SPONSOR COMPLIES

WITH OUR RULES, AND GUIDANCE,
AND OUR PROGRAM REQUIREMENTS.

AND THEN THEY DIRECT
COMMUNICATION AND POINT

OF CONTACT TO THE COMPLIANCE
OFFICE AND OTHER CRITICAL

SPONSOR COMPONENTS AT THE PLAN.

ALSO, THEY, YOU KNOW,
COMMUNICATE AND REINFORCE

POSITIVE PERFORMANCE, THEY LOOK
INTO PERFORMANCE ISSUES,

REQUEST RESOLUTION,
TAKE COMPLIANCE ACTION

AS APPROPRIATE.
SO A LOT OF THAT ACTION

IS DONE IN THE REGIONAL
OFFICES AS ISSUES ARISE.

AND THAT'S WHERE MY GROUP
AND CYNTHIA'S GROUP WORK CLOSELY

THEN WITH THE REGIONAL OFFICE
ACCOUNT MANAGERS WHEN AN ISSUE

IS BEING ESCALATED,
OR THERE'S A CONCERN

THAT THE WARNING LETTERS, OR
THE NOTICES OF NON-COMPLIANCE,

OR THE CAPS,
HAVE NOT BEEN SUCCESSFUL,

IN GETTING, YOU KNOW, THE
ORGANIZATION TO BE COMPLIANT.

SO, AGAIN, GOING BACK
TO THAT DIAGRAM,

THERE'S A LOT
OF OVERLAPPING CIRCLES

AS WE TALK ABOUT HOW THINGS
ALL KIND OF WORK TOGETHER.

NEXT, I WANTED TO TALK
A LITTLE BIT ABOUT REPORTING

REQUIREMENTS BECAUSE THAT'S
SOMETHING THAT ALSO PLAYS

INTO OUR OVERSIGHT.

AND, YOU KNOW,
IT GETS TO THE BASIS

OF OUR DATA-DRIVEN,
YOU KNOW, STRATEGY HERE.

SO, BROADLY SPEAKING, THESE
ARE SPECIFIC DATA ELEMENTS

THAT WE DERIVED FROM DAY-
TO-DAY PLAN OPERATIONS.

AND THE DATA THAT YOU REPORT
IS EXTREMELY VALUABLE.

SOMETIMES THAT INFORMATION

ISN'T AVAILABLE
FROM OTHER SOURCES.

IT'S ONLY WITH YOU,
THE ORGANIZATION, OR WE CAN

GET IT IN A MORE TIMELY MANNER
AND WITH LESS OF A TIME LAG,

IF WE GET IT DIRECTLY
FROM THE ORGANIZATION.

WE CAN ALSO IDENTIFY
DIFFERENCES BETWEEN PLAN

AND ORGANIZATION TYPES.

WE MIGHT ALSO INTEGRATE THESE
DATA SOURCES WITH OTHER DATA

THAT WE HAVE. FOR EXAMPLE,

WE MIGHT COMPARE GRIEVANCE
RATES THAT WE WOULD

GET FROM YOUR ORGANIZATION

TO 1-800-MEDICARE
COMPLAINT RATES.

SO, AGAIN, IN SOME INSTANCES,
THIS DATA KIND OF SUPPLEMENT

WHAT WE ALREADY HAVE,
AND IN OTHER CASES IT'S REALLY

THE ONLY DATA THAT WE CAN GET
ABOUT A PARTICULAR ISSUE.

AND YOU CAN KIND OF SEE
ON THIS SLIDE SOME

OF THE DIFFERENT THINGS
THAT WE MIGHT INTEGRATE WITH.

IRE IS THE INDEPENDENT
REVIEW ENTITY DATA

THAT WE GET FOR PART C
AND PART D.

AND THEN ON THE NEXT FEW
SLIDES I HAVE SOME EXAMPLES

OF THE DIFFERENT
REPORTING CATEGORIES,

WHICH YOU SHOULD
BE FAMILIAR WITH.

AND LOOKING AT SOME OF THESE
DIFFERENT--PARTICULARLY,

ON THE PART D SIDE,
AND THEN GRIEVANCES,

COVERAGE DETERMINATIONS,
AND EXCEPTIONS AND APPEALS.

I MEAN, SOME OF THESE THINGS,

PARTICULARLY, WHEN
WE TALK ABOUT GRIEVANCES

AND, UM, COVERAGE
DETERMINATIONS,

THERE'S A LOT THAT OCCURS

ONLY WITHIN THE ORGANIZATION,

ONLY AT YOUR
LEVEL THAT WE MIGHT NEVER

KNOW ABOUT IF WE DIDN'T ASK.

AND THAT'S WHAT WE WANT
TO MAKE SURE THAT,

YOU KNOW, YOU'RE PROCESSING
GRIEVANCES APPROPRIATELY,

THAT YOU HAVE
A PROCESS FOR DOING THAT.

THAT, YOU KNOW, ALL
OF THIS STUFF IS HAPPENING

AND IF IT'S COMING TO OUR
INDEPENDENT REVIEW ENTITY,

THAT'S FINE,

BECAUSE WE CAN GET
REPORTS FROM THEM,

BUT WE DON'T KNOW
WHAT HAPPENED BEFORE THEN,

OR WHAT ACTIONS MIGHT NOT BE

GETTING UP THROUGH
THE APPEALS PROCESS.

SO, AGAIN, THOSE ARE WAYS
THAT WE CAN, YOU KNOW,

MAKE SURE THAT ORGANIZATIONS
ARE, YOU KNOW,

ARE FOLLOWING THE PROCESS
AND THAT IT'S WORKING.

UM...WE ALSO HAVE SOME SECTIONS
THAT ARE NEW FOR 2010 IN TERMS

OF REPORTING
CATEGORIES FOR PART D.

YOU KNOW, ENROLLMENT, PROMPT
PAYMENT, PHARMACY SUPPORT,

ELECTRONIC PRESCRIBING,
LONG-TERM CARE UTILIZATION,

AND FRAUD, WASTE, AND
ABUSE COMPLIANCE PROGRAMS.

SO THOSE ARE SOME NEW ONES.

AND THEN ALSO ON THE PART
C SIDE, WE'LL SOON HAVE

A COMPLETE YEAR FOR CONTRACT
YEAR 2009 OF OUR PART C DATA.

UM...AND LOOKING AT, YOU KNOW,
BENEFICIARY UTILIZATION,

AND SERIOUS REPORTABLE
ADVERSE EVENTS,

ALSO PROVIDER
NETWORK ADEQUACY,

AND, AGAIN,
GRIEVANCES--AGAIN,

BECAUSE THAT'S
SOMETHING THAT'S ONLY

AT THE ORGANIZATIONAL LEVEL.

SO, WE THOUGHT WE'D GIVE
AN EXAMPLE KIND OF HOW WE USED

GRIEVANCE DATA FROM
THE REPORTING REQUIREMENTS

AND SHOW YOU, YOU KNOW,
HOW THAT HAS HELPED US NOT

ONLY UNDERSTAND THE PROGRAM
AND HELP US MAKE DECISIONS,

BUT ALSO, YOU KNOW, MAKING SURE
THAT AN ORGANIZATION IS DOING

WHAT IT HAS TO DO.

UM...WE TREAT REPORTING
REQUIREMENTS DATA A LITTLE

DIFFERENTLY FROM OTHER
SOURCES OF INFORMATION

BECAUSE IT'S SELF-REPORTED,
AS YOU KNOW,

AND IT'S FOR RIGHT
NOW UNAUDITED.

BUT WE'VE IMPLEMENTED AN
APPROACH THAT WE THINK HAS

BEEN VERY SUCCESSFUL, AND SO
WE PULLED OUT SOME EXAMPLES

TO SHOW YOU HOW IT WORKS.

FIRST, WE TOOK
THE NUMBER OF GRIEVANCES

PER THOUSAND ENROLLEES
FOR EACH SPONSOR,

AND THEN EACH ORGANIZATION
WITH A GRIEVANCE RATE

IN THE TOP 5%
WERE ISSUED NOTICES. UM...

OK. AND THOSE WHO GOT
THE NOTICE WERE ASKED

TO REPORT BACK TO US
ON WHAT THEY THOUGHT

CAUSED THEIR GRIEVANCE
RATE TO BE SO HIGH.

FOR INSTANCE, WHETHER IT'S
AN INTERNAL REPORTING ISSUE,

OR IF THERE'S AN ACTUAL
UNDERLYING PROBLEM

WITHIN THE ORGANIZATION.

WE THEN ASKED FOR INFORMATION
BACK ON CURRENT PROCEDURES

FOR HANDLING GRIEVANCES,
HOW THOSE PROCEDURES MAY HAVE

CHANGED OVER TIME, THE FURTHER
PLANS THE ORGANIZATION

HAS TO IMPROVE PERFORMANCE.

YOU KNOW,
REALLY JUST TRYING AGAIN,

ASK ALL THESE QUESTIONS AND GET
TO WHAT'S REALLY AT ISSUE HERE.

WHY IS THIS RATE SO HIGH?

AND, AGAIN, AS, YOU KNOW,

IF WE'RE LOOKING
AT THE TOP 5%, WE'RE KIND

OF LOOKING ACROSS ALL
THE ORGANIZATIONS AND SAYING,

"WHERE ARE THE OUTLIERS?"

YOU KNOW, WHERE ARE
ORGANIZATIONS THAT AREN'T

REALLY FALLING WITHIN THE NORM?

UM...

OK...AND A NUMBER OF SPONSORS
TOLD US THAT THEY FOUND

THIS A HELPFUL EXERCISE,
AND THAT IN DOING THIS,

THEY FOUND DATA ANOMALIES
AND DIFFERENT PROCESS PROBLEMS

IN THEIR ORGANIZATION
AS A RESULT.

SO, WE'LL BE USING MORE
RECENT DATA TO CONDUCT

A SIMILAR ANALYSIS.

BUT THIS KIND OF GIVES YOU A
SENSE OF HOW WE MIGHT USE DATA

IN THIS WAY. OK?

UM...STARTING IN 2011, WE'LL
ESTABLISH DATA VALIDATION

STANDARDS AND PROCEDURES
FOR PART C AND PART D

REPORTING REQUIREMENTS.

THESE STANDARDS WILL HELP
ENSURE THAT THE REPORTED DATA

ARE RELIABLE, VALID,
COMPLETE, AND COMPARABLE.

AND WE'VE ISSUED A VARIETY
OF MEMOS BACK IN LATE 2009,

AND THEN MOST RECENTLY

IN MAY OF 2010

ON THE DATA VALIDATION.

SO, WE NOW HAVE A VARIETY
OF TOOLS AVAILABLE, TOO,

ON THE WEBSITE--THE ASSESSMENT
INSTRUMENT, THE STANDARDS

THEMSELVES, THE INSTRUCTIONS
FOR THE DIFFERENT DATA

COLLECTION FORMS,
AND SAMPLING INSTRUCTIONS.

SO...

OK. OK, SO WE'VE TALKED A BIT
ABOUT ACCOUNT MANAGEMENT,

THE REPORTING REQUIREMENTS,

HOW WE GET DATA
IN FROM ORGANIZATIONS.

AND NOW I'LL TALK A LITTLE
BIT ABOUT OUR MONITORING

AND SURVEILLANCE.

IT'S ANOTHER WAY THAT WE
GET INFORMATION ABOUT HOW

AN ORGANIZATION IS PERFORMING.

UM...UM, SO, AS, YOU KNOW,

IT'S A SUPPLEMENT
TO OTHER TRADITIONAL AVENUES

FOR OVERSIGHT OR AUDITS
THAT WE MIGHT DO, WE REALLY

EMPHASIZE WHAT WE CALL
DATA-DRIVEN MONITORING.

AND THAT MEANS THAT WE'RE
USING PROGRAM-WIDE DATA

TO SYSTEMATICALLY
ASSESS PERFORMANCE

IN CERTAIN KEY AREAS.

AGAIN, THIS GETS BACK TO,

YOU KNOW, THERE'S A BENEFIT
HERE OF CONSISTENCY.

WE'RE LOOKING AT EVERY
CONTRACTOR THE SAME WAY

ON THE SAME ELEMENTS.

WE CAN ALSO AGAIN GET
TO A FASTER RESPONSE

TO SMALLER PROBLEMS
BEFORE THEY ESCALATE,

WHICH IS IMPORTANT,
BOTH FROM OUR PERSPECTIVE

AND YOUR PERSPECTIVE.

AND WE CAN IDENTIFY AREAS
WHERE THERE MIGHT BE

ADDITIONAL GUIDANCE, OR SOME
TYPE OF TECHNICAL ASSISTANCE

MIGHT BE WARRANTED.

WE ALSO CAN USE THIS DATA
TO REALLY QUANTIFY RESULTS

ACROSS MANY DIFFERENT
SUBJECT AREAS

AND IDENTIFY SPONSORS
THAT ARE OVERALL OUTLIERS.

SO, IF WE LOOK AT, YOU KNOW,
DATA IN A VARIETY

OF CATEGORIES, AND WE SAY,
OK, THEY'RE AN OUTLIER

IN THIS CATEGORY,
IN COMPLAINTS,

AND IN GRIEVANCES,
AND ANOTHER AREA,

THOSE ARE GOING
TO GIVE US A PICTURE

THAT THERE MIGHT
BE SOMETHING--THAT THERE'S

SOMETHING MORE HERE,
THAT THERE MIGHT BE SOMETHING

FUNDAMENTALLY, YOU KNOW,
WRONG IN THE ORGANIZATION,

OR SOMETHING--ANOTHER
LARGER UNDERLYING PROBLEM

THAT NEEDS TO BE ADDRESSED.

UM...WE'RE ALSO ABLE
TO TRANSLATE AT LEAST SOME

OF THE DATA THAT WE DERIVE

INTO INFORMATION
THAT'S HELPFUL TO THE PUBLIC,

INCLUDING BENEFICIARIES
AND ADVOCATES.

UM...

SO, THERE'S 2 MAJOR
SOURCES OF DATA.

FIRST, WE HAVE A WEALTH OF
DATA ALREADY IN OUR SYSTEMS

AND IN OUR
ADMINISTRATION DATA,

AND WE'VE LISTED
A FEW EXAMPLES.

YOU KNOW, YOU'RE FAMILIAR WITH
A LOT OF THESE--THE 4X DATA,

THE PRESCRIPTION
DRUG EVENT DATA,

MARKETING,
FORMULARY INFORMATION,

AND INFORMATION FROM
THE MARKETING REVIEW

PROCESS, AMONG OTHERS.

THE OTHER BIG SOURCE OF DATA
IS ALL OF OUR CONTRACTED

MONITORING AND
SURVEILLANCE PROJECTS.

UM, AND SO WE'LL
PUT SOME DEFINITIONS

AROUND THESE, TOO.
UM...LET'S SEE.

AN, I MEAN, I GUESS WE WANT
TO TALK A LITTLE BIT ABOUT--

AS I KIND OF ALLUDED TO BEFORE,

YOU KNOW, TAKING
THINGS SERIOUSLY.

TAKING THE NOTICES SERIOUSLY,
TAKING DEADLINES SERIOUSLY.

UM, YOU KNOW, WE CONSTANTLY
MONITOR FOR MISSED DEADLINES,

UM, AND SO IF PARTICULAR REPORTS
AREN'T FILED, OR INFORMATION

ENROLLMENTS AREN'T DOWNLOADED
FROM THE ONLINE ENROLLMENT

CENTER, OR OTHER ACTIONS
AREN'T TAKEN TIMELY, THEN THAT

KIND OF RAISES A RED FLAG
FOR US AND TRIGGERS MORE ACTION.

UM, WE THEN LOOK AT OUTLIERS.

AS I SAID, THOSE
PERFORMING PARTICULAR WELL,

SO WE CAN SEE WHAT
THEIR BEST PRACTICES MIGHT BE,

AS WELL AS THOSE
THAT ARE PERFORMING POORLY.

AGAIN,
TO REALLY LOOK AND SEE,

IS THERE SOME
UNDERLYING PROBLEM HERE?

UM...UH, WHILE WE DO REACT
TO SOME ONE-TIME EVENTS

THAT MAY BE
PARTICULARLY CONCERNING,

YOU KNOW, OUR STRATEGY
IN GENERAL DOESN'T CALL

FOR A STRONG
COMPLIANCE REACTION

TO SINGLE INSTANCES OF PROBLEMS.

WE LOOK FOR PATTERNS.

AS I SAID, BEFORE, YOU KNOW,

WE'LL SEE AN ORGANIZATION KIND
OF CROP UP IN DIFFERENT--

YOU KNOW, HAS PROBLEMS CROPPING
UP IN DIFFERENT AREAS.

AND SOMETIMES WE MIGHT EVEN
LOOK AT AN AREA AND SAY,

"OK, THAT LOOKS LIKE
IT MIGHT BE A PROBLEM.

IS THERE A CORRESPONDING
PROBLEM SOMEWHERE ELSE?"

YOU KNOW, TRY
AND LOOKING FOR IMPACT.

UM, YOU KNOW, UM,

AND SO, UM,

WE REALLY ARE FOCUSED
ON LOOKING AT PATTERNS

OF WHERE
THERE MIGHT BE PROBLEMS.

BUT IF THERE IS A SERIOUS
ISSUE THAT ARISES, WE WILL

LOOK AT THAT VERY CLOSELY AS
WELL, PARTICULARLY--DEPENDING,

YOU KNOW, IF IT HAS
A STRONG POTENTIAL

FOR A NEGATIVE
BENEFICIARY IMPACT.

UM...LET'S SEE. HEH HEH.

ALSO, AS PART OF OUR STRATEGY--
AND THIS GETS TO IT, TOO--

YOU KNOW, WE PUT ASIDE
THE BATTERING RAM,

YOU KNOW, THE CAP,
THE ENROLLMENT SANCTIONS,

WHEN A SOFT NUDGE, LIKE A NOTICE

OF NON-COMPLIANCE,
WOULD BE SUFFICIENT.

YOU KNOW, IT'S NOT
OUR GOAL TO KIND OF--

LIKE, YOU KNOW, AS YOU SAW

IN THE PROGRESSIVE
COMPLIANCE MODEL,

IT'S NOT TO KIND
OF COME OUT SWINGING

WITH THE HEAVIEST OBJECT.

IT'S TO REALLY SAY,
"OK, WHERE ARE SOME--

"LET'S TAKE SOME STEPS TO LET
THE ORGANIZATION KNOW THAT

"THERE'S A PROBLEM, AND GET
THEM--AND, YOU KNOW,

GET THEM TO TO FIX IT."

I MEAN,
THAT'S REALLY THE GOAL--

IS WE WANT TO HELP YOU FIX
THE PROBLEMS AND NOT BE KIND

OF IN THERE, YOU KNOW,
AUDITING AND TRYING TO,

AND--AND--UM, AGAIN,

TAKING THESE OTHER
MORE SERIOUS ACTIONS

BECAUSE THEY HAVE CONSEQUENCES,

YOU KNOW,
THROUGHOUT THE PROGRAM.

AND, YOU KNOW,
LIKE I SAID, THOUGH,

THERE ARE TIMES WHEN WE WILL

TAKE A STRONGER, MORE
SIGNIFICANT COMPLIANCE ACTION,

YOU KNOW, IF THE SITUATION
WARRANTS, AND THERE'S NO

HESITATION TO DO SO, AND
WE HAVE DONE THAT RECENTLY.

SO, UM...AND, LASTLY, OUR
STRATEGY EMPHASIZES CONSISTENCY

IN OUR ANALYSIS OF THE DATA

AND IN OUR REACTION
TO FINDINGS.

AGAIN, TREATING ALL SIMILARLY
SITUATED CONTRACTS THE SAME.

OK...

UM...WE'LL PROVIDE A COUPLE
MORE EXAMPLES OF DATA

THAT WE USE
FOR MONITORING AND COMPLIANCE.

YOU KNOW, THE LOW INCOME
SUBSIDY MATCH RATE PROJECT

IS WHERE WE LOOK FOR
AT LEAST A 95% MATCH RATE

RATE BETWEEN OUR DATA AND
YOUR DATA ON CO-PAY LEVELS

AND PREMIUMS,
AND THAT'S ONE EXAMPLE.

AND, YOU KNOW, IN TAKING
COMPLIANCE ACTIONS,

WE'D ADHERE TO THOSE
SAME PRINCIPLES, YOU KNOW,

THAT I'VE DESCRIBED BEFORE
LOOKING FOR REPEAT PATTERNS.

BUT, YOU KNOW, A FAILURE
TO MEET THAT MATCH RATE

IS GOING TO TRIGGER A RED FLAG,
JUST AS I WAS SAYING BEFORE

ABOUT CERTAIN
DATA-DRIVEN PIECES.

ANOTHER OF OUR
DATA-DRIVE PROJECTS

IS THE CALL CENTER
MONITORING THAT WE PERFORM

EACH QUARTER TO ENSURE THAT,
YOU KNOW, SPONSORS

MEET OUR STANDARDS AND ARE OPEN
WHEN THEY'RE REQUIRED TO BE.

LAST YEAR WE EXPANDED THIS
TO INCLUDE CALL CENTERS THAT

HANDLE ONLY MEDICARE ADVANTAGE
QUESTIONS, AND WE'VE ALSO BEEN

TESTING PART C AND PART D
CALL CENTER LINES

FOR THEIR ABILITY
TO HANDLE CALLS

FROM NON-ENGLISH-SPEAKING
BENEFICIARIES.

SO, AS YOU KNOW, WE GET MORE
EXPERIENCE UNDER OUR BELT,

WE'RE GOING TO BRANCH ONTO
OTHER AREAS, OR WHERE WE MIGHT

HEAR THAT THERE ARE
PROBLEMS, UM, OR CONCERNS.

UM, AND EARLY RESULTS
FOR 2010 HAVE STARTED TO COME

IN ON THIS, AND WE'RE SEEING
SOME NICE IMPROVEMENTS,

WHICH IS EXACTLY WHAT WE'RE
HOPING TO ACCOMPLISH.

SO, BY GOING OUT THERE
AND MONITORING THIS,

WE'RE RAISING AWARENESS
AS WELL ON YOUR PART,

AND THEN YOU'RE TAKING
THE ACTIONS NECESSARY

TO MAKE SURE THAT, YOU KNOW,

THAT THE REQUIREMENTS
ARE BEING MET.

AND, AGAIN, YOU KNOW--
AND THAT'S REALLY THE KEY.

IT'S NOT TO JUST KIND
GO OUT AND SAY, "GOTCHA!"

OR WE'RE TRYING TO CATCH
YOU FAILING AT SOMETHING.

IT'S TO REALLY MAKE--YOU KNOW,
IMPROVE AWARENESS SO THAT YOU

CAN IMPROVE AND THE PROGRAM
CAN BE BETTER OVERALL.

UM...AND THAT SEEMS
TO BE WORKING WELL

IN THESE
PARTICULAR CASES.

UM...WE DO A LOT OF MONITORING

AROUND MEETING DEADLINES,
AS I SAID BEFORE.

AND SO HERE ARE SOME TRIGGERS.

YOU KNOW, AS I MENTIONED
CERTAIN MISSED DEADLINES

WILL TRIGGER, YOU KNOW,
AN ACTION ON OUR PART.

AND WE'VE ALSO PROVIDED,
YOU KNOW,

DEDICATED
TECHNICAL ASSISTANCE

AND GUIDANCE ON THESE TOPICS,

PARTICULARLY WITH
FORMULARY SUBMISSIONS,

BECAUSE THAT'S AN AREA
WHERE WE'VE HAD A LOT

OF PROBLEMS, AND THAT HAS,
YOU KNOW, A RIPPLING EFFECT

THROUGHOUT THE PROGRAM.

BUT WE JUST INCLUDE SOME
OF THESE OTHERS TO GIVE YOU

A FLAVOR FOR DATA--YOU KNOW,

THE RANGE OF DATA
THAT WE LOOK AT.

LIKE IF YOU LOOK AT TIMELY
PROCESSING OF ENROLLMENTS,

YOU KNOW, THAT YOU'RE SUBMITTING
TO CMS WITHIN 7 DAYS.

AND WE'RE LOOKING AT SOME
OTHER STUDIES THAT ARE

UNDERWAY, YOU KNOW, IN TERMS
OF BEST AVAILABLE EVIDENCE,

YOU KNOW, HOW THAT
PROCESS IS WORKING,

ARE YOU, YOU KNOW, ENABLING
BENEFICIARIES WHO ARE

NEWLY ELIGIBLE FOR
THE LOW-INCOME SUBSIDY?

ARE YOU ALLOWING THEM AND
ENABLING THEM TO USE OTHER

EVIDENCE UNTIL OUR
SYSTEMS ARE CAUGHT UP?

THAT'S ANOTHER KEY PIECE.

UM, I JUST WANTED TO CLOSE,
TOO, TALKING ABOUT--

FINISH MY PIECE, TALKING
ABOUT SURVEILLANCE ACTIVITY,

UM...BECAUSE THAT'S SOMETHING
THAT WE'VE REALLY BEEN FOCUSED

ON OVER THE PAST COUPLE OF
YEARS IN THE OPEN ENROLLMENT

SEASON AND WE'RE GOING
TO CONTINUE TO EXPAND THAT

IN THE COMING OPEN ENROLLMENT
OR ANNUAL ENROLLMENT PERIOD

THIS FALL. YOU KNOW, WHEN
WE TALK ABOUT SURVEILLANCE,

THEY FOCUS ON AREAS
OF SPECIFIC CONCERN,

AND IT'S MAYBE FOCUSING
ON CERTAIN SEGMENTS

OF THE INDUSTRY.

AND ONE EXAMPLE WAS WHEN
WE HAD BEEN RECEIVING

PERSISTENT
COMPLAINTS AND EVIDENCE

OF AGENT/BROKER MISCONDUCT.

AND, YOU KNOW, THAT
CAME TO OUR ATTENTION,

IT CAME TO CONGRESS' ATTENTION,

YOU KNOW, AND
THERE WAS NEW LEGISLATION

IN THE FORM OF NIPA
THAT TOOK SOME STEPS AS WELL

AROUND AGENT/BROKER
COMPENSATION.

BUT TO SEE WHAT WAS GOING
ON WE CONDUCTED MORE THAN

A THOUSAND SECRET

SHOPPING EVENTS, YOU KNOW,

WHERE WE HAVE
CONTRACTORS GO IN

AND PARTICIPATE
IN THESE EVENTS,

AND REPORT BACK, AND
SAY WHETHER OR NOT CERTAIN

GUIDELINES WERE BEING MET,
OR WHETHER OR NOT THERE WAS,

YOU KNOW,
THINGS THAT WERE SAID

THAT WERE WRONG
OR INAPPROPRIATE.

UM, AND, UM...

AND WHAT WE'VE BEEN ABLE TO DO
THIS YEAR IS WE HAVE A PROGRAM

THAT ENABLES ALL OF THIS
TO HAPPEN IN REAL TIME,

SO YOU AS THE ORGANIZATION

CAN GO IN AND IMMEDIATELY
SEE WHAT MIGHT

HAVE HAPPENED IN
A PARTICULAR EVENT,

OR WHAT
A PARTICULAR ISSUE IS.

YOU CAN GO IN, YOU CAN
VALIDATE IT, YOU CAN TELL US,

YES--THAT THIS--YOU CAN
ACKNOWLEDGE THAT IT'S A PROBLEM,

OR YOU CAN SAY, "WELL, YOU KNOW,
WE TALKED TO THE AGENT

"WHO HANDLED THAT, AND THAT
WASN'T QUITE WHAT HAPPENED."

YOU KNOW, WE DO HAVE
OUR FINDINGS VALIDATED.

AND BEFORE WE GO AND TAKE
ACTION ON THEM,

BUT THEN WE'LL ISSUE NOTICES
OF NON-COMPLIANCE OR OTHER TYPES

OF LETTERS, AND WE
DO THAT THROUGHOUT

THE ANNUAL ENROLLMENT PERIOD,
AND WE ALSO ESCALATE THAT AS

AN ORGANIZATION CONTINUES
TO HAVE VIOLATIONS AND PROBLEMS.

UM...AND SO, AGAIN,
THAT'S WHERE IT'S

IMPORTANT THAT YOU PAY
ATTENTION AT THE OUTSET.

AND WE'LL CONTINUE TO DO THAT
IN THIS ANNUAL ELECTION PERIOD.

IF WE SEE AN ORGANIZATION,
THOUGH, THAT'S GETTING WARNING

NOTICES AND NOTICES OF
NON-COMPLIANCE, AND THINGS LIKE

THAT IN OCTOBER, AND STILL
IS HAVING PROBLEMS IN NOVEMBER,

WE'RE GOING TO, YOU KNOW,

WE'RE GOING TO LOOK
AT THAT ORGANIZATION

EVEN MORE CLOSELY.

SO WE WILL SHOP, AS WE SAY,

WE'LL SHOP THAT ORGANIZATION
MORE CLOSELY

AND MORE FREQUENTLY
BECAUSE WE THINK

THERE MIGHT
BE A PROBLEM.

SO, THAT'S CERTAINLY, I THINK,
A GOOD EXAMPLE OF AN AREA

WHERE IT PAYS TO REALLY PAY
ATTENTION TO THESE LETTERS

THAT COME OUT, AND LOOK AT
THE CONSULT, AND IDENTIFY,

YOU KNOW, WHERE THERE MIGHT
BE A PARTICULAR PROBLEM.

OK, SO NOW I'LL TURN
IT OVER TO CYNTHIA.

WE'LL START OFF
WITH THE AUDITING PIECE.

OK. THANK YOU.

[APPLAUSE]

ALL RIGHT, THANKS.

[APPLAUSE]

>> YESTERDAY--WE HAD
A CONFERENCE YESTERDAY

AND THEY GAVE US A
BOX TO STAND ON,

AND THEN--AND THEN ABOUT MIDWAY
THROUGH THE CONFERENCE--

I WAS THE MODERATOR,

SO I WAS HAVING TO
RUN BACK AND FORTH,

AND I HAD TO TAKE THE BOX AWAY,

BECAUSE I KNEW I WAS GOING
TO END UP ON MY BUTT--

EXCUSE MY LANGUAGE--ON THIS, YOU
KNOW , ON THIS STAGE,

AND IT WAS MORE
THAN I COULD DEAL WITH.

SO THEY TOLD A JOKE YESTERDAY,

AND USUALLY YOU CAN'T FIND
JOKES THAT ARE CLEAN ENOUGH

TO TELL IN AN AUDIENCE,

BUT I'LL TELL THIS ONE,
IF I CAN MAKE IT.

SO, 4 COLLEGE STUDENTS
WENT FOR A WEEKEND OF DRINKING

AND THEY SUDDENLY REALIZED

ON THE LAST DAY
OF THIS EXTENDED WEEKEND

THAT THEY HAD
A FINAL THE NEXT DAY.

MY CHILDREN ARE IN COLLEGE,
SO I CAN UNDERSTAND THIS, SO...

UM, THEY REALIZED THEY
HAD TO GO BACK FOR THE FINAL

AND SAID,
"WELL, WE'RE NOT READY,

"SO LET'S CALL THE PROFESSOR

AND TELL HIM
WE HAD A FLAT TIRE."

SO THEY CALL THE PROFESSOR

AND THE PROFESSOR
WAS COOL ABOUT IT.

AND SAID, "SURE,
YOU CAN JUST COME

IN THE NEXT DAY
AND TAKE THE FINAL."

SO THE STUDENTS CONTINUED
TO DRINK THE FOLLOWING DAY,

AND THAT NIGHT THEY WENT BACK,

AND THEN THE MORNING
OF THE SECOND DAY

THEY WENT IF FOR THEIR FINAL,

AND THEY WALKED INTO THIS ROOM
THAT WAS COMPLETELY CLEARED

OF EVERYTHING EXCEPT
THE 4 DESKS, ONE IN EACH CORNER.

AND THE PROFESSOR SAID,

"YOU HAVE ONE QUESTION
ON YOUR FINAL

AND I'M SURE THAT YOU WILL
EITHER ALL PASS IT OR ALL FAIL."

AND THE QUESTION
ON THE FINAL WAS,

"WHICH TIRE WAS IT?"

[AUDIENCE LAUGHTER]

SO, OK,
SINCE I CAN'T SEE THIS,

WE'LL JUST...OH,
HERE IS THE BOX.

SINCE I DON'T HAVE

TO BE RUNNING BACK

AND FORTH, AHA!

OK! [LAUGHING]

NOW I JUST CAN'T--IT'S
SO FAR FROM MY READING

THAT I HAVE TO
HAVE MY GLASSES ON.

SO, ANYWAY,
THE AUDIT APPROACH.

CMS HAS RELIED ON AUDITING
FOR A LONG TIME, AND, CERTAINLY,

WHEN THE PART D PROGRAM
STARTED, YOU KNOW,

THEY STARTED TALKING
ABOUT AUDITING APPROACHES

AS THE PRIMARY MECHANISM
FOR MAKING SURE

THAT WE HAD OVERSIGHT.

AND EVERYBODY WHO WAS AROUND
FOR THE BEGINNING OF PART D

WOULD KNOW THAT AUDITING
WOULD NOT HAVE WORKED

FOR WHAT HAPPENED
WHEN PART D STARTED.

EVEN THOUGH WE MOVED AWAY
FROM ODD ECCENTRIC OVERSIGHT

STRATEGY, IT'S STILL
A CRITICAL ELEMENT.

I THINK VANESHA
HAS BEEN ONE OF THE PEOPLE

LEADING THE EFFORT
TO MAKE THIS--

THE AUDITING A MORE
OUTCOME-ORIENTED APPROACH

THAN A PROCESS-ORIENTED
APPROACH.

YOU KNOW, IT'S NICE THAT
EVERYTHING THAT YOU HAVE--

POLICIES AND PROCEDURES--

THOSE ARE ALWAYS A GOOD
FOUNDATION, BUT THEY DON'T

MEAN YOU'RE DOING IT RIGHT.

AND THAT'S WHERE THE AUDIT
APPROACH IS MOVING NOW.

WE'VE MOVED AWAY FROM
AUDITING EVERYBODY, OR THIRD,

OR RANDOMLY SELECTING,

TO COMING UP WITH A RISK-
BASED APPROACH TO AUDITING,

LOOKING AT THE AREAS THAT ARE
CHANCY FOR AN ORGANIZATION,

MAKING SURE THAT WE UNDERSTAND
WHAT THEIR PERFORMANCE HISTORY

IS, AND CHOOSING PLANS
TO AUDIT BASED ON THAT.

WE ARE ALSO TRYING TO IMPROVE
OUR AUDIT APPROACH SO THAT

THE RESULTS ARE MEANINGFUL
FOR BOTH CMS AND FOR YOU,

AND THAT THEY LEAD
TO IMPROVED PERFORMANCE

OR AN EMPHASIS ON OUTCOMES.

WE'LL BE CONDUCTING
A MIX OF COMPREHENSIVE

ACROSS THE BOARD AUDITS, AS WELL
AS MORE FOCUSED AUDITS TO TARGET

ON CERTAIN HIGH RISK AREAS,

LIKE THE CONDUCT
OF SPECIAL NEEDS PLANS,

AGENTS AND BROKERS, AND SPECIAL
COMPLIANCE PROGRAM AUDITS.

DANIELLE WALKED YOU THROUGH
AT A HIGH LEVEL A LOT

OF THE ACTIVITIES THAT
WE UNDERTAKE TO CONDUCT

OVERSIGHT, AND AUDITING
WAS THE LAST ONE OF THOSE

SINGLE ACTIVITIES.

THE NEXT STEP THAT WE TAKE
IS TO INTEGRATE ALL

OF THE INFORMATION THAT
WE GATHER THROUGH ACTIVITIES

AND INTERPRET IT
TO MAKE IT MEANINGFUL.

I'M GOING TO TALK
THROUGH 2 MAJOR ACTIVITIES

THAT WE WORK ON AT CMS
JUST TO DO THAT.

ONE IS THE PERFORMANCE METRICS
THAT YOU SEE ON THE WEBSITES,

WHERE THE GOAL IS TO PROVIDE
INFORMATION TO THE PUBLIC

ABOUT PLANNED PERFORMANCE
TO ASSIST IN MAKING

ENROLLMENT CHOICES.

THE OTHER IS AN ANNUAL
COMPREHENSIVE PERFORMANCE

REVIEW THAT WE CONDUCT FOR
EACH SPONSOR, WHERE THE GOAL

OF THIS ACTIVITY IS TO
SYNTHESIZE ALL THE OVERSIGHT

INFORMATION WE'VE COLLECTED
DURING A YEAR, AND USE IT

TO GENERATE AN OVERALL
PERFORMANCE SCORE

FOR THE ORGANIZATION.

AS WAY OF BACKGROUND, FOR THE
PAST COUPLE OF YEARS CMS HAS

SUPPLEMENTED BOTH THE MEDICARE
PRESCRIPTION DRUG PLAN FINDER

AND MEDICARE OPTIONS COMPARE
WEBSITES TO INCLUDE PART C

AND D PLAN RATINGS.

THESE RATINGS ALLOW
BENEFICIARIES TO COMPARE

AVAILABLE PLAN OPTIONS

IN COST, QUALITY,
AND PERFORMANCE.

THE PERFORMANCE METRICS
ARE OFTEN REFERRED TO

AS STAR RATINGS BECAUSE
WE INTERPRET THE RAW,

UNDERLYING DATA FOR EACH
MEASURE ON A 1-5 STAR SCALE,

WHERE 5 STARS IS
THE BEST RATING.

AND IN GENERAL WE CONSIDER
3 STARS TO BE THE DIVIDING POINT

BETWEEN ACCEPTABLE AND
UNACCEPTABLE PERFORMANCE.

ANYTHING BELOW 3 STARS WOULD
BE A MATTER FOR CONCERN.

LEADING UP TO 2009 FOR THE
FIRST TIME, WE CREATED OVERALL

COMPOSITE OR SUMMARY SCORES

FOR BOTH PART C AND D
PLAN RATINGS.

SUMMARY SCORES CAN BE USED
TO QUICKLY EVALUATE PLANS

AT A GLANCE BECAUSE THERE'S
SO MANY INDIVIDUAL MEASURES

POSTED ON THE WEB, EVEN THOUGH
WE ALREADY SUMMARIZED

THE INDIVIDUAL MEASURES
INTO DOMAINS.

THE NEW SUMMARY SCORES
PROVIDE A SUMMARY LEVEL

OF INTERPRETATION.

WE USE HALF STARS FOR
THE SUMMARY SCORES SO PLANS

AND SPONSORS PERFORMANCE
ARE FURTHER DIFFERENTIATED.

AGAIN, I'LL SHOW YOU IN
A MOMENT HOW YOU CAN DRILL DOWN

TO INDIVIDUAL MEASURES.

I KNOW IT'S GOING
TO BE HARD TO READ THIS,

BUT IT'S A SCREEN
SHOT FROM MEDICARE.GOV

SHOWING THE STAR RATINGS
AT THE DOMAIN LEVEL,

WHICH IS A SUMMARY SCORE,

FALLING BETWEEN
AN INDIVIDUAL METRIC

AND AN OVERALL SUMMARY
SCORE FOR THE PLAN.

THE ROWS REPRESENT DIFFERENT
PLANS, AND THE COLUMNS SHOW

THE STAR RATING
FOR EACH DOMAIN.

JUST FROM THIS RATHER TINY
BLURRY SNAPSHOT YOU CAN SEE

HOW IT IS IMPORTANT TO COMPARE
THE LEVELS OF DIFFERENT PLANS.

SO ON THE D SIDE
WE HAVE 4 DOMAINS--

DRUG PLAN CUSTOMER SERVICE,
MEMBER COMPLAINTS,

MEMBER EXPERIENCE WITH
THE DRUG PLAN, AND DRUG PRICING,

AND PATIENT SAFETY.

UM...THE DRUG PLAN
CUSTOMER SERVICE

INCLUDES MEASURES
SUCH AS TIME ON HOLD,

AND I THINK DANIELLE TALKED

ABOUT THE CUSTOMER
SERVICE CONTRACTS,

DRUG PLANS TIMELINESS
IN GIVING A DECISION

FOR MEMBERS
WHO MAKE AN APPEAL.

ALL OF THAT'S TIED IN
WITH WHAT YOU'VE HEARD TODAY.

MEMBER COMPLAINTS,
MEMBERS WHO CHOOSE TO LEAVE,

AND MEDICARE AUDIT FINDINGS
INCLUDE MEASURES BASED

ON COMPLAINTS THAT COME
INTO 1-800-MEDICARE,

A MEASURE LOOKING
AT MEDICARE MEMBERS

WHO LEAVE THEIR
CURRENT DRUG PLANS,

AND A MEASURE ON HOW
WELL A PLAN FARED DURING

AN AUDIT BY CMS.

MEMBER EXPERIENCE WITH DRUG
PLANS INCLUDE MEASURES

SUCH AS MEMBERS' OVERALL RATING
OF THE DRUG PLAN--

THAT'S FROM ONE
OF OUR CAP'S MEASURES--

AND MEMBERS' ABILITY TO GET
PRESCRIPTIONS FILLED EASILY

WHEN USING THE DRUG PLAN
THAT USES THE 4RX DATA.

DRUG PRICING AND PATIENT
SAFETY INCLUDES MEASURES

ON DRUG PLAN PRICES THAT
DID NOT INCREASE MORE THAN

EXPECTED DURING THE YEAR,
AND DRUG PLAN PRICES

ON MEDICARE'S WEBSITE ARE
SIMILAR TO THOSE PAID BY

MEMBERS AT THE PHARMACY.

IN THIS VIEW, WHICH IS EVEN
HARDER TO READ...

[AUDIENCE LAUGHTER]

[LAUGHING] I'VE GOT 3 PLANS

THAT I WANT TO COMPARE
IN MORE DETAIL.

NOW, THE PLANS ARE IN THE
COLUMNS AND THE BLUE ROWS SHOW

THE DOMAIN LEVEL STARS,

AND UNDERNEATH ONE
OF THOSE I EXPANDED THE VIEW

TO SHOW THE INDIVIDUAL MEASURES
WITHIN THAT DOMAIN.

THE SCREEN SHOT ON YOUR RIGHT
IS THE SAME INFORMATION

BUT DISPLAYS
THE UNDERLYING DATA

ON WHICH THE STAR
RATING IS BASED.

AND YOU CAN GO ON THE WEBSITE
AND DO THIS FOR YOUR PLAN,

YOU CAN DO IT
FOR ANOTHER PLAN, TOO.

SO YOU CAN SEE HOW
WELL YOU'RE DOING.

THIS SLIDE SHOWS THE
DISTRIBUTION OF PDPs

AND MEDICARE ADVANTAGE
PART D PLANS

ON THE PART D
SUMMARY SCORES.

WE SEE THAT MOST
ORGANIZATIONS RECEIVED

EITHER 3 1/2 OR 3 STARS AS
AN OVERALL PERFORMANCE RATING.

WHILE NO PDPs
RECEIVED 5 STARS,

A SMALL PERCENTAGE
OF MA-PDs RECEIVED
THIS HIGH RATING.

FORTUNATELY, NOBODY RECEIVED
1 OR 2 STARS ON THE D SIDE.

NOW MOVING
THROUGH THE C DOMAINS,

RATINGS OF HEALTH
PLAN RESPONSIVENESS AND CARE

INCLUDES ITEMS LIKE DOCTORS
WHO COMMUNICATE WELL,

AND GETTING APPOINTMENTS
AND CARE QUICKLY.

AND IF YOU RECOGNIZE THOSE,
THEY'RE FROM CAPS.

MANAGING CHRONIC CONDITIONS
INCLUDES A NUMBER OF DIABETES

CARE MEASURES AND
CONTROLLING BLOOD PRESSURE.

THESE ARE MOSTLY FROM HETAs.

MEMBERS COMPLAINTS, APPEALS,
AND CHOOSING TO LEAVE INCLUDES

HOW QUICKLY AND HOW WELL
A PLAN HANDLES MEMBER COVERAGE

APPEALS, COMPLAINT RATES
PER 1,000 MEMBERS,

PERCENT OF MEMBERS WHO CHOOSE
TO LEAVE THAT PART C PLAN,

AND SERIOUSNESS OF PROBLEMS
CMS FINDS DURING AUDITS

OF PLAN OPERATIONS.

STAYING HEALTHY INCLUDES
SCREENING TESTS AND VACCINES,

MEASURES LIKE BREAST
CANCER SCREENING,

AND FLU VACCINE RATES.

AGAIN HETAs MEASURES.

AND LASTLY, HEALTH PLANS
TELEPHONE CUSTOMER SERVICE

INCLUDES HOW LONG THE MEMBER
WAITS ON HOLD, HOW OFTEN

THE CUSTOMER SERVICE
REPRESENTATIVE PROVIDES

ACCURATE INFORMATION, AND
HOW OFTEN TTY, AND TTD,

AND FOREIGN LANGUAGE
TRANSLATION SERVICES

ARE MADE AVAILABLE

TO MEMBERS.

THE AGENCY IS GIVING A LOT OF
ATTENTION TO LANGUAGE AS A--

TO LANGUAGE PROFICIENCY.

SO, BASICALLY WE ARE MONITORING
THIS ON AN ONGOING BASIS.

THIS GIVES YOU THE PART
C SUMMARY SCALE.

AGAIN, THIS IS ONLY FOR
MEDICARE ADVANTAGE PLANS.

YOU CAN SEE IT'S MORE LIKE
A NORMAL DISTRIBUTION.

UH, YOU KNOW, THIS IS NOT
AS SKEWED TO THE RIGHT

AS THE PART D WAS.

AND, UNFORTUNATELY,
WE SEE A PLAN OR TWO

WITH 1 OR 1.5 RATINGS,
AND A NUMBER WITH 2.

AHEM.

SO, WHAT I JUST FINISHED
PRESENTING WAS OUR MAJOR

INITIATIVE TO TAKE PERFORMANCE
DATA AND TO TRANSLATE IT

TO USEFUL INFORMATION, TO HELP
THE PUBLIC MAKE INFORMED

DECISIONS ABOUT
HEALTH AND DRUG PLANS.

WHAT I'M GOING TO ADDRESS NOW
IS A PROJECT THAT WE UNDERTAKE

EACH YEAR
TO SYSTEMATICALLY ASSESS

EACH ORGANIZATION'S
PERFORMANCE,

AND BOIL IT DOWN TO
A SINGLE PERFORMANCE SCALE.

WE HAVE DEVELOPED
A QUANTITATIVE METHODOLOGY THAT,

AS YOU'LL SEE IN A MOMENT,

TRIES TO SYNTHESIZE EVERY
PIECE OF INFORMATION ABOUT
COMPLIANCE AND PERFORMANCE
THAT WE HAVE
FOR AN ORGANIZATION OVER
A 14-MONTH PERIOD.

WE THINK OUR APPROACH
IS FAIR AND UNBIASED,
AND IN NO WAY TARGETS
ONE TYPE OF PLAN
OVER ANOTHER BASED
ON SIZE OR ANY OTHER FACTOR.

THE WHOLE PROJECT DRIVES
TOWARD IDENTIFYING

THOSE ORGANIZATIONS
THAT ARE SIGNIFICANT
PERFORMANCE OUTLIERS.

WE UNDERSTAND THAT EVERY
ORGANIZATION IS GOING
TO STUMBLE FROM TIME TO TIME,
AND WE TAKE APPROPRIATE
MILD STEPS,

AS DANIELLE WENT OVER,
TO ADDRESS OFT TYPE PROBLEMS.

THIS ANALYSIS, THOUGH, IS MEANT
TO IDENTIFY
THOSE ORGANIZATIONS

THAT ARE HAVING SIGNIFICANT
PROBLEMS IN EITHER MULTIPLE
AREAS, OR, IN PARTICULAR,
HIGH-RISK FUNCTIONS.

THERE ARE 9 PERFORMANCE
DIMENSIONS THAT WE USED
FOR THE 2010
PERFORMANCE ANALYSIS.

IT'S COMPREHENSIVE.

THESE 9 DIMENSIONS
ARE ON THE SCREEN

AND WE'RE GOING TO GO
THROUGH EACH ONE.

THE WAY THIS WORKS IS THAT
WE EVALUATE EACH CONTRACT

AGAINST CERTAIN CRITERIA
IN EACH CATEGORY.

THESE ORGANIZATIONS THAT
PERFORMED POORLY ACCUMULATE

NEGATIVE PERFORMANCE POINTS
FOR EACH AREA

WHERE THEY PERFORMED POORLY.

THE FIRST
IS COMPLIANCE LETTERS,

AND DANIELLE TALKED
A LOT ABOUT THAT.

WE IDENTIFY SPONSORS THAT
RECEIVE A HIGH NUMBER

OF COMPLIANCE NOTICES,
ADJUSTED FOR TYPE OF NOTICE,

AND WE WEIGH THEM DIFFERENTLY
ACCORDING TO THE SERIOUSNESS

ASSOCIATED WITH THE ACTION.

PERFORMANCE METRICS ARE
BASED ON THE STAR RATING

ON THE MEDICARE.GOV AND
WE LOOK FOR SPONSORS

WITH AN OVERALL SCORE
OF 2.5 OR BELOW

AND THAT ARE IDENTIFIED
AS OUTLIERS.

FOR EXAMPLE, ON THAT ONE
WE ASSIGNED 2 POINTS

FOR CONTRACTS
WITH 2.5 STARS OR BELOW.

THE NEXT DIMENSION
IS THE CAPS--

THE MULTIPLE, AD HOC CAPS.

WE THINK THESE
ARE RELATIVELY RARE STILL,

AND THEY'RE RESERVED FOR FAILURE
OF PRIOR INTERVENTIONS,

OR EGREGIOUS PROBLEMS.

THE BENEFICIARY MA-PD LOOKS
AT THOSE AD HOC CAPS

AND DETERMINES IF THE PROBLEMS
WERE DIRECTLY RELATED

TO DELIVERY OF SERVICE
TO MEMBERS.

FINALLY, WE LOOK AT
FINANCIAL INSTABILITY.

CMS PERFORMS AN ONGOING
ASSESSMENT OF SPONSOR FINANCES

AND IDENTIFIES ORGANIZATIONS
THAT APPEAR UNSTABLE.

AND ONE POINT IS
IDENTIFIED FOR EACH OF THOSE.

WE THEN LOOK AT
SUPPRESSIONS AND EXCLUSIONS.

[SIGHS] WE LOOK FIRST AT WERE
YOU EXCLUDED FROM RECEIVING

MONTHLY AUTO-ENROLLEES?

AND, AS YOU KNOW, THIS IS
A VERY SEVERE ACTION.

WE LOOK AT WHETHER
YOU WERE EXCLUDED

FROM MEDICARE AND YOU.

FOR EXAMPLE, ONE YEAR
WE HAD TO EXCLUDE A PLAN

THAT HAD NOT
FINISHED ITS FORMULARY

BY THE TIME MEDICARE
AND YOU WENT OUT.

WE LOOK AT WHETHER OR NOT
YOU HAVE LOST YOUR ABILITY

TO UPDATE YOUR FORMULARY
BECAUSE YOU'RE A CONSISTENT,

UM...MISCREANT IN THAT.

THEN WE LOOK AT EXCLUSION

FROM PARTICIPATION

IN THE ONLINE ENROLLMENT CENTER,
AND BASICALLY THAT COMES

FROM REPEATEDLY NOT PUTTING
YOUR PEOPLE IN YOUR PLAN.

THERE ARE SEVERAL DIFFERENT
TYPES OF TERMINATIONS

THAT CAN HAPPEN.

SOMETIMES AN ORGANIZATION
MERELY MAKES A DECISION

TO NON-RENEW FOR
THE UPCOMING CONTRACT YEAR,

BUT MISSED
THE NON-RENEWAL DEADLINE.

IF THAT HAPPENS IN EARLY
SUMMER, THERE'S STILL TIME

TO IMPLEMENT
THE PROCESS SMOOTHLY.

SO WE GIVE ONLY ONE
NEGATIVE PERFORMANCE POINT.

BUT A MUCH MORE SERIOUS TYPE
OF MUTUAL DETERMINATION

IS ONE THAT IS EFFECTIVE
MID-YEAR,

OR THAT WILL BE EFFECTIVE
AT THE END OF THE YEAR,

BUT ISN'T REQUESTED
UNTIL DURING THE AEP,

AFTER THE
ORGANIZATION HAS STARTED

TO ENROLL MEMBERS FOR
THE UPCOMING CONTRACT YEAR.

BENEFICIARIES
ARE CONSIDERABLY HARMED

WHEN THESE TYPES
OF MUTUAL TERMINATIONS HAPPEN.

THEY'RE VERY DISRUPTIVE
TO THEM AND TO US.

FOR THESE TYPES
OF MUTUAL TERMINATIONS,

WE ASSESS 4 POINTS.

FINALLY, TERMINATIONS
INITIATED BY CMS

ARE THE MOST SERIOUS OF ALL
AND ARE ASSESSED 6 POINTS.

>> WE LOOK AT INTERMEDIATE
SANCTIONS IN CMPs.

THEY'RE EXTREMELY RARE,
BUT THEY ARE SIGNIFICANT

WHEN THEY HAPPEN, AND THEY
REFLECT SIGNIFICANTLY

IMPAIRED PERFORMANCE.

WE GIVE BETWEEN 2 TO 7 POINTS
FOR INTERMEDIATE SANCTIONS,

DEPENDING UPON
WHETHER IT WAS A REGULAR

OR AN IMMEDIATE SANCTION,
AND THE CURRENT STATUS

OF THAT SANCTION.

AND 1 TO 2 POINTS FOR CMPs,
DEPENDING UPON THE AMOUNT.

WE CAN ALSO GIVE
BETWEEN 1 AND 2 POINTS

FOR OPEN COMPLIANCE PROBLEMS
THAT HAVE NOT BEEN CAPTURED

ELSEWHERE IN THE ANALYSIS.

FOR THAT, WE BASICALLY RELY
ON THE ACCOUNT MANAGERS

WHO ARE WORKING WITH THE PLANS
TO ALERT US OF PROBLEMS.

SO THEN WE COMPILE THE RESULTS.

WE HAVE POINT VALUES
ASSIGNED FOR EACH DIMENSION,

AND WE LOOK AT OVERALL
PERFORMANCE OUTLIERS.

WE HONE IN ON SPOTS AS
WITH PROBLEMS IN MULTIPLE

CATEGORIES, AND/OR

IN ONE OR MORE PARTICULAR

HIGH RISK AREA.

WE'RE EVOLVING THIS
PERFORMANCE ASSESSMENT.

WE USED 9 PERFORMANCE
DIMENSIONS IN 2010

AND WE UPDATED THE POINT
ASSIGNMENT SINCE 2009.

WE BASICALLY UPDATE THE
DATA THAT WE USE EVERY YEAR,

AND SOMETIMES TWICE A YEAR,

TO MAKE SURE THAT
WE USE THE MOST RECENT

AVAILABLE COMPREHENSIVE
INFORMATION.

WE WILL LOOK TO ADD
PERFORMANCE METRICS EACH YEAR

AS MORE DATA BECOME AVAILABLE,

AND WE MAY SHIFT POINT VALUES

BECAUSE OTHER CATEGORIES
MAY BE IMPORTANT TO CAPTURE.

HOW DO WE USE THESE RESULTS?

THESE RESULTS ALL HELP US

MAKE MEANINGFUL DECISIONS
ABOUT PLANS.

THEY GIVE US
A WEALTH OF INFORMATION.

THE KEY OBJECTIVE IS
TO SUMMARIZE THE DATA

ON THE PLAN PERFORMANCE
FOR MA ORGANIZATIONS,

AND PART D ORGANIZATIONS,

SO YOU CAN INITIATE YOUR OWN
PERFORMANCE IMPROVEMENTS.

WE'RE HOPING TO MAKE
THE PROGRAM BETTER AND STRONGER.

WE SHARE THE RESULTS
WITH SPONSORS,

WE PUBLISH THE INFORMATION ON
THE WEB TO HELP BENEFICIARIES,

AND WE EXAMINE OUR RESULTS
FOR BEST PRACTICES.

WHAT CAN WE TELL YOU ABOUT
THE BEST WAY TO DO THINGS?

WE LOOK AT THESE AND SAY,

"DO WE NEED TO PROVIDE
MORE TECHNICAL ASSISTANCE

TO PLANS TO HELP
THEM FROM THIS?"

THIS SORT OF GIVES YOU
A SUMMARY OF HOW WE WOULD USE

THE DATA AND
WHAT WE FOUND FROM IT.

AND JUST TO TELL YOU, THIS
HAS BEEN PRETTY SUCCESSFUL.

ONE EXAMPLE WE WANT
TO HIGHLIGHT IS HOW WE USE ALL

OF THIS COMPLIANCE TO MAKE
DECISIONS ABOUT IMPROVING

AND DENYING PART C AND D
APPLICATIONS FOR NEW PRODUCTS

AND SERVICE AREA EXPANSIONS.

EACH YEAR WE GET
HUNDREDS OF APPLICATIONS,

AND MOST OF THE APPLICANTS
ARE ORGANIZATIONS

THAT WE ARE ALREADY
DOING BUSINESS WITH

THROUGH ONE OR BOTH
OF OUR PROGRAMS.

THROUGH THESE
NEW APPLICATIONS,

ORGANIZATIONS ARE
SEEKING TO EXPAND

INTO NEW GEOGRAPHIC AREAS
OR TO NEW PRODUCT TYPES.

IN OUR VIEW, ORGANIZATIONS

WITH A RECENT HISTORY

OF PAST PERFORMANCE PROBLEMS
MUST FOCUS ON THEIR CURRENT WORK

OF BUSINESS AND NOT EXPAND
UNTIL THEY ARE OPERATING

IN FULL COMPLIANCE
WITH OUR RULES.

SO TO THAT END, APPLICANTS
WITH A HIGH NEGATIVE

PAST PERFORMANCE SCORE APPROVE
FOR SERVICE AREA EXPANSIONS

OR NEW CONTRACTS FOR
ADDITIONAL PRODUCTS--

WE DON'T APPROVE THEM.

WE LET THESE ORGANIZATIONS
KNOW THAT WE WANT THEM

TO FOCUS ON THEIR CURRENT
MEMBERS AND TO IMPROVE

THEIR PERFORMANCE BEFORE
THEY EXPAND FURTHER.

APPLICANTS CAN WITHDRAW
THEIR APPLICATIONS

OR THEY CAN APPEAL.

OUR AUTHORITY TO DENY
APPLICATIONS ON THE BASIS

OF PAST PERFORMANCE
IS CLEARLY SPECIFIED

IN BOTH THE C
AND D REGULATIONS.

THE HISTORY OF THIS IS IN 2009,

WE HAD
2 ORGANIZATIONS NOTIFIED

THAT THEIR APPLICATIONS WOULD
BE DENIED, AND BOTH WITHDREW.

IN 2010, 9 ORGANIZATIONS
WERE IDENTIFIED AS OUTLIERS,

7 OF WHOM HAD
SUBMITTED APPLICATIONS,

AND ALL 7 WITHDREW.

FOR 2011, 21 ORGANIZATIONS
WERE IDENTIFIED

AS PERFORMANCE OUTLIERS
AND THESE WERE INCREASED

DUE TO THE INCLUSION
OF TERMINATED

OR NON-RENEWED CONTRACTS.

AND 10 OF THESE HAD
SUBMITTED APPLICATIONS.

8 ORGANIZATIONS WITHDREW ALL
THEIR PENDING APPLICATIONS

AS A RESULT OF THIS, AND
2 ORGANIZATIONS WITHDREW

MOST OF THEIR APPLICATIONS.

AND THOSE REMAINING APPLICATIONS
WOULD BE SUBJECT TO APPEAL.

SO BEYOND...
WHAT'S ON THE HORIZON?

WE'RE GOING TO HAVE
A CONTINUING EMPHASIS ON DOING

ALL THESE ACTIVITIES
TO PROTECT BENEFICIARIES,

AND TO ENSURE HIGH--HIGH--
HIGHLY EFFECTIVE,

LOW-COST, QUALITY CARE.

WE WANT MORE AUTO--
AUTO--AUTOMATION

AND REAL-TIME PROBLEMS
TO SHOW UP.

STEPPED UP OVERSIGHT--WE'RE
GOING TO USE MORE RIGOROUS,

PRO-ACTIVE, DATA-DRIVEN,
TARGETED MONITORING.

HIGH-RISK PROGRAM AREAS--
MARKETING REMAINS AN AREA

OF CONCERN, AND I THINK
DANIELLE TALKED SOME ABOUT THAT.

VANESHA TALKED ABOUT
COMPLIANCE PROGRAM AUDITS.

EMERGING AREAS OF CONCERN
CONTINUE TO BE ENROLLMENT,

APPEALS, ACCESS TO
PROVIDERS AND BENEFITS,

AND VULNERABLE BENEFICIARIES.

AND THIS LAST ONE I ADDED AFTER
GOING ON A COUPLE OF AUDITS.

THE ADMINISTRATION
OF MEDICARE PLANS

AS IF THEY WERE
COMMERCIAL PLANS.

MEDICARE BENEFICIARIES
HAVE A LOT MORE RIGHTS

THAN PEOPLE
IN COMMERCIAL PLANS.

AND COMPANIES THAT
ADMINISTER THEIR PLANS

AS IF ALL THEY'RE TREATING
ARE COMMERCIAL MEMBERS

ARE FALLING VERY SHORT.

WE HAVE 2 KINDS OF PRODUCTS--

HIGH RISK AND
PRIVATE FEE-FOR-SERVICE

THAT WE'RE ALSO LOOKING AT.

NEW PART C AND D REGULATIONS ARE
EFFECTIVE ON JUNE 7, 2010.

THIS IS REGULATION 40.85

FOR ALL OF THOSE
WHO WANT TO GO LOOK IT UP.

THERE ARE KEY COMPLIANCE
AND MONITORING PROVISIONS

IN THAT REGULATION--AN ALL-OR-
NOTHING APPLICATION STANDARD.

YOU CAN'T JUST BE
SUBSTANTIALLY COMPLETE.

THE PAST PERFORMANCE
ANALYSIS IS IN THERE.

THE USE OF OUTLIERS

FOR COMPLIANCE IS OUTLINED.

DISRUPTIVE MUTUAL TERMINATION
ISSUES ARE ADDRESSED.

AND THE MUTUAL TERMINATION--

A 2-YEAR APPLICATION BAN
IS IN THERE.

AND, BASICALLY, WE'RE
CONSIDERING OPTIONS

FOR RAISING THE BAR
FOR PART C AND D

APPLICATION REQUIREMENTS.

I WANT TO THANK YOU
FOR BOTH DANIELLE AND I,

AND I THINK WE'LL BE GLAD
TO TAKE SOME QUESTIONS.

[APPLAUSE]

>> OK, IT'S KIND OF
A LONG, SCARY WALK UP HERE.

I'M CARMEN ALEXANDER.
I'M WITH INJANX CONSULTING,

AND I APOLOGIZE
IF I MISSED THIS,

BUT COULD YOU
GIVE ME A SENSE OF WHAT

THE STAR SYSTEM RATINGS

AND SORT OF THE NEGATIVE
POINT ASSIGNMENT,

HOW THAT'S TREATED

IN COMPARISON WITH THE OTHER
THINGS WHERE YOU WERE TALKING

ABOUT--6 POINTS FOR THIS,
OR 1 TO 2 FOR THE OTHERS?

>> I DON'T--I DON'T
REMEMBER WHAT THE--

I'M NOT GOING
TO LOOK IT UP--

BUT I HAVE THE NUMBER.

I THINK IT'S 1 OR 2

POINTS FOR ANYTHING BELOW--

AT OR BELOW 2.5.

>> OK, THANK YOU.

>> HI,
MY NAME IS CARA CURTIS,

AND I WORK FOR A FULLY
INTEGRATED SPECIAL NEEDS

PLAN LOCATED
IN MASSACHUSETTS.

WAS WONDERING WHERE ALL THIS
NEW PART C DATA THAT YOU'RE

GOING TO BE GETTING
FITS INTO ALL OF THIS.

I DON'T KNOW IF YOU'RE GOING
TO WAIT UNTIL YOU GET SORT

OF A YEAR OR 2 YEARS' WORTH
OF DATA, BUT I JUST KNOW

THAT WE'RE PUTTING
TREMENDOUS RESOURCES

INTO THIS, AND I'M NOT SURE

WHERE THIS FALLS
IN THE EQUATION.

>> WELL, THE REASON
WE HAVE MOVED TOWARDS

VALIDATING IS
THAT WE DO BELIEVE

IT'S IMPORTANT TO BE
ABLE TO COMPARE PLANS

ON THESE DIMENSIONS.

FOR EXAMPLE, SOME
OF THE DATA TALK ABOUT

WHAT I CALL SEMI-ELECTIVE
PROCEDURES,

BUT WHICH REALLY
AREN'T THAT.

THOSE DATA CAN BE USED
TO FIGURE OUT

WHICH PLANS ARE
GIVING NOT ENOUGH

OF THOSE KINDS OF
PROCEDURES ADJUSTED

FOR HEALTH STATUS.

AND IT WILL BE SEVERAL
YEARS BEFORE WE CAN USE

THEM, I THINK.

YOU HAVE TO LOOK
AT THESE MEASURES

WHEN THEY COME IN,
ESPECIALLY THIS KIND.

BUT WHETHER IT HAS TO BE
CASE MIX ADJUSTED,

AND IF SO,
HOW DO YOU DO

THE CASE MIX
ADJUSTMENT FOR IT?

SO ALL OF THOSE ISSUES
WILL BE RESOLVED,

BUT A LOT OF THE DATA,

BECAUSE THERE
ARE NO ENCOUNTER DATA

FOR MA PLANS,
A LOT OF IT IS COMING

FROM WHAT
IS IT THAT WE KNOW

ABOUT WHAT YOU'RE GIVING

AND WHAT
YOU'RE NOT GIVING.

SO I THINK A LOT OF IT
IS COMING FROM THAT.

SOME OF IT, AS A RESULT,

WHEN THE COUNTER
DATA STARTS FLOWING IN

AND IS SORT OF
VALIDATED, AFTER A WHILE

SOME OF THOSE WILL STOP,

AND MANY OF THEM
WILL CONTINUE

BECAUSE ENCOUNTER DATA
WON'T REVEAL EVERYTHING

THAT THOSE THINGS DO.

>> MY NAME IS JANET EISENBERG,

AND I WORK FOR CARE FIRST
HEALTH PLAN IN CALIFORNIA.

WITH ALL THE RIGOROUS
AUDIT MONITORING

AND COMPLIANCE WARNING AND
NON-COMPLIANCE LETTERS,

SHOULD WE EXPECT CMS
TO COME TO OUR DOOR

AND PERFORM A COMPREHENSIVE
STANDARD AUDIT,

A SITE AUDIT,
LIKE THEY USED TO DO?

>> WELL, WE'RE IN THE--

I DON'T KNOW IF
THIS MIC IS ON.

BUT WE'RE IN THE PROCESS OF,
YOU KNOW--AND THIS ISN'T

REALLY MY PARTICULAR AREA,
BUT WE'VE LOOKED

AT THE AUDIT PROTOCOLS.

AND CYNTHIA MENTIONED
THAT WE'RE NOT GOING

TO JUST GO OUT--
WE'RE NOT GOING OUT

AND AUDITING
JUST A SET NUMBER

OF ORGANIZATIONS A YEAR,
WE'RE LOOKING AT KIND OF,

YOU KNOW, APPLYING KIND OF A
RISK ASSESSMENT STRATEGY,

AND SAYING
WHERE ORGANIZATIONS

THAT ARE IN PARTICULAR
HAVE SHOWN TO HAVE

PARTICULAR PROBLEMS
OR DEFICIENCIES,

AND THAT'S WHERE
WE WANT TO LOOK.

SO WE'RE IN THE PROCESS
OF ROLLING OUT

THAT NEW,
I WOULD SAY, PROTOCOL,

THIS YEAR,
YOU KNOW, THIS SUMMER.

UM, AND SO, YOU KNOW,
AS TO THE INTENSITY,

I COULDN'T REALLY SAY.
BUT, YOU KNOW,

IT'S NOT GOING TO BE
THE SAME WAY IT WAS BEFORE

IN TERMS OF HOW WE SELECT
THE ORGANIZATIONS.

AGAIN, IT'S GOING TO BE
LOOKING AT PARTICULAR AREAS

AND WHERE THERE IS
A PARTICULAR PROBLEM

AND SELECTING ORGANIZATIONS

THAT ARE DEEMED
TO BE HIGH RISK.

YOU KNOW, WHERE WE'VE
SEEN EVIDENCE OF PROBLEMS

THROUGHOUT THE YEAR. SO...

AND IF YOU WANT
TO ADD ANYTHING TO THAT.

>> I THINK THE ONE THING
THAT YOU SHOULD

TAKE AWAY FROM NOT ONLY
WHAT WE'VE SAID HERE,

BOTH DANIELLE AND I,

BUT WHAT VANESHA
SAID IS THAT

EVERYTHING THAT
WE'RE TELLING YOU,

YOU ALREADY HAVE.

WE DON'T HAVE ANY HIDDEN
SET OF DATA ABOUT YOU

THAT YOU
DON'T KNOW ABOUT.

EVERYTHING
WE USE YOU HAVE,

AND ALL YOU HAVE TO DO
IS PUT IT TOGETHER.

AND IT'S ALWAYS
A SURPRISE

WHEN YOU GO ON AN AUDIT
AND YOU SAY TO THE CEO,

"EVERYTHING I'M TELLING
YOU, YOU KNOW.

"YOU'VE TOLD ME, OR I'VE
GATHERED FROM SOMETHING

YOU'VE GIVEN ME."

SO NONE
OF THIS IS HIDDEN.

IT'S ALL
WITHIN YOUR POWER

TO LOOK AT
AND TO FIGURE OUT.

THE TROUBLE
IS YOU DON'T.

SO THAT'S KIND OF THE
BIG LESSON HERE--

IS TAKE WHAT YOU KNOW
ABOUT YOUR ORGANIZATION,

START WITH
YOUR STAR RATING,

START WITH YOUR
COMPLIANCE NOTICES.

DANIELLE AND I,
WE TALKED TO ONE

OF THE PEOPLE WHO WERE

A PERFORMANCE
ASSESSMENT PROBLEM,

AND WE HAD TO TELL
THEM WE HAD SENT THEM

SOMETHING LIKE 12
COMPLIANCE NOTICES,

AND THEY HAD IGNORED
EVERY ONE OF THEM--

EVERY ONE OF THEM.

AND THEY
WERE SPUTTERING.

SO LET'S, YOU KNOW,
JUST REMEMBER,

YOU HAVE ALL OF THIS.

ALL OF IT.

YOU JUST HAVE
TO PUT IT TOGETHER.

>> HI, CYNTHIA.
MY NAME IS RACHEL DISENZA,

AND I'M FROM AMERIGROUP,
AND I FOUND YOUR INFORMATION

ON THE POINT SYSTEM
EXTREMELY HELPFUL.

UM...FOR 2010,
WHAT WAS THE POINT LEVEL

THAT PREVENTED PLANS
FROM EXPANDING?

>> YOU KNOW, I DON'T HAVE
THE POINT LEVELS HERE.

THEY--THEY--I DON'T
REMEMBER. DO YOU?

>> NO, THEY'RE JUST NUMBERS.

>> YEAH.
THAT'S NOT HIDDEN.

WE CAN GET IT FOR YOU.

I JUST DON'T
REMEMBER WHAT IT WAS.

>> AND WE'LL SEE--
[INDISTINCT]

PUBLISH THIS INFORMATION
OR IS THERE SOMEWHERE

THAT WE CAN GO
PROACTIVELY TO--

>> IT'S GOING TO BE
IN THE NEXT VERSION

OF THE MANUAL
WHEN IT COMES OUT.

>> FANTASTIC.

>> ALL OF IT
WILL BE THERE.

>> THANK YOU.

>> PART C AND D
VALIDATION REQUIREMENTS.

WE'RE IN THE PROCESS
OF STARTING TO EVALUATE

OUR BUDGETS FOR 2011
AND TRYING TO DETERMINE

HOW MUCH TO
ALLOCATE FOR THIS.

WILL WE BE REQUIRED TO HAVE
AN EXTERNAL AUDITOR VALIDATE

ALL OF THE ELEMENTS
THAT WERE INCLUDED

IN THE GUIDANCE,

OR IS IT POSSIBLE THAT WE'LL
ONLY BE REQUIRED TO HAVE

A SUBSET VALIDATED IN 2011?

AND WHEN WILL THAT
INFORMATION BE AVAILABLE?

>> UM, CAN YOU DO ME A
FAVOR AND SEND ME THAT?

I'M NOT WILLING IN FRONT
OF THIS AUDIENCE

TO COMMIT TO
WHAT THE ANSWER IS

WITHOUT MAKING SURE
MY FACTS ARE STRAIGHT.

I THINK THE ANSWER
IS OUR EXPECTATION

IS AN EXTERNAL AUDITOR
DOES ALL OF THIS,

BUT SOME OF THE SELF-
ASSESSMENTS CAN HELP

THAT AUDITOR
MOVE FASTER.

>> HI, CYNTHIA.
JACKIE DUDDIE FROM HORIZON

BLUE CROSS
BLUE SHIELD OF NEW JERSEY.

MY QUESTION IS ABOUT
THE STAR RATINGS.

ARE ALL THE INDIVIDUAL
MEASURES EQUALLY WEIGHTED

TO COME UP
WITH A COMPOSITE SCORE?

>> AT THIS POINT, YES.

>> AT THIS POINT.

AND ARE YOU CONSIDERING
ADJUSTING THAT

BECAUSE THE STAR RATINGS ARE
GOING TO BE USED TO TRIGGER

QUALITY BONUSES IN THE FUTURE?

>> IT'S NOT CLEAR RIGHT
NOW THE DIRECTION.

YOU KNOW, I THINK
DANIELLE CAN SPEAK

TO THIS, AS WELL.
IT'S NOT CLEAR ABOUT

WHAT THE FINAL
METHODOLOGY

FOR 2012 WILL BE.

I THINK YOU COULD EXPECT
THAT IN THE FUTURE.

IT'S NOT CLEAR
THOUGH FOR 2012.

I THINK WE'RE VERY
SENSITIVE TO THE FACT

THAT THE STAR

RATINGS FOR THE UPCOMING

ANNUAL ELECTION PERIOD,

YOU KNOW, WERE
COLLECTED IN 2009.

SO YOU HAVE TO--WE HAVE
TO THINK ABOUT

THE DATA LAGS
FOR ALL OF THIS.

>> OK, THANK YOU.