



**CMS 2010 BI-REGIONAL MEDICARE HEALTH PLAN COMPLIANCE
CONFERENCE**

Boston & New York – Serving Our Beneficiaries Together

Verbatim Transcript

Compliance Program Requirements and Evaluating Effectiveness

Vernisha Robinson

>> COMPLIANCE PROGRAM
REQUIREMENTS

AND EVALUATING EFFECTIVENESS.

VERNISHA IS A HEALTH INSURANCE
SPECIALIST IN THE CENTER

FOR MEDICARE PROGRAM
COMPLIANCE AND OVERSIGHT GROUP,

AND THAT'S WITH CMS IN
BALTIMORE, WHERE SHE IS

A LEAD ANALYST FOR
THE COMPLIANCE PROGRAM

EFFECTIVENESS AUDIT INITIATIVE.

SHE'S DEVELOPED AND
IMPLEMENTED THE REVISED

COMPLIANCE PROGRAM AUDIT
PROTOCOLS FOR PART "C",

WHICH IS THE MEDICARE

ADVANTAGE PROGRAM, AND PART "D,"

WHICH IS OUR PRESCRIPTION
DRUG PROGRAM CONTRACTORS,

WHICH FOCUS MORE ON EVALUATING
AND VALIDATING EFFECTIVENESS.

SHE'S BEEN INVOLVED IN
A VARIETY OF HIGH-LEVEL

INITIATIVES TO INCLUDE THE
REDESIGN OF THE AUDIT PROCESS

IN COMPLIANCE
ENFORCEMENT ACTIONS.

CURRENTLY, SHE IS A GOVERNMENT
TASK LEADER FOR THE COMPLIANCE

AND ENFORCEMENT MEDIC.

THIS IS THE OTHER MEDIC--
WE TALKED TO THE BENEFIT

INTEGRITY MEDIC, NOW THIS IS
THE COMPLIANCE AND ENFORCEMENT

MEDIC--CONTRACT, WHICH ASSISTS
CMS WITH ACTIVITIES SUCH AS

PROGRAM AUDITS, ASSESSMENTS,
AND CONTRACT COMPLIANCE.

PREVIOUSLY, SHE SERVED AS AN
ACCOUNT MANAGER WITH THE CMS

ATLANTA REGIONAL OFFICE, AND SHE
WAS THERE FOR ABOUT 6 YEARS.

MS. ROBINSON HOLDS A MASTER
OF SCIENCE IN MANAGEMENT FROM

TROY UNIVERSITY AND A
BACHELOR OF SCIENCE IN HEALTH

INFORMATION MANAGEMENT FROM
CLARK UNIVERSITY IN ATLANTA.

PLEASE WELCOME

VERNISHA ROBINSON.

[APPLAUSE]

>> GOOD MORNING, EVERYONE.

I'M EXCITED TO SPEAK WITH YOU
TODAY ON A TOPIC THAT'S VERY,

VERY DEAR TO MY HEART AND
SOMETHING THAT I'VE WORKED ON

FOR THE LAST 18 MONTHS:
EFFECTIVE COMPLIANCE PROGRAMS.

JUST BY WAY OF HANDS, HOW MANY
OF YOU ARE COMPLIANCE OFFICERS

FOR MEDICARE PART "C" AND "D"?

OK. GREAT. SO THIS IS
SPECIFICALLY FOR YOU,

AS WELL AS OTHERS THAT
WORK IN OPERATIONAL UNITS.

AS JIM KERR STATED YESTERDAY,
CMS IS HOLDING MEDICARE

ADVANTAGE AND PRESCRIPTION
DRUG PLANS ACCOUNTABLE

FOR NONCOMPLIANCE IN FRAUD,
WASTE, AND ABUSE ISSUES.

AS YOU WILL HEAR LATER IN MY
PRESENTATION, CMS HAS AND WILL

CONTINUE TO TAKE ENFORCEMENT
ACTIONS TO PROTECT THE INTEGRITY

OF OUR MEDICARE BENEFICIARIES
AND OUR MEDICARE TRUST FUND.

WITH THAT SAID, I'LL TALK
ABOUT CMS' NEW REGULATIONS

FOR COMPLIANCE PROGRAM
REQUIREMENTS AND WHAT WE'RE

LOOKING FOR ORGANIZATIONS
SUCH AS YOURSELF TO DISRUPT--

DEMONSTRATE, EXCUSE ME,
THE EFFECTIVENESS

OF YOUR COMPLIANCE PROGRAMS.

I WILL ASK THAT--IT'S A LOT OF
INFORMATION THAT I'M ABOUT TO

TALK WITH YOU ABOUT, SO I
WILL ASK THAT YOU WRITE

YOUR QUESTIONS DOWN, AND I WILL
RESPOND ACCORDINGLY, AS I'M

SURE THEY WILL APPLY AND
EDUCATE THE ENTIRE AUDIENCE.

TODAY I'M GOING TO
DISCUSS THE NEW REGULATION.

THERE'S NEW COMPLIANCE
PROGRAM REQUIREMENTS THAT YOU

DEFINITELY NEED TO BE AWARE OF,
AS WELL AS WHAT DOES

EFFECTIVENESS--EFFECTIVENESS,
EXCUSE ME, LOOK LIKE.

OK, WE'RE GONNA JUST TALK
ABOUT THE COMPLIANCE PROGRAM

REQUIREMENTS FOR A LITTLE BIT.

THERE ARE 7 INDIVIDUAL
REQUIREMENTS WHICH ARE

MOST EFFECTIVE ON AN
INTERDEPENDENT BASIS.

WHAT THAT MEANS IS THAT THEY
ALL WORK TOGETHER TO PROVIDE

AN EFFECTIVE PROGRAM.

THEY ALSO PREVENT, DETECT,
AND RESPOND TO VIOLATIONS

OF LAW OR POLICY, AND THERE'S
MEDICARE-SPECIFIC PROVISIONS

WHICH MUST BE COMPLIED WITH.

SO, YOU KNOW, SPECIFICALLY
IN LARGE ORGANIZATIONS WHERE

YOU SERVICE OTHER LINES OF
BUSINESS, YOU NEED TO ENSURE

THAT YOUR COMPLIANCE PROGRAM
FOR YOUR MEDICARE PRODUCT

HAVE LAWS THAT ARE
SPECIFIC TO MEDICARE.

ALSO WHAT WE'RE LOOKING FOR
IS THAT YOUR ORGANIZATION'S

COMPLIANCE PROGRAM MUST
DEMONSTRATE THE ORGANIZATION'S

COMMITMENT TO A
CULTURE OF COMPLIANCE.

HOW WELL DOES THE GOVERNING
BOARD OR YOUR CEO, AS WELL AS

THE COMPLIANCE OFFICER--
HOW WELL DO YOU ENSURE THAT

EMPLOYEES KNOW THAT YOU'RE
VERY SERIOUS ABOUT COMPLIANCE,

YOU'RE VERY SERIOUS ABOUT
MEDICARE REQUIREMENTS?

AS WELL AS YOU SHOULD BE
ENGAGING AND COMMUNICATING

THE GOVERNING BODY WITH SENIOR
EXECUTIVES AND EMPLOYEES,

MAKING SURE THAT EVERYONE IS
VERY EXCITED ABOUT COMPLYING

WITH MEDICARE ADVANTAGE AND
PRESCRIPTION DRUG REQUIREMENTS.

AS WELL AS YOUR COMPLIANCE
PROGRAM SHALL ALSO DEFINE

EXPECTATIONS FOR EMPLOYEES FOR
ETHICAL AND PROPER BEHAVIORS.

THEY SHOULD KNOW THAT,
YOU KNOW, THIS IS THE WAY

THAT OUR ORGANIZATION IS RUN.

IF YOU'RE CAUGHT OR YOU
VIOLATE A LAW OR POLICY,

THIS WILL BE THE
CONSEQUENCE FOR THAT.

THIS IS A VERY
IMPORTANT SLIDE, ACTUALLY.

THIS IS SOMETHING I SEE THAT
THE LAST 4 OR 5 PROGRAM AUDITS

ON COMPLIANCE PLANS--THAT I
SEE A LOT OF ORGANIZATIONS

STRUGGLE WITH, AND IT'S
REALLY ON, YOU KNOW,

THAT YOUR ORGANIZATION
IS RUNNING ON A PROACTIVE

VERSUS A REACTIVE APPROACH.

PROACTIVE IS MONITORING
HOW WELL--EVERY DAY TO DAY,

HOW WELL ARE YOU MONITORING
YOUR OPERATIONAL UNITS

TO ENSURE THAT THEY'RE
TALKING TO EACH OTHER?

IF THERE'S A NONCOMPLIANCE
ISSUE IN ENROLLMENT,

ARE THEY TALKING TO THE AGENTS
AND BROKERS TO ENSURE

THAT THE APPLICATIONS
ARE RECEIVED ON TIME?

VERSUS A REACTIVE APPROACH,
WHICH MOST ORGANIZATIONS

DO THIS CURRENTLY WHERE YOU
AUDIT--YOU KNOW, YOU CONDUCT

INTERNAL AS WELL
AS EXTERNAL AUDITS.

WELL, YOU NEED TO MAKE SURE
THAT YOU'RE DOING BOTH.

YOU NEED TO BE MONITORING
AND AUDITING

YOUR INTERNAL OPERATIONS.

YOUR COMPLIANCE PROGRAM
ALSO SHOULD BE IDENTIFYING

COMPLIANCE RISKS THAT MAY HAVE
BEEN UNDETECTED INTERNALLY.

THE COMPLIANCE DEPARTMENT,
I'M SURE, IN YOUR ORGANIZATION

IS A CENTRAL HUB FOR ETHICAL
BEHAVIOR AS WELL AS ENSURING

THAT ALL THE OPERATIONAL
UNITS THAT OPERATE--THAT ARE

RESPONSIBLE FOR MEDICARE
ADVANTAGE AND PRESCRIPTION DRUG

OPERATIONS ARE TALKING TO
EACH OTHER, ARE IN COMPLIANCE

WITH CMS REQUIREMENTS.

SO YOUR COMPLIANCE PROGRAM
WILL IDENTIFY RISKS THAT MAY BE,

YOU KNOW, UNDER THE DESK
OR KIND OF LIKE, YOU KNOW,

THAT'S NOT VERY VISIBLE

WITHIN AN ORGANIZATION.

AS WELL AS, AGAIN, YOUR
COMPLIANCE PROGRAM SHOULD BE

PREVENTING, DETECTING,
AND RESPONDING TO

NONCOMPLIANCE AND FRAUD,
WASTE, AND ABUSE ISSUES.

THE QUESTION IS, WHY ARE THESE
COMPLIANCE PROGRAMS IMPORTANT?

IT'S BASICALLY--BOTTOM LINE,

IT'S A REQUIREMENT
TO CONTRACT WITH CMS.

WHEN YOU SUBMIT AN APPLICATION,
AN INITIAL APPLICATION TO CMS

OR A SERVICE AREA EXPANSION,
YOU NEED TO HAVE A COMPLIANCE

PROGRAM THAT DEMONSTRATES THAT
YOU HAVE A DEPARTMENT THAT IS

DEDICATED TO ENSURING THAT ALL
PARTIES THAT ARE INVOLVED WITH

OPERATING MEDICARE UNDERSTAND
THE REQUIREMENTS THAT ARE

AT HAND, AS WELL AS A ROAD MAP
TO PREVENTING, EARLY-DETECTING,

AND RESPONDING TO NONCOMPLIANCE
ISSUES BEFORE THEY

DEVELOP INTO LARGER ISSUES.

THERE'S, YOU KNOW, 5 WAYS, 5
REASONS WHY I CAN BELIEVE THAT--

WHY I BELIEVE THAT A COMPLIANCE
PROGRAM IS IMPORTANT.

THE FIRST ONE IS WHAT
WE ARE ALL HERE FOR,

TO SERVICE BENEFICIARIES.

IF YOU HAVE AN INEFFECTIVE
COMPLIANCE PROGRAM,

YOUR BENEFICIARIES WILL
REALLY ACCESS--WILL REALLY,

EXCUSE ME, HAVE ACCESS ISSUES.

SO THIS IS BASICALLY YOUR
COMPLIANCE PROGRAM SHOULD BE

DETECTING WHEN THERE'S--YOUR
CTM CASES ARE HIGH, YOU SHOULD

BE TRENDING YOUR CTM, AS WELL
AS OTHER MEASURES THAT YOU HAVE

IN PLACE, TO SEE
WHAT THE TRENDS ARE.

HOW MANY BENEFICIARIES ARE
NOT ACCESSING A SPECIFIC DRUG

OR A SPECIFIC MEDICARE SERVICE?

AS WELL AS, WHAT IS
THE FINANCIAL IMPACT

TO YOUR ORGANIZATION?

HOW MANY RESOURCES ARE YOU
SPENDING ON MATTERS

THAT MAY NOT MATTER
TO YOUR ORGANIZATION?

WHERE CAN YOU FOCUS IN
WITHIN YOUR OPERATIONS?

WHAT IS THE OPERATIONAL IMPACT
WITHIN YOUR ORGANIZATION?

HOW DO ALL OPERATIONAL
COMPONENTS TALK TO EACH OTHER?

ARE THEY EFFECTIVE, AS WELL
AS THE REGULATORY IMPACT.

WHEN CMS ISSUES HPMS
GUIDANCE OR NEW REGS,

HOW DOES YOUR ORGANIZATION
TALK WITHIN EACH OTHER

TO ENSURE THAT THEY
ARE IMPLEMENTED WITHIN

A CERTAIN TIMEFRAME
AND THAT THEY ARE EFFECTIVE?

DO YOU TEST THE NEW
PROCEDURES TO ENSURE THAT

THEY'RE WORKING AND THAT THE
BENEFICIARIES HAVE AN ACCESS

TO THEIR MEDICARE
PRESCRIPTION DRUGS

AS WELL AS THEIR
MEDICARE SERVICES?

AND THE MOST IMPORTANT LATELY
IS THE REPUTATIONAL IMPACT.

WHO WANTS TO BE KNOWN AS
THE ORGANIZATION THAT JUST

CAN'T GET IT RIGHT WITH CMS?

[LAUGHTER]

I DON'T THINK ANY ONE OF YOU
WILL LIKE THAT, SO THAT'S

DEFINITELY ONE TO TAKE
INTO CONSIDERATION.

AS WAS STATED IN MY
LITTLE BIO, IS THAT WE HAVE

REDESIGNED OUR AUDIT PROCESS.

FOR 2010 AND 2011, AS WELL AS
IN FUTURE AUDITS, COMPLIANCE

PROGRAMS WILL BE A FOCUS

FOR PRESCRIPTION DRUG PLANS

AS WELL AS MA AUDITS.

2010 AUDITS WILL ADDRESS
COMPLIANCE PROGRAMS THAT ARE

CURRENTLY IN PLACE,
THAT ARE IN EFFECT

PRIOR TO THE APRIL 15
UPDATE TO REGULATION.

IN 2011, AUDITS WILL ADDRESS
THE UPDATED REQUIREMENTS.

OK, LET'S TALK ABOUT
OUR ENFORCEMENT ACTIONS

THAT WE HAVE TAKEN SO FAR
THIS YEAR.

ACTUALLY, I'VE BEEN ON
ALL OF THESE THIS YEAR.

VERY SIGNIFICANT DEFICIENCIES,
AND EVEN THOUGH THEY MAY HAVE--

THERE WERE ACCESS ISSUES, AS
WELL AS WITH PART "D" FORMULARY

ISSUES AND TRANSITION ISSUES,
IT ALL STEMMED FROM

A LACK OF A COMPLIANCE PROGRAM,
A LACK OF AN EFFECTIVE

COMPLIANCE PROGRAM.

WHEN I INTERVIEWED THE
COMPLIANCE OFFICER, THEY WERE

JUST NOT KNOWLEDGEABLE, MAYBE,
OF THEIR PART "D" OPERATIONS.

IT WAS VERY DYSFUNCTIONAL
ON WHO DOES WHAT.

WHAT TYPE OF INTERNAL
MONITORING WAS COMPLETED?

WHAT DOES
YOUR AUDIT RESULTS SHOW?

FROM THE AUDIT RESULTS, KIND OF
WHAT CHANGES HAVE YOU MADE

WITHIN YOUR ORGANIZATION?

SO HERE'S THE LINK TO
THE ENFORCEMENT ACTIONS.

I WILL ASK THAT YOU
VISIT THAT LINK

SO THAT YOU CAN SEE LESSONS
LEARNED, AND HOPEFULLY

YOU WILL NOT EXPERIENCE
THOSE TYPE OF ACTIONS.

OUR NEW REDESIGNED PROCESS
IS VERY DIFFERENT THAN

WHAT WAS PREVIOUSLY IN THE PAST.

NOW WE'RE ON-SITE.

YOU MAY NOT HAVE A LOT OF
NOTICE LIKE BEFORE WHERE WE,

YOU KNOW, KIND OF NEGOTIATED
THE TIMEFRAME WHERE WE WOULD

COME TO YOUR ORGANIZATION.

HERE WE HAVE THE FLEXIBILITY
OF IF WE GIVE YOU A CALL

ON THURSDAY, WE'LL SHOW UP ON
MONDAY AND EXPECT YOU TO WALK US

THROUGH YOUR OPERATIONS,
TO BE ABLE TO DEMONSTRATE

TO US THAT YOU ARE IN COMPLIANCE
WITH ALL OF MEDICARE

REQUIREMENTS, AS WELL AS
WITH YOUR COMPLIANCE PROGRAM,

THAT YOUR COMPLIANCE OFFICER,
THE CEO, THE GOVERNING BOARD--

EVERYONE IS ON BOARD WITH
THE REQUIREMENTS AND CAN

ARTICULATE TO US, YOU KNOW,
WHAT IS IT ALL ABOUT.

AS WELL AS WE'LL BE INTERVIEWING
AND HAVING DISCUSSIONS

WITH MULTIPLE SENIOR STAFF
AND EMPLOYEES

TO FEEL OUT THE CULTURE
OF YOUR ORGANIZATION.

DO YOU PROMOTE COMPLIANCE?

IF SOMEONE WITNESSED OR IS
INVOLVED WITH A NONCOMPLIANCE

ISSUE OR A FRAUD, WASTE,
AND ABUSE ISSUE, IS IT AROUND

YOUR ORGANIZATION THROUGH
POSTERS, THROUGH MEMOS,

THROUGH THE INTRANET,
THAT YOU ARE VERY FOCUSED

ON THIS INITIATIVE?

IT'S NOT JUST A PAPER EXERCISE
ANYMORE, WHERE WE HAVE THIS

PRINT, POST, AND PRAY:
YOU PRINT IT, YOU POST IT UP

ON A WALL OR POST IT
ON A SHELF, AND PRAY

THAT CMS DOES NOT COME OUT.

DEFINITELY DON'T WANT THAT,
AS WELL AS WE'RE FOCUSED ON

EVALUATING EFFECTIVENESS.

DID YOU FIND THE AREA
OF NONCOMPLIANCE

AND DID YOU FIX IT?

WE WANT TO SEE EXACTLY FROM
THE BEGINNING TO THE END,

AND WE EXPECT YOU TO DEMONSTRATE
TO US THAT PROCESS.

AS WELL AS IT'S VERY
FOCUSED ON VALIDATION.

YOU KNOW, WE WANT YOU TO,
YOU KNOW, SHOW US RESULTS.

WHAT WAS THE STRUCTURE INVOLVED,
THE PROCESS, THE OUTCOMES

OF ALL YOUR OPERATIONS, AND
HOW DID THEY COME TOGETHER?

HOW DID THEY REPORT TO
THE COMPLIANCE DEPARTMENT?

HOW DOES THE COMPLIANCE
DEPARTMENT REPORT TO

THE GOVERNING BODY?

HOW DOES THE ORGANIZATION
WORK AS A WHOLE?

THERE'S CURRENT
GUIDANCE OUT THERE.

THERE'S OUR REGS, OF COURSE,
AS WELL AS CHAPTER 9,

THE "PRESCRIPTION DRUG MANUAL,"
WHICH IS OUR CURRENT GUIDANCE

FOR THE COMPLIANCE PROGRAM
FOR OUR FRAUD, WASTE, AND ABUSE

REQUIREMENTS, AND IT'S ACTUALLY
BEING UPDATED AS WE SPEAK,

AND SO THAT WILL BE
RELEASED VERY SHORTLY.

OK, THIS IS ABOUT OUR
UPDATED REGULATIONS.

AS YOU CAN SEE, HERE'S
THE REGS 422 CFR 503 AND 504,

WHICH IS FOR THE MEDICARE
ADVANTAGE AND PRESCRIPTION

DRUG REQUIREMENTS.

THE REGS WERE EFFECTIVE JUNE 7,
2010, AND THE COMPLIANCE

PROGRAM CHANGES BECOME EFFECTIVE
WITH THE NEW PLAN YEAR,

JANUARY, 1, 2011.

HOWEVER, THERE ARE COMPLIANCE
PROGRAM REQUIREMENTS FOR

PART "C" AND PART "D" THAT YOU
NEED TO MAKE YOURSELF AWARE OF

NOW BECAUSE WE ARE
AUDITING THIS YEAR.

SO IF YOU'RE SUBJECT TO AN
AUDIT, WE DO EXPECT YOU TO BE

AWARE OF THOSE REQUIREMENTS
THAT CURRENTLY EXIST.

MOST CHANGES THAT ARE
IMPLEMENTED IN THE NEW REGS

CONTAINED IN--THEY WERE
CONTAINED IN EXISTING

"PRESCRIPTION DRUG" CHAPTER 9
AS SUB-REGULATORY GUIDANCE,

SO WHAT WE DID IS MADE
THEM MANDATORY REQUIREMENTS

NOW FOR 2011.

THE NEW REGULATIONS
SPECIFICALLY REQUIRES

COMPLIANCE PROGRAMS TO BE
INFECTIVE--EFFECTIVENESS.

WE'LL TALK ABOUT THAT LATER.
IT'S ALL ABOUT MEASUREMENT.

AND THIS HAS BEEN IN CHAPTER 9
SINCE THE BEGINNING OF

THE PRESCRIPTION DRUG
PROGRAM IN 2006.

THE NEW REGULATION PROVIDES
MORE DETAILED REGULATORY

REQUIREMENTS ON EACH OF THE
7 COMPLIANCE PROGRAM ELEMENTS,

AND IT SPEAKS SPECIFICALLY
TO EFFECTIVENESS.

SO I WOULD ENCOURAGE YOU--
THERE'S BEEN A LOT OF TALK

AROUND EFFECTIVENESS AND WHAT
THAT MEANS--TO GO OUT

TO THE HEALTH CARE COMPLIANCE
ASSOCIATION AS WELL AS OTHER

RESOURCES TO SEE KIND OF
HOW DO YOU GET TO THAT PLACE.

GONNA CONTINUE TALKING
ABOUT THE NEW REGULATIONS.

AGAIN, I CAN'T STRESS
ANY MORE, WE'RE LOOKING NOW

FOR THE ORGANIZATIONS AS A
WHOLE TO ADOPT AND IMPLEMENT.

SO IT'S NOT JUST SUFFICIENT
ANYMORE JUST TO HAVE

POLICIES AND PROCEDURES,

BUT WE WANT TO ACTUALLY SEE.

HOW DID YOU IMPLEMENT
THESE PROCEDURES

INTO YOUR ORGANIZATION?

AGAIN, IT'S THAT "E" WORD:
EFFECTIVE COMPLIANCE PROGRAM.

AS WELL AS THAT INCLUDES
MEASURES TO PREVENT, DETECT,

AND CORRECT NONCOMPLIANCE
WITH CMS PROGRAM REQUIREMENTS,

AS WELL AS MEASURES
TO PREVENT, DETECT,

AND CORRECT FRAUD,
WASTE, AND ABUSE.

SO AS YOU CAN SEE,
THE COMPLIANCE PROGRAM HAS

REALLY 2 PERSPECTIVES.

THERE'S THE CONTRACT
COMPLIANCE PIECE AND THERE'S

THE FRAUD, WASTE, AND ABUSE
REQUIREMENT, SO WE'RE EXPECTING

YOUR COMPLIANCE PROGRAM
TO ADDRESS BOTH ENTITIES.

AS WELL AS IT MUST,
AT A MINIMUM, INCLUDE THE 7 CORE

ELEMENT REQUIREMENTS
LISTED IN THE REGULATIONS.

SO, AGAIN, IT'S AT THE MINIMUM.
BECAUSE IF YOU DO ANY TYPE OF

INDUSTRY RESEARCH, THERE
ARE THOSE THAT SAY THAT

THERE IS AN EIGHTH REQUIREMENT,
WHICH IS RISK ASSESSMENT,

WHICH IS VERY IMPORTANT
TO AN ORGANIZATION.

SO, AGAIN, AT A MINIMUM,
YOU HAVE TO HAVE

THESE 7 CORE REQUIREMENTS.

OK, LET'S TALK ABOUT ELEMENT 1.

ELEMENT 1, AGAIN, FOCUSES ON
THAT YOU HAVE TO HAVE

WRITTEN POLICIES AND PROCEDURES

AND STANDARDS OF CONDUCT,
AND YOU CAN READ--

THIS IS REALLY
FOR YOUR INFORMATION,

BUT JUST THE ONES THAT WE REALLY
FOCUS ON, AGAIN, IS THAT YOU

AS A SPONSOR, WHETHER YOU'RE
PART "D," MA, THAT YOU

AS A WHOLE MUST ARTICULATE
YOUR COMMITMENT TO COMPLY

WITH ALL APPLICABLE FEDERAL
AND STATE STANDARDS.

AND THIS IS ONE THAT WE'VE SEEN
THAT A LOT OF ORGANIZATIONS

THAT ARE--THAT SERVICE
OTHER LINES OF BUSINESS,

WHETHER IT'S COMMERCIAL
OR MEDICAID, THAT, YOU KNOW,

MEDICARE LAWS ARE--OR, ITS
COMMITMENT TO MEDICARE LAWS

AND REQUIREMENTS
ARE KIND OF VARIED.

AND WE'RE LOOKING FOR YOU

AS ORGANIZATIONS THAT SERVICE

MEDICARE TO HAVE SPECIFIC
MEDICARE--YOUR COMMITMENT

TO COMPLY WITH
MEDICARE REQUIREMENTS.

AS WELL AS YOUR POLICIES
AND PROCEDURES MUST DESCRIBE

COMPLIANCE EXPECTATIONS
AS EMBODIED IN YOUR

STANDARDS OF CONDUCT.

AGAIN, YOUR EMPLOYEES ARE GONNA
BE ACCESSING THESE POLICIES

AND PROCEDURES, SO IT'S VERY
IMPORTANT TO LAY OUT EXACTLY

WHAT THEIR EXPECTATIONS ARE
SO THAT THEY ARE VERY CLEAR

AND KNOW WHAT THEY
HAVE TO ABIDE BY.

AS WELL AS IT SHOULD
PROVIDE GUIDANCE TO EMPLOYEES

AND OTHERS FOR DEALING WITH
POTENTIAL COMPLIANCE ISSUES.

IF THERE'S A COMPLIANCE
ISSUE, WHERE DO I GO?

WHAT IS THE PROCEDURE?

IS THERE GONNA BE
NON-RETALIATION?

SO IT NEEDS TO BE VERY,
VERY DETAILED.

AS WELL AS YOU SHOULD
DESCRIBE HOW ISSUES

ARE INVESTIGATED AND RESOLVED.

IS IT GONNA TAKE YOU 2 WEEKS
OR 2 YEARS TO RESOLVE AN ISSUE?

SO THAT SHOULD BE
VERY, VERY CLEAR.

ELEMENT 2 IS VERY,
VERY IMPORTANT.

WE'VE SEEN IN THE LAST FEW
AUDITS THAT WE'VE COMPLETED

THAT ORGANIZATIONS
PRETTY--THEY STRUGGLE

WITH THIS REQUIREMENT.

AND THIS, AGAIN, IS THAT THERE
IS A DESIGNATED COMPLIANCE

OFFICER AND A COMPLIANCE
COMMITTEE WHO REPORT DIRECTLY

AND ARE ACCOUNTABLE TO THE
ORGANIZATION'S CHIEF EXECUTIVE

OR OTHER MANAGEMENT.

SO THIS IS AGAIN ALL
ABOUT ACCOUNTABILITY.

IS, YOU KNOW, THE COMPLIANCE
OFFICER TALKING TO THE CEO,

AND THE CEO TALKING
TO THE COMPLIANCE COMMITTEE,

COMPLIANCE COMMITTEE TALKING
TO THE COMPLIANCE OFFICER?

DO THEY ALL COME TOGETHER
TO DISCUSS COMPLIANCE ISSUES?

BECAUSE WHAT WE'VE SEEN, SOME
OF THE FINDINGS THAT WE'VE SEEN

AT THESE ORGANIZATIONS, IS THAT,
YOU KNOW, ONLY A FEW PEOPLE

ARE AWARE OF THE IMPACT

OF THE ACCESS ISSUES

THAT WE'VE DISCOVERED OVER
THE LAST COUPLE OF MONTHS.

SO WE NEED TO ENSURE--YOU NEED
TO ENSURE, AS THE ORGANIZATIONS,

THAT EVERYONE IS TALKING TO EACH
OTHER AND EVERYONE IS AWARE.

THE COMPLIANCE OFFICER MUST
BE AN EMPLOYEE OF THE CONTRACT

ENTITY, PARENT, OR CORPORATE
AFFILIATE, SO THEY CANNOT BE

AN EMPLOYEE OF THE FIRST TIER
OR DOWNSTREAM ENTITIES.

AGAIN, THIS IS VERY IMPORTANT
WHERE THE COMPLIANCE OFFICER

AND THE COMPLIANCE COMMITTEE
MUST REPORT DIRECTLY TO

THE GOVERNING BODY OF THE
ORGANIZATION TO MAKE THEM AWARE

OF PROGRAM ISSUES, FRAUD,
WASTE, AND ABUSE ISSUES,

SO THAT THEY CAN POSSIBLY--
THEY SHOULD GIVE YOU

THE RESOURCES TO MAKE ANY
CHANGES THAT YOU NEED TO YOUR

COMPLIANCE PROGRAM, AS WELL AS
YOUR ORGANIZATION THAT HANDLES

MEDICARE OPERATIONS.

AND THIS IS A NEW REQUIREMENT
WHERE THE GOVERNING BODY

MUST BE KNOWLEDGEABLE OF
CONTENT IN THE OPERATION

OF THE COMPLIANCE PROGRAM,

AND NEEDS TO EXERCISE

REASONABLE OVERSIGHT
FOR IMPLEMENTATION

AND EFFECTIVENESS
OF THE PROGRAM.

AGAIN, YOU NEED TO--AS A
COMPLIANCE OFFICE ESPECIALLY,

IT WOULD BE GREAT IF YOU
CAN HAVE A DIRECT LINE

OF COMMUNICATION TO
YOUR GOVERNING BODY.

THAT WAY, THEY CAN HEAR FROM YOU
THE SPECIFIC ISSUES AT HAND.

IF YOU HAVE A HUGE--YOU'RE
STARTING TO IDENTIFY THROUGH

YOUR RISK ASSESSMENTS THAT YOU
HAVE TREMENDOUS ACCESS ISSUES,

YOU NEED TO BE ABLE TO GO
TO YOUR BOARD DIRECTLY

SO THEY CAN HEAR FROM YOU
THE IMPACT TO THE ORGANIZATION.

AND THAT WAY, YOU POSSIBLY
CAN GET THE RESOURCES THAT

YOU NEED TO MAKE ANY SYSTEMIC
CHANGES, AS WELL AS IF YOU NEED

ADDITIONAL STAFF
OR OTHER RESOURCES.

ELEMENT 3 IS A REQUIREMENT
THAT IS FOCUSED ON TRAINING

AND EDUCATION OF ALL THE
EMPLOYEES OF THE ORGANIZATION,

INCLUDING YOUR GOVERNING BODY.

WE KNOW HOW

IMPORTANT TRAINING IS.

I MEAN, THAT'S THE REASON
WHY WE'RE HERE TODAY.

SO ALL OF YOUR STAFF,
EMPLOYEES, GOVERNING BODY,

YOUR DIRECTORS, YOUR--
EXCUSE ME, YOUR CHIEF OPERATING

OFFICER--EVERYONE NEEDS TO
COMPLETE COMPLIANCE TRAINING.

THAT'S ANNUAL.
IT'S DUE AT THE POINT OF HIRE,

AS WELL AS ANY TYPE OF
SPECIALIZED TRAINING

THAT THEY NEED TO CONDUCT
THEIR JOBS EFFECTIVELY

AND TO COMPLY WITH
CMS REQUIREMENTS.

IT'S A HUGE TASK,
BUT IT NEEDS TO BE DONE.

AS WELL AS ANY TYPE OF
CONFLICT OF INTEREST TRAINING

THAT NEEDS TO BE COMPLETED
SO EVERYONE IS IN COMPLIANCE

WITH CMS REQUIREMENTS.

AGAIN, THIS IS SOMETHING
THAT'S NEW IN REGARDS TO

FIRST TIER, DOWNSTREAM, AND
RELATED ENTITIES THAT HAVE MET

THE FRAUD, WASTE, AND ABUSE
CERTIFICATIONS THROUGH

ENROLLMENT IN FEE-FOR-SERVICE
OR ACCREDITATION

AS A DMEPOS SUPPLIERS ARE DEEMED

TO HAVE MET THE FRAUD, WASTE,

AND ABUSE TRAINING
EDUCATION REQUIREMENT.

ELEMENT 4. RECENTLY, WE WENT TO
AN ORGANIZATION THAT STRUGGLED

WITH THIS. IT'S HAVING TO DO
WITH LINES OF COMMUNICATION.

NOW, WE ALL KNOW THAT
ORGANIZATIONS, YOU KNOW,

LARGE AND SMALL HAVE DIFFERENT
ORGANIZATION STRUCTURES.

YOU MAY HAVE ORGANIZATIONS
THAT ARE AT MULTIPLE SITES

OR ORGANIZATIONS WHERE EVERYBODY
PRETTY MUCH WORKS FROM HOME.

SO WHATEVER YOUR ORGANIZATION
STRUCTURE IS, YOU NEED TO ENSURE

THAT YOU HAVE LINES OF
COMMUNICATION THAT ARE

EFFECTIVE, THAT EVERYONE
KNOWS WHAT EVERYONE IS DOING

IN RESPECT TO,
LET'S SAY, ENROLLMENT.

IF YOU HAVE 20 STAFF--
LET'S SAY 200 STAFF--

200 STAFF THAT'S ACROSS
4 DIFFERENT SITES, THEY NEED

TO KNOW THE ENTIRE ENROLLMENT
PROCESS SO THEY KNOW

HOW THEIR JOB AFFECTS
THE NEXT PERSON.

WE WENT TO AN ORGANIZATION NOT
TOO LONG AGO THAT EVERYBODY

WAS JUST CONCENTRATED ON
THEIR AREA AND WEREN'T ABLE

TO SEE THE ENTIRE PICTURE.

SO THIS IS VERY IMPORTANT NOT
JUST TO EMPLOYEES BUT TO ENSURE

THAT ALL STAFF IS AWARE

OF HOW TO TALK TO EACH OTHER,
HOW TO COMMUNICATE.

WHEN YOU'RE HAVING TRAINING
OR IF YOU'RE HAVING ANY TYPE OF

MEETINGS, THAT YOU ARE
DOCUMENTING YOUR AGENDA MINUTES.

BECAUSE WHEN WE COME OUT TO
YOUR ORGANIZATIONS, WE NEED YOU

TO DEMONSTRATE--THAT MEANS
TANGIBLE ITEMS TO SHOW US

THAT YOU ARE COMMUNICATING
THROUGHOUT YOUR ORGANIZATION,

THAT YOU ARE REPORTING
COMPLIANCE ISSUES, THAT THAT'S

COMMUNICATED ALL THE WAY FROM
AN EMPLOYEE--IF AN EMPLOYEE

HAS A COMPLIANCE ISSUE WITH,
LET'S SAY, A MARKETING--

I DON'T KNOW--
A MARKETING EVENT.

IF HE GOES TO HIS BOSS,
AND HIS BOSS SHOULD--

I DON'T KNOW WHATEVER
YOUR STRUCTURE IS.

IF HE GOES TO THE COMPLIANCE
OFFICER, AND THE COMPLIANCE

OFFICER GOES BACK TO HUMAN

RESOURCES, WE NEED TO SEE

THE CHAIN OF COMMUNICATION
THROUGHOUT YOUR ORGANIZATION.

AND, AGAIN, THIS LINES OF
COMMUNICATION INCLUDES THAT

YOU HAVE TO HAVE A SYSTEM
IN PLACE, A MECHANISM IN PLACE

FOR EMPLOYEES TO REPORT
CONFIDENTIAL MATTERS

FOR IF THEY WANT
TO REPORT A NONCOMPLIANCE.

SO THAT IS LIKE YOUR HOTLINE.

YOUR HOTLINE NEEDS
TO BE SPECIFIC TO MEDICARE.

IF YOU HAVE A LARGE
ORGANIZATION AND YOU HAVE,

LET'S SAY, A HOTLINE THAT'S USED
FOR COMMERCIAL AND MEDICARE,

YOU NEED TO BE ABLE TO IDENTIFY
THE MEDICARE-SPECIFIC

COMPLAINTS AND FRAUD, WASTE, AND
ABUSE COMPLAINTS, BECAUSE THAT'S

ONE OF THE THINGS THAT WE
WILL BE VALIDATING ON-SITE.

SO YOU NEED TO HAVE A
MEASURE IN PLACE--A MECHANISM

IN PLACE, RATHER, THAT ENSURES
CONFIDENTIALITY AS WELL AS

WHERE THEY CAN REPORT
POTENTIAL COMPLIANCE

AND FRAUD, WASTE,
AND ABUSE ISSUES.

ELEMENT 5 IS FOCUSED ON

HOW WELL DO YOU PUBLICIZE

YOUR DISCIPLINARY GUIDELINES.

AND WE TEST THIS BY--YOU KNOW,
WHEN WE COME TO AN ORGANIZATION,

WE'RE LOOKING TO SEE KIND OF
FROM THE TEST OF THE CULTURE,

FROM THE TEST OF EMPLOYEES, KIND
OF HOW WELL DOES EMPLOYEES KNOW,

YOU KNOW, WHAT THE CONSEQUENCES
ARE FOR ENGAGING OR

NOT REPORTING COMPLIANCE ISSUES?

SO, AGAIN, HOW WELL DO YOU
ARTICULATE EXPECTATIONS

FOR REPORTING AND ASSISTING
RESOLUTION OF COMPLIANCE ISSUES?

I'VE SEEN ORGANIZATIONS
DO THIS BY MANY DIFFERENT WAYS.

YOU KNOW, FROM HAVING POSTERS
IN EVERY SECTION OF THEIR

ORGANIZATION WHERE YOU KNOW,
YOU KNOW, IF YOU WITNESS

A COMPLIANCE ISSUE,
YOU MUST REPORT IT.

IT'S YOUR JOB TO DO SO.

AS WELL AS THE NEW STANDARDS
IS THAT WE EXPECT YOUR POLICIES

TO IDENTIFY NONCOMPLIANCE
OR UNETHICAL BEHAVIOR.

AGAIN, EMPLOYEES, AS WELL AS
GOVERNING BOARD, AS WELL AS CEO

NEED TO KNOW WHAT YOU
CONSIDER UNETHICAL BEHAVIOR.

AS WELL AS WE'RE LOOKING
FOR YOU TO PROVIDE TIMELY

AND CONSISTENT MEASURES
AGAINST ALL OF YOUR

ENFORCEMENT STANDARDS.

ELEMENT 6: THIS IS A BIGGIE.
THIS IS HUGE.

AGAIN, THIS WHAT WE TALKED ABOUT
EARLIER ON EFFECTIVE--THAT'S

THE "E" WORD--ON EFFECTIVE
MONITORING AND AUDITING.

MOST ORGANIZATIONS--I WON'T
SAY "MOST"--SOME ORGANIZATIONS

KIND OF COMBINE
THESE 2 ACTIVITIES.

THEY ARE VERY DISTINCT.
MONITORING IS DAY-TO-DAY.

IT'S VERY PROACTIVE.
THIS IS YOUR DASHBOARD RESULTS.

THIS IS, YOU KNOW, WITH
YOUR INTERNAL AUDIT RESULTS.

WHAT ARE YOUR
RESULTS SHOWING YOU?

BECAUSE, AGAIN, WHEN WE
SHOW UP AT YOUR ORGANIZATION--

AND IT'S JUST GOOD PRACTICE.

YOU SHOULD KNOW WHAT THE DATA
IS TELLING YOU, AND FROM

THAT DATA YOU SHOULD BE ABLE
TO MAKE CHANGES WITHIN YOUR

ORGANIZATION THAT, AGAIN,
WILL PROTECT THE BENEFICIARY,

THAT WILL ALLOW THEM TO HAVE

ACCESS TO THEIR BENEFITS,

AS WELL AS IT'S
A REQUIREMENT FOR CMS.

AND THE REQUIREMENTS
AROUND HERE, WE'RE REALLY

LOOKING FOR--
THIS IS NEW LANGUAGE--

THAT YOU ESTABLISH
AND IMPLEMENT.

SO, AGAIN, YOU HAVE
THE POLICY AND PROCEDURES.

YOU HAVE THE SYSTEM IN PLACE.
AND IMPLEMENT, YOU HAVE

THE PROCESS AND THE RESULTS
THAT SHOW AN EFFECTIVE SYSTEM

FOR ROUTINE MONITORING
AND IDENTIFICATION

OF COMPLIANCE RISK.

THIS IS NEW LANGUAGE, SO
DEFINITELY TAKE HEED TO THIS.

SO THERE'S ADDITIONAL
REQUIREMENTS WITH THIS.

YOUR SYSTEM MUST INCLUDE
INTERNAL--ROUTINE INTERNAL

MONITORING OF COMPLIANCE
RISK FOR YOUR BUSINESS AREAS.

I GUESS FOCUS ON
RISK ASSESSMENTS.

AS MANY OF YOU MAY KNOW
THAT CURRENTLY CONDUCT

INTERNAL AUDITS, THAT
YOUR RISK ASSESSMENTS

WILL CHANGE THROUGHOUT THE YEAR,

JUST DEPENDING ON
WHAT YOUR RISKS ARE.

I'M SURE DURING THE ANNUAL
ENROLLMENT PERIOD,

ENROLLMENT IS A HUGE RISK.

SO WHAT MEASURES DO YOU HAVE IN
PLACE--OR "INTERNAL CONTROLS"

IS ANOTHER WORD WE USE OFTEN--
TO PROTECT YOUR ORGANIZATION,

TO PROTECT YOUR BENEFICIARIES,
AND TO PROTECT YOUR EMPLOYEES

IN REGARDS TO THEIR JOB?

AS WELL AS YOU
SHOULD BE CONDUCTING

ANY TYPE OF INTERNAL AUDIT.

IT'S ALWAYS GREAT TO HAVE
AN EXTERNAL AUDITOR COME INTO

YOUR ORGANIZATION TO ASSESS
WHAT'S MISSING,

WHAT'S GOING ON, TO TALK
TO YOUR EMPLOYEES WHO MAY NOT

FEEL COMFORTABLE WITH TALKING
TO SOMEONE INTERNALLY AS TO

WHAT ISSUES THAT THEY'RE
SEEING OR EXPERIENCING

WITH THEIR EVERYDAY JOBS.

AND WE'RE ALSO EVALUATING

YOUR OVERALL EFFECTIVENESS
OF THE COMPLIANCE PROGRAM.

SO INTERNAL MONITORING
AND AUDITING IS A HUGE EFFORT,

BUT THIS IS KIND OF
THE MEAT AND POTATOES

OF YOUR COMPLIANCE PROGRAM.

SO, AGAIN, WE'RE
LOOKING--NOT JUST WE AT CMS.

THIS IS JUST GOOD PRACTICE
FOR YOUR ORGANIZATION, BUT

WE'RE EXPECTING YOU TO HAVE
A ROBUST INTERNAL MONITORING,

AND THAT IT'S EFFECTIVE.

ELEMENT 6 IS PRETTY MUCH
RESPONSE AND PREVENTION.

IT'S TO ESTABLISH AND IMPLEMENT.

AGAIN, ESTABLISH-- YOU HAVE
THOSE POLICIES AND PROCEDURES--

AS WELL AS YOU CAN DEMONSTRATE
TO US THAT YOU HAVE A SYSTEM

IN PLACE FOR PROMPTLY RESPONDING
TO COMPLIANCE ISSUES.

SO THAT YOU'RE NOT JUST SITTING
ON THESE COMPLIANCE ISSUES

AND JUST WAITING FOR YOUR
ACCOUNT MANAGER OR YOUR

PLAN SPECIALIST OR C.O.,
CENTRAL OFFICE, TO GIVE YOU

A CALL TO SAY, YOU KNOW, WHAT'S
GOING ON WITH A PARTICULAR

ACCESS OR PART "D" OR MA ISSUE,

THAT YOU'RE INTERNALLY
ADDRESSING THESE ISSUES.

WE'RE LOOKING FOR YOU
TO SOLVE THESE ISSUES

WITHIN YOUR ORGANIZATION.

AND, AGAIN, THIS HAS TO DEAL
WITH THAT YOU MUST CONDUCT

APPROPRIATE CORRECTIVE ACTIONS
FOR ANY TYPE OF NONCOMPLIANCE

FOR EMPLOYEES OR WITH
ANY TYPE OF OPERATIONAL UNIT.

WHEN WE'RE COMING OUT TO
AUDIT, WE'RE LOOKING FOR YOU

TO SHOW US, OK, THIS WAS THE
PROBLEM, AND THIS IS HOW WE

CORRECTED THIS, AND THIS IS
THE SUPPORTING DOCUMENTATION.

THIS IS THE AUDIT RESULTS.
THIS IS KIND OF OUR PROGRESS.

SO WE'RE LOOKING FOR YOU
TO DEMONSTRATE TO US THAT

YOU HAVE--THAT YOU'RE
RESPONDING TO ISSUES

OF NONCOMPLIANCE AND FRAUD,
WASTE, AND ABUSE.

AS WELL AS YOU SHOULD,
AS A SPONSOR, HAVE PROCEDURES

TO VOLUNTARILY SELF-REPORT
POTENTIAL FRAUD AND MISCONDUCT

RELATED TO THE PROGRAM TO CMS.

SO, AGAIN, THIS DEALS WITH

YOUR FIRST LINE,
YOUR ACCOUNT MANAGER.

THAT YOU'RE PICKING UP
THE PHONE OR SENDING AN E-MAIL

TO LET THEM KNOW WE'VE
DISCOVERED THIS PROBLEM.

YOU KNOW, THIS IS HOW WE'RE
HANDLING THIS, AND THIS IS

KIND OF THE RESULTS AND--
JUST SO THAT EVERYONE

IS INCLUDED ON WHAT'S
GOING ON IN PROGRESS.

AND, ACTUALLY, WHEN YOU
SELF-REPORT--I KNOW SOME FOLKS

ARE HESITANT TO THAT,
BUT THAT SHOWS THAT YOU HAVE

A COMPLIANCE PROGRAM
THAT IS EFFECTIVE.

BECAUSE YOU WERE ABLE TO
IDENTIFY AN ISSUE, YOU HAVE

THE PROCEDURES IN PLACE
TO CORRECT, AND NOW YOU CAN

PREVENT IT FROM POSSIBLY
HAPPENING AND REOCCURRING

NEXT TIME.

OK, JUST SOME KIND OF BEST
PRACTICES AND SOME INDUSTRY--

FROM WHAT I GOT FROM
THE INDUSTRY IN REGARDS TO,

HOW DO YOU DEMONSTRATE
AN EFFECTIVE PROGRAM?

WHAT IS CMS LOOKING FOR?

THERE'S, AGAIN, 7 ELEMENTS OF
A SUCCESSFUL COMPLIANCE PROGRAM.

SO, YOU KNOW, I KNOW WHEN
YOU LOOK AT THE REGULATIONS,

IT'S KIND OF LAYER
1, 2, 3, 4, 5, 6, 7,

BUT IT'S KIND OF HARD TO
KIND OF, YOU KNOW, VISUALIZE

HOW IT WORKS TOGETHER WITHIN
YOUR ORGANIZATION, SO WE'VE

PUT TOGETHER A DIAGRAM
THAT SHOWS YOU.

TOP IS THE LEADERSHIP.

THE LEADERSHIP HAS YOUR
LEADERSHIP: THE GOVERNING BODY,

YOUR CEO, YOUR
COMPLIANCE OFFICER.

THEY NEED TO BUY IN AND ENGAGE
IN A COMPLIANCE PROGRAM.

AS A COMPLIANCE OFFICER,
YOU SHOULD BE PROMOTING.

EVERY TIME SOMEONE SEE YOU,
IT'S LIKE, "OH, HERE COMES

THIS PERSON WHO'S
TALKING ABOUT COMPLIANCE."

THAT'S EXACTLY WHAT NEEDS
TO HAPPEN SO THAT EVERYONE IS--

THAT COMPLIANCE IS EMBEDDED
WITHIN THE ORGANIZATION.

AGAIN, COMMUNICATION.
THERE SHOULD BE A 360-DEGREE

COMMUNICATION THROUGHOUT
THE ORGANIZATION.

EVERYONE IS PRETTY MUCH AWARE
OF KIND OF HOW THEIR JOB

AFFECTS THE NEXT OPERATIONAL
UNIT SO THAT WAY BENEFICIARIES

WOULD, YOU KNOW, ULTIMATELY HAVE
AN ENJOYABLE EXPERIENCE

WITH GETTING BENEFITS
THROUGH YOUR ORGANIZATION.

DOCUMENTATION.
DOCUMENTING IS VERY IMPORTANT

NOT ONLY FOR THE GOVERNMENT
BUT FOR YOU AS AN ORGANIZATION.

WHEN WE COME OUT TO YOU TO
ASSESS YOUR COMPLIANCE PROGRAM,

WE'RE LOOKING TO SEE NOT ONLY
JUST POLICY AND PROCEDURES.

HOW OFTEN ARE THEY UPDATED?

DO YOU TEST THEM TO SEE IF
THEY ARE WORKING CORRECTLY?

DO YOU CHANGE THEM
TO REFLECT YOUR CURRENT SYSTEM?

THAT THEY'RE CLEARLY STATED,

THAT WHEN AN EMPLOYEE PICKS
SOMETHING UP, WHEN THEY PICK

ONE OF YOUR POLICY AND
PROCEDURES UP, THAT THEY

UNDERSTAND HOW TO DO THEIR JOB.

AGAIN, EDUCATION
FEEDS INTO THAT.

ARE THEY EDUCATED?
ARE YOU EDUCATED?

ARE YOU UP TO SPEED
ON COMPLIANCE ISSUES?

ARE YOU UP TO SPEED ON
COMPLIANCE REQUIREMENTS?

MONITORING AND AUDITING--KIND OF
EVERYTHING IS CONNECTED.

AS WELL AS DISCIPLINARY
GUIDELINES AND HOW WELL

DO YOU, YOU KNOW, ENFORCE THOSE
AND PUBLICIZE THOSE

THROUGHOUT YOUR
ORGANIZATION, AND, AGAIN,

THE ENFORCEMENT PIECE OF IT.

PROMPT RESPONSE.
WHEN THERE'S AN ISSUE

OF NONCOMPLIANCE THROUGHOUT YOUR
ORGANIZATION ON FRAUD, WASTE,

AND ABUSE, HOW WELL OR HOW FAST
DO YOU RESPOND TO THOSE ISSUES?

SO AS YOU CAN SEE, THEY ALL
WORK TOGETHER TO DEMONSTRATE

A SUCCESSFUL
COMPLIANCE PROGRAM.

THERE'S REALLY, LIKE,
3 AREAS FOR MEASUREMENT

WHEN YOU'RE TALKING ABOUT
A COMPLIANCE PROGRAM.

THERE'S A STRUCTURE, OK?

THIS IS THE OVERALL MAKEUP
OF YOUR ORGANIZATION.

HERE YOU HAVE THE CULTURE.

OK, WHAT'S THIS CULTURE
OF YOUR ORGANIZATION?

IS YOUR CULTURE, YOU KNOW,
PRO-COMPLIANCE, OR IS IT,

YOU KNOW, JUST MAKE THAT MONEY
AND SELL BY ANY MEANS--

YOU KNOW, OR JUST GET
AS MANY ENROLLEES AS WE CAN?

WHAT IS THE CULTURE OF

COMPLIANCE, AND HOPEFULLY

IT'S ENDORSED BY YOUR LEADERSHIP
THAT, YOU KNOW, WE NEED TO,

WE HAVE TO BE IN COMPLIANCE
WITH MEDICARE.

HOW IS INFORMATION EXCHANGED
THROUGHOUT YOUR ORGANIZATION?

INFORMATION SHOULD BE EXCHANGED
BETWEEN A COMPLIANCE OFFICER,

THE SENIOR EXECUTIVES,
GOVERNING BODY, AND EMPLOYEES.

DOES THE EMPLOYEE KNOW WHO THE
COMPLIANCE OFFICER IS, YOU KNOW?

AND IT'S--LIKE I SAID, WE'VE
ASSESSED A FEW ORGANIZATIONS

LARGE AND SMALL WHERE, YOU KNOW,
IF YOU ARE A VIRTUAL ENVIRONMENT

WHERE YOU WORK MAYBE
IN A REMOTE SITE FROM MOST OF

THE OPERATIONAL EMPLOYEES, HOW
DO YOU GET YOUR NAME OUT THERE?

HOW DO YOU GET
YOUR FACE OUT THERE?

HOW DO YOU ENSURE THAT WHEN
THERE'S A COMPLIANCE ISSUE OR

THERE'S A COMPLIANCE QUESTION,
THAT EMPLOYEES OR SENIOR

EXECUTIVES FEEL COMFORTABLE
OR KNOW WHERE TO CONTACT YOU

OR HOW TO CONTACT YOU?

THESE ARE YOUR POLICY AND
PROCEDURES, AGAIN, AND THESE

ARE YOUR REPORTING MECHANISMS,

YOUR HOTLINES, YOUR--

WHATEVER STANDARDS OR MECHANISMS
YOU USE TO REPORT.

DO YOU HAVE A INTRANET WHERE
ALL THE MANAGEMENT OFFICIALS

FEED INTO THE DASHBOARD?

AS WELL AS YOUR EDUCATIONAL
AND TRAINING MATERIAL,

SO THIS IS KIND OF LIKE
YOUR STRUCTURE.

THEN WE HAVE THE PROCESS.
OK, ONCE YOU HAVE YOUR

STRUCTURE IN PLACE AND YOU HAVE
REPORTING MECHANISMS AND

EVERYONE KNOWS WHO TO TALK TO,
HOW DOES YOUR SYSTEM WORK?

YOU KNOW, YOU SHOULD BE
CONDUCTING ONGOING

RISK ASSESSMENTS AND
MONITORING ACTIVITIES.

YOU SHOULD BE INCORPORATING.
HOW DOES NEW REGULATORY POLICY

CHANGES GET INCORPORATED
INTO YOUR ORGANIZATION?

WHEN THAT HPMS MEMO, GUIDANCE,
OR NEW REGULATIONS--

WHO'S RESPONSIBLE FOR THAT?

WHO ISSUES, YOU KNOW, THE
GUIDANCE TO THE BUSINESS LEADER

TO ENSURE THAT IT'S IMPLEMENTED
WITHIN AN ORGANIZATION?

HOW DO YOU TEST THAT?
RESPONSE AND PREVENTION.

HOW DO YOU RESPOND TO CMS
OR OTHER REGULATORY ENTITIES,

AND HOW DO YOU PREVENT,
YOU KNOW, ISSUES THAT

YOU'VE OCCURRED FROM
REOCCURRING AGAIN?

ENFORCEMENT AND DISCIPLINE.
AGAIN, JUST KIND OF HOW DO YOU

HANDLE SITUATIONS OF
NONCOMPLIANCE OR SITUATIONS

WHICH HAVE RESULTED IN NEGATIVE
IMPACT TO YOUR ORGANIZATION?

AS WELL AS SYSTEM CORRECTIONS.

ONCE YOU IDENTIFY THAT
THERE IS A BREAKDOWN,

A VULNERABILITY WITHIN
YOUR ORGANIZATION,

HOW DO YOU FIX THAT?

I KNOW THAT SYSTEM CHANGES--

IT CAN BE VERY COMPLICATED
AND VERY COMPLEX.

SO HOW DO YOU TRACK THAT?

HOW DO YOU ENSURE THAT IT
TOUCHES ALL THE NECESSARY

ENTITIES WITHIN
YOUR ORGANIZATION?

AND THE BIG THING IS,
WHO'S ACCOUNTABLE?

WHO HAS ACCOUNTABILITY
OF OPERATIONAL AREAS

TO THE COMPLIANCE DEPARTMENT?

AND, AGAIN, THIS IS
WHAT WE'RE LOOKING FOR.

YOU KNOW, THE OLD AUDIT
PROCESS WAS, YOU KNOW,

WE ASK YOU FOR, YOU KNOW, SOME
ITEMS AND WE KIND OF MEASURE IT,

BUT NOW WE'RE LOOKING FOR YOU TO
DEMONSTRATE TO US YOUR RESULTS.

WHAT ARE THE OUTCOMES
OF YOUR COMPLIANCE PROGRAM,

AND HOW DOES IT TOUCH ALL OF
YOUR OPERATIONAL UNITS

RESPONSIBLE FOR MEDICARE?

SO WE'RE LOOKING FOR
TRENDS AND RESULTS.

MONITOR AND AUDIT RESULTS:
THEY SHOULD TRIGGER SOMETHING

TO YOUR ORGANIZATION THAT,
HEY, THERE MAY BE A NEED FOR

AN UPDATED POLICY AND PROCEDURE.

THERE MAY BE A NEED FOR AN
UPDATE FOR THE CLAIMS SYSTEM.

AND HOW ARE YOUR EMPLOYEES
RETRAINED ON THAT

NEW POLICY AND PROCEDURE?

WE DO ALL THIS FOLLOW-UP
WHEN WE'RE ON-SITE VALIDATING

YOUR COMPLIANCE PROGRAM.

DO YOU HAVE THE PROPER
INTERNAL CONTROLS OVER

YOUR DELEGATED ENTITIES?

AND NOW, YOU KNOW, THIS IS

A LARGE TASK RIGHT HERE.

YOU KNOW, YOU MAY HAVE HUNDREDS
AND HUNDREDS OF DELEGATED

ENTITIES, SPECIFICALLY IF
YOU ARE A PART "D" PROVIDER.

SO HOW DO YOU ENSURE THAT
EVERYONE IS IN COMPLIANCE,

BECAUSE, ULTIMATELY, CMS
HOLDS YOU RESPONSIBLE

FOR YOUR DELEGATED ENTITIES.

THIS IS A BIG ONE, TOO:
EMPLOYEES ENGAGED.

ARE THEY ENGAGED WITHIN
YOUR ORGANIZATION ON THEIR

SCOPE OF WORK, AS WELL AS
DO THEY UNDERSTAND THE ROLE

THAT THEY PLAY IN COMPLIANCE?

SOME, LIKE, OUTCOMES THAT
YOUR COMPLIANCE PROGRAM

SHOULD BE DETECTING.

WHETHER IT'S A DECREASE OR
INCREASE IN MEDICARE BENEFICIARY

AND PBM FRAUD, WASTE, AND ABUSE:
THAT'S A GOOD MEASURE.

YOU KNOW, IF THERE'S
AN INCREASE, THEN, OK.

NOW, HOW DO YOU CHANGE THAT
OR HOW DO YOU GET THOSE RESULTS

DOWN TO A DECREASING MATTER?

AND ULTIMATELY YOUR TRENDS
AND RESULTS AND YOUR OUTCOMES--

THEY WILL HELP YOU

TO EVALUATE THE EFFECTIVENESS

OF YOUR COMPLIANCE PROGRAM.

WELL, YOU'RE SAYING,
"OK, FOR TRAINING--"

IF YOU'RE LOOKING AT--
SOMEHOW YOU PROVIDE TRAINING

TO A SUBSET OF YOUR ORGANIZATION
THROUGH PRESENTATION SLIDES

LIKE THIS, THIS MAY NOT BE
USEFUL FOR, YOU KNOW,

TRAINING ON A SPECIFIC TASK.

SO YOU WOULD KIND OF RETEST,
MAYBE DO IT BY SURVEY

OR SOMETHING TO SEE
HOW EFFECTIVE IT WAS,

OR ASK 2 QUESTIONS FROM
THE TRAINING TO SEE IF FOLKS

REALLY GOT THE MOST IMPORTANT
ASPECTS OF THAT TRAINING.

SO THAT'S KIND OF HOW YOU TEST.
THAT'S WHAT WE'RE LOOKING FOR,

FOR YOU TO DEMONSTRATE
TO US HOW EFFECTIVENESS--

HOW EFFECTIVE, EXCUSE ME,
YOUR REQUIREMENTS ARE

FOR THE COMPLIANCE PROGRAM.

SO, AGAIN, EFFECTIVENESS.

THE STRUCTURE, THE CULTURE
OF YOUR ORGANIZATION,

THE PROCESS, AND THE OUTCOMES--
THEY ALL FLOW INTO A CYCLE.

LIKE YOUR STRUCTURE--

YOU MAY HAVE TO MAKE

SOME CHANGES TO YOUR STRUCTURE.

WELL, AGAIN, THAT WILL AFFECT
YOUR PROCESS AND YOUR POLICIES

AND PROCEDURES, AND
THAT WILL ULTIMATELY--

HOPEFULLY, IT WILL
AFFECT YOUR OUTCOMES.

AND, AGAIN, YOUR
OUTCOMES FROM THAT

WILL POSSIBLY AFFECT
YOUR STRUCTURE.

SO AS YOU CAN SEE, IT'S A
REVOLVING CYCLE, AND THIS IS

KIND OF WHAT WE'RE LOOKING
FOR YOU TO DEMONSTRATE TO US

WHEN WE COME ON-SITE.

SO SOME MAIN KEY POINTS.

BOTTOM LINE, THIS IS
A CMS-WIDE TOP PRIORITY.

I'M TRYING TO MAKE THIS VERY
LIGHT, BUT WE ARE VERY SERIOUS

ABOUT THIS EFFORT.

AGAIN, CMS WILL BE
COMMUNICATING TO THE OIG,

WHICH I'M SURE YOU'RE
FAMILIAR WITH, GAO,

AND OTHER BODIES
ABOUT THE RESULTS OF

THE COMPLIANCE PROGRAM
EFFECTIVENESS AUDITS.

AND THERE WE ARE BEING

VERY TRANSPARENT,

YOU KNOW, ON OUR WEB SITE ON
THE RESULTS FROM YOUR AUDITS.

SO, AGAIN, WHEN WE TALK
ABOUT REPUTATIONAL IMPACT

AND REGULATORY IMPACT,
DEFINITELY--THIS IS WHERE

YOUR COMPLIANCE PROGRAM NEEDS
TO KIND OF TAKE HEED TO.

AND, AGAIN, YOUR ACCOUNT
MANAGER, AS WELL AS CENTRAL

OFFICE COUNTERPARTS, WILL BE
CONDUCTING ONGOING MONITORING

AND AUDITING TO ENSURE
THAT YOU ARE IN COMPLIANCE.

HOW WELL DOES YOUR COMPLIANCE
PROGRAM DETECT ISSUES?

BECAUSE WHAT WE DO NOT WANT
IS WHAT WE'VE BEEN SEEING

IN A COUPLE INSTANCES LATELY,
IS THAT, YOU KNOW, THESE

ORGANIZATIONS WAIT TILL THE
LAST MINUTE WHERE IT AFFECTS

HUNDREDS OF THOUSANDS
OF BENEFICIARIES THAT ARE

NOT ABLE TO ACCESS THEIR MEDICAL
SERVICES OR PRESCRIPTION DRUGS.

AND WE DO NOT WANT THAT
BECAUSE THAT'S WHO

WE'RE RESPONSIBLE FOR.

AND JUST TO GIVE YOU SOME KIND
OF, LIKE, CHARACTERISTICS

OF SOME GOOD INTERNAL CONTROLS

THAT WE USE WITHIN

OUR OWN ORGANIZATION AT CMS,

BECAUSE COMPLIANCE IS REALLY
ABOUT INTERNAL CONTROLS.

SO, AGAIN, JUST ANTICIPATE
RATHER THAN REACT

TO UNFORESEEN EVENTS.

AGAIN, BE PROACTIVE
VERSUS REACTIVE.

DOCUMENT ALL PROCESSES
AND SYSTEMS IN YOUR

AREA OF RESPONSIBILITY.

AS A COMPLIANCE OFFICER,
YOU HAVE A HUGE JOB,

SO YOU NEED TO DOCUMENT.

WHEN YOU HAVE AN EMPLOYEE COME
TO YOUR OFFICE ON A COMPLIANCE

ISSUE, YOU KNOW, EVEN THOUGH
THAT'S AN ORAL STATEMENT

OR ORAL QUESTION, YOU NEED
TO DEFINITELY DOCUMENT THAT

THIS PERSON WAS IN YOUR OFFICE
ASKING ABOUT THIS,

AND THIS WAS THE FOLLOW-UP.

WE'RE LOOKING FOR, YOU KNOW,
WHEN FOLKS COME INTO

YOUR OFFICE, AS WELL AS WHEN--
DO THEY SEND YOU AN E-MAIL

OR ANY TYPE OF MECHANISM
THAT YOU HAVE FOR REPORTING,

WE'RE LOOKING FOR YOU
TO DEMONSTRATE TO US THAT

YOU HAVE THAT UNDER CONTROL.

ALSO, WE'RE LOOKING--A GOOD
KIND OF INTERNAL CONTROL

IS USE STANDARDS OF PERFORMANCE
FOR QUANTIFIABLE

AND NON-QUANTIFIABLE ACTIVITIES.

THIS IS A HUGE ONE THAT
WE'RE REALLY FOCUSING ON

FOR A COMPLIANCE PROGRAM,
AGAIN, ON RISK ASSESSMENTS.

I TALKED ABOUT SOME
ORGANIZATIONS THAT ARE--

YOU KNOW, EVERYBODY'S CALLING
IT THE EIGHTH REQUIREMENT

FOR COMPLIANCE PROGRAMS.

SO ROUTINELY IDENTIFY RISK
AND VULNERABILITIES IN YOUR

OPERATIONS, WHETHER THAT'S
THROUGH INTERNAL MONITORING,

AUDITING, OR SOME OTHER
TYPE OF MECHANISM.

PERIODICALLY TEST,
REVIEW, AND ANALYZE

YOUR POLICIES AND PROCEDURES.

WE JUST WENT TO AN
ORGANIZATION NOT TOO LONG AGO

THAT ADMITTED UPFRONT THAT
THEY HAVEN'T REVISED THEIR

POLICIES AND PROCEDURES TO
REFLECT THEIR NEW STRUCTURE,

AND THAT WAS 2 YEARS AGO.

SO WHEN YOU HAVE NEW EMPLOYEES,
THEY'RE HANDED SOMETHING

THAT'S BASED OFF OF
THEIR PREVIOUS STRUCTURE

DOESN'T WORK AND DEFINITELY IS
TOTAL OUT OF COMPLIANCE

AND IS DETRIMENTAL
TO YOUR ORGANIZATION.

SO, DEFINITELY, YOU HAVE
TO TEST THOSE Ps AND Ps

TO SEE IF THEY ACTUALLY
WORK FOR YOUR ORGANIZATION.

EXCUSE ME--AHEM.

ANOTHER ONE IS JUST TO IDENTIFY
AND CORRECT WEAKNESSES

IN A TIMELY MANNER, OR DEVISE
A REASONABLE PLAN OF ACTION.

SO DON'T WAIT TILL THE LAST
MINUTE OR WAIT TILL YOU HAVE

A HUGE PROBLEM OR A HUGE
IMPACT TO YOUR ORGANIZATION.

JUST START WITH THE LITTLE
ISSUES, AND THAT WAY YOU

PREVENT THEM FROM, YOU KNOW,
TURNING INTO THESE ROBUST

OPERATIONAL ISSUES THAT
WOULD INVOLVE CMS REGIONAL

AND CENTRAL OFFICE
COUNTERPARTS.

AND, AGAIN, JUST REPORT
YOUR VULNERABILITIES

AND MANAGEMENT ACTIONS.

MAKE SURE THAT YOU'RE TALKING.

MAKE SURE THAT IF YOU HAVE
A QUESTION ABOUT YOUR, YOU KNOW,
ORGANIZATION OR THAT YOUR--
ABOUT YOUR COMPLIANCE,
THAT YOU TALK TO
YOUR ACCOUNT MANAGER.

OR IF YOU HAVE INSTANCES OF
THAT YOU DON'T UNDERSTAND

A PARTICULAR REQUIREMENT, MAKE
SURE THAT YOU'RE COMMUNICATING.

AGAIN, WE'RE NOT FALLING
FOR THE WHOLE, YOU KNOW,

"OH, I INTERPRETED IT
THAT GUIDANCE," OR,

"I DIDN'T UNDERSTAND THAT."

WE EXPECT YOU AS OUR
CONTRACTORS TO ASK QUESTIONS

BECAUSE YOU'RE ULTIMATELY
ACCOUNTABLE.

SO, AGAIN, JUST SOME CLOSING
THOUGHTS, IS THAT INTERNAL

CONTROLS ARE EVERYONE'S
RESPONSIBILITY.

INTERNAL CONTROLS ARE VITAL
TO EFFECTIVE AND EFFICIENT

OPERATIONS, INCLUDING FINANCIAL
REPORTING AND COMPLIANCE

WITH LAWS AND REGULATIONS FOR
MEDICARE PART "C" AND PART "D,"

AND YOU ARE ACCOUNTABLE FOR THE
RESOURCES UNDER YOUR CONTROL.

SO JUST--WE ARE VERY, VERY--
I CAN'T STRESS IT ENOUGH--

VERY FOCUSED ON COMPLIANCE
PROGRAM, AS WELL AS

THE PERFORMANCE AUDITS.

SO, YOU KNOW, IF YOU
HAVE ANY QUESTIONS,

HERE'S MY CONTACT INFORMATION,
AND I'LL BE HAPPY TO ADDRESS

YOUR QUESTIONS OR FEED THEM
TO THE NECESSARY FOLKS.

THANK YOU.

[APPLAUSE]