



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

Boston & New York – Serving Our Beneficiaries Together

Verbatim Transcript
Surveillance

Michael Kavouras, J.D. and Kitichia Weekes

>> WE'RE HAPPY TO PRESENT
OUR NEXT SPEAKERS.

WE WANTED TO SPEND
A LITTLE TIME TALKING WITH YOU
ABOUT THE SURVEILLANCE PROGRAM.

AND SURVEILLANCE IS WELL-KNOWN
BY OUR NEXT SPEAKERS,

MIKE KAVOURAS AND KITICHIA
WEEKES, AND WHAT I'M GONNA DO

IS GIVE YOU THE INTRODUCTIONS
AND HAVE THEM COME RIGHT UP,

SO THANK YOU FOR
COMING RIGHT IN.

KITICHIA WEEKES
IS A NATIVE OF ST. CROIX,

WHICH IS IN THE VIRGIN
ISLANDS, AND SHE RECEIVED

HER BACHELOR OF SCIENCE DEGREE
IN HEALTHCARE MANAGEMENT

FROM FLORIDA A&M UNIVERSITY,
WHERE SHE GRADUATED

MAGNA CUM LAUDE IN DECEMBER OF
1963--1993--SHE'S NOT THAT OLD.

NOT THAT OLD, NO.
[LAUGHTER]

I THINK EVERYBODY IS
AS OLD AS I AM, BUT NO.

IN MAY, 2002, SHE RECEIVED
HER MASTER OF ARTS DEGREE

IN REHABILITATION COUNSELING

FROM THE UNIVERSITY OF MARYLAND
IN COLLEGE PARK.

SHE'S CURRENTLY EMPLOYED IN
NEW YORK AS A HEALTH INSURANCE

SPECIALIST, WHERE SHE SERVES
AS AN ACCOUNT MANAGER, AS WELL.

AT CMS, SHE'S ALSO
SERVED IN THE CAPACITY

OF SPECIAL ASSISTANT TO THE
FORMER DMHPO ASSOCIATE REGIONAL

ADMINISTRATOR AND THE CURRENT
DMHPO ARA--AND THAT WOULD BE

REGGIE, AND REGGIE WAS
AND IS SITTING RIGHT THERE.

MS. WEEKES SERVED AS THE OFFICE
OF THE LIEUTENANT GOVERNOR'S

VIRGIN ISLANDS MEDICARE
COORDINATOR/SHIP DIRECTOR

FROM APRIL 2004
TO FEBRUARY 2008.

UNDER HER DIRECTORSHIP,
THE V.I. SHIP WAS BESTOWED

SECOND PLACE IN THE NATIONAL
AND THE CLUSTER

PERFORMANCE RATING AMONG
THE 54 SHIPs FOR FY 2007.

THEY WERE ALSO SELECTED AS
ONE OF THE 13 SHIPs TO RECEIVE

A PERFORMANCE PLUS AWARD
FROM CMS IN FY 2006.

IN ADDITION, SHE'S WORKED
AS A PERINATAL CASE MANAGER

FOR THE VIRGIN ISLANDS
PERINATAL, INCORPORATED,

FROM JANUARY 2002
TO APRIL 2004, AND SHE WORKED

FOR THE OFFICE
OF THE COORDINATOR--

WORKED AS COORDINATOR FOR THE
GOVERNOR JUAN F. LUIS HOSPITAL

NURSING ADMINISTRATION
DEPARTMENT.

SHE RECEIVED--SORRY.

HER PROFESSIONAL MEMBERSHIPS
INCLUDE GOLDEN KEY

INTERNATIONAL HONOR SOCIETY AND
PHI DELTA KAPPA HONOR SOCIETY.

MIKE KAVOURAS
JOINED CMS IN 1998.

IN HIS 12 YEARS OF EXPERIENCE
WITH THE AGENCY, HE'S LED

NUMEROUS LEADERSHIP POSITIONS
IN THE MEDICARE ADVANTAGE

AND PRESCRIPTION DRUG PROGRAMS
IN BOTH CENTRAL OFFICE--

WHICH, AS YOU KNOW,
IS IN BALTIMORE--

AND IN OUR CHICAGO
REGIONAL OFFICE.

CURRENTLY, MR. KAVOURAS IS
THE NATIONAL MEDICARE ADVANTAGE

COMPLIANCE LEAD IN THE
DIVISION OF MEDICARE ADVANTAGE

OPERATIONS IN OUR CENTRAL
OFFICE IN BALTIMORE.

IN THAT ROLE, HE OVERSEES AND
COORDINATES THE IMPLEMENTATION

OF COMPLIANCE ACTIONS TAKEN
AGAINST MEDICARE ADVANTAGE

ORGANIZATIONS AND LEADS
THE CMS NATIONAL MARKETING

SURVEILLANCE ACTIVITIES.

PREVIOUSLY, MR. KAVOURAS
SERVED AS ACTING DIRECTOR

OF THE DIVISION OF MEDICARE
ADVANTAGE OPERATIONS

AND WAS THE NATIONAL
ACCOUNT MANAGEMENT LEAD

FOR THE PRESCRIPTION
BENEFIT DRUG PROGRAM.

HE HAD 5 YEARS OF EXPERIENCE
IN THE CHICAGO REGIONAL OFFICE,

INCLUDING A ROLE AS SPECIAL
ASSISTANT TO THE ASSOCIATE

REGIONAL ADMINISTRATOR
AS THE MANAGED CARE

OPERATIONS TEAM LEAD.

MR. KAVOURAS HOLDS A BACHELOR'S
DEGREE FROM THE UNIVERSITY

OF ILLINOIS AND A LAW DEGREE
FROM DePAUL UNIVERSITY,

WITH AN LLM IN HEALTH LAW.

MR. KAVOURAS IS
A LICENSED ATTORNEY

IN THE STATE OF ILLINOIS.

PLEASE WELCOME
MIKE AND KITICHIA.

[APPLAUSE]

>> WE'RE GONNA HAVE FUN HERE.

[LAUGHTER]

IN HIS FAMOUS SIXTH-CENTURY
MILITARY TREATISE "ART OF WAR,"

SUN TZU SAID, "WHAT ENABLES
THE WISE SOVEREIGN

"AND THE GOOD GENERAL TO STRIKE
AND CONQUER AND ACHIEVE THINGS

"BEYOND THE REACH OF ORDINARY
MAN IS FOREKNOWLEDGE.

"NOW, THIS FOREKNOWLEDGE CANNOT
BE ELICITED FROM SPIRITS,

"CANNOT BE OBTAINED
INDUCTIVELY FROM EXPERIENCE,

"NOR BY ANY DEDUCTIVE
CALCULATION.

"KNOWLEDGE OF THE ENEMY'S
DISPOSITION CAN ONLY

"BE OBTAINED FROM OTHER MAN.

HENCE THE USE OF SPIES."

[LAUGHTER]

NOW, I'M NOT A PHILOSOPHER HERE.
I'M DOING THE BEST I CAN.

SUN TZU'S REFERENCE TO SPIES,
YOU'RE PROBABLY ALL THINKING

THE OBVIOUS--THAT WE'RE
SOMEHOW MAKING SOME COMPARISON

TO OUR SECRET SHOPPERS.

THAT WOULD BE TOO OBVIOUS
A REFERENCE, SO RATHER, I WANT

PEOPLE TO THINK ABOUT THIS
IN THE BROADER INTERPRETATION.

THE BROADER INTERPRETATION
THAT I THINK IS MOST MEANINGFUL

HERE TODAY FOR OUR PRESENTATION
IS THAT THE TERM "SPIES"

IS ACTUALLY REPRESENTATIVE
OF THE ABILITY TO GATHER

INTELLIGENCE,
A COMMON INTERPRETATION.

HOW MANY OF YOU HERE
ARE FAMILIAR WITH SUN TZU?

HIS TEACHINGS? I KNOW HE'S
VERY COMMONPLACE IN BUSINESS.

GOOD, GOOD.

I DO THINK THAT CHAPTER 13 OF
SUN TZU'S BOOK, AND I

ENCOURAGE YOU ALL TO GET IT--
OR DOWNLOAD THE AUDIO BOOK,

WHICH IS WHAT I DID.

I DO THINK THAT THE TEACHINGS

THERE HAVE A GREAT DEAL

OF RELEVANCE TO SURVEILLANCE,
AND I THINK THAT A LOT OF

THE THINGS THAT KITICHIA AND I
WILL BE SPEAKING ABOUT TODAY

DO USE A LOT OF
THOSE PHILOSOPHIES.

OUR PRESENTATION TODAY
IS GOING TO COVER NOT ONLY

CMS's STRATEGIES IN USING
INTELLIGENCE THROUGH OUR

INFORMATION GATHERING, THROUGH
OUR SURVEILLANCE INITIATIVE,

BUT WE'RE ALSO GONNA CHALLENGE
YOU AND PROVIDE YOU

SOME INFORMATION THAT YOU
CAN USE TO STRENGTHEN YOUR OWN

INTERNAL SURVEILLANCE
AND OVERSIGHT STRATEGIES.

IT'S ONLY WHEN ARMED
WITH AMPLE INFORMATION

AND THE ABILITY TO RECOGNIZE
YOUR OWN INTERNAL

VULNERABILITIES THAT
YOU CAN TRULY ASSESS

YOUR ORGANIZATION'S PERFORMANCE
AND YOUR ABILITY TO FOSTER

SOME IMPROVEMENTS IN TERMS OF
YOUR COMPLIANCE PLANS.

WE WANT TO ENSURE THAT YOU'RE
ABLE TO, AS YOU CAN SEE

ON THE NEXT SLIDE, PREVENT
PROBLEMS, DETECT, AND RESPOND

TO THEM QUICKLY WHEN THEY OCCUR.

I WANT TO STAY ON THIS SLIDE
FOR JUST A FEW MINUTES AND STAY

FOCUSED ON THOSE 3 THEMES--
DETECT, PREVENT, AND RESPOND--

AND I WANT TO START
WITH DETECTION.

FIRST, I STRONGLY ENCOURAGE
ALL OF YOU TO INSTITUTE

YOUR OWN INTERNAL SURVEILLANCE
STRATEGIES AND YOUR OWN

SURVEILLANCE RISK ASSESSMENTS.

WHAT I MEAN BY THIS
IS TAKING A LOOK FIRST

AT VULNERABILITIES
WITHIN YOUR ORGANIZATION.

AND FOR THOSE OF YOU THAT WERE
HERE YESTERDAY--AND I THINK

MANY OF YOU WERE, LOOKING
AROUND THE ROOM--

YOU RECALL CYNTHIA
TUDOR'S DICTUM.

SHE TALKED TO ALL OF YOU
ABOUT THE FACT THAT

YOU HAVE THIS INFORMATION.

YOU'RE ALL ARMED WITH
THE INFORMATION THAT YOU NEED

TO MAKE THESE ASSESSMENTS
IN TERMS OF WHAT

YOUR VULNERABILITIES ARE.

FOR EXAMPLE, YOU KNOW YOUR
PERFORMANCE IN SECRET SHOPPING.

WHEN WE PROVIDED ACCESS
TO THE SURVEILLANCE CONSOLE,

WE GAVE YOU REAL-TIME
ACCESS TO INFORMATION

ABOUT YOUR PERFORMANCE.

YOU HAVE ACCESS TO YOUR
PERFORMANCE COMPLAINT RATES

IN THE CTM AROUND MARKETING
MISREPRESENTATION--NOT ONLY

MARKETING MISREPRESENTATION,
BUT ANY COMPLIANT RATES,

FOR THAT MATTER--AND ANY OTHER
INDICATORS THAT YOU HAVE

AVAILABLE TO YOU,
PERHAPS YOUR OWN INTERNAL

SURVEILLANCE STRATEGIES.

SO THIS INFORMATION THAT CYNTHIA
REALLY HIGHLIGHTED YESTERDAY

I THOUGHT VERY STRONGLY--
IT'S INFORMATION

THAT YOU DO HAVE
AVAILABLE TO YOU.

YOU GOT TO PUT THOSE PIECES
TOGETHER AND ENSURE THAT

YOU CAN IDENTIFY
THOSE VULNERABILITIES.

THERE'S OTHER THINGS
YOU CAN TAKE A LOOK AT.

YOU REALLY HAVE TO UNDERSTAND
WHAT YOUR MARKETING APPROACH IS:

YOUR MARKETING STRATEGIES AND
YOUR MARKETING VULNERABILITIES.

FOR EXAMPLE, ARE YOU

USING EMPLOYED VERSUS

CONTRACTED AGENTS?

WHAT ARE THOSE AGENTS
AND BROKERS DOING?

HOW ARE THEY PERFORMING?

ARE YOU TRACKING
THEIR LICENSING?

ARE YOU ENSURING
THAT THEY'RE TESTED?

DO YOU HAVE AGENTS
OR SALES REPRESENTATIVES

THAT ACTUALLY HAVE PERFORMANCE
PROBLEMS AND ARE YOU

TAKING ACTION AGAINST THEM?

TAKE A LOOK AT THE PRODUCTS
YOU'RE OFFERING

IN THE MARKETPLACE.

ARE YOU OFFERING MULTIPLE
PRODUCTS IN A PARTICULAR MARKET?

THIS, ACTUALLY, WE'VE SEEN
HAS THE POTENTIAL

FOR BEING VERY CONFUSING.

I THINK THE SHIP COUNSELOR
THAT WAS HERE EARLIER REALLY

HIGHLIGHTED THAT, THAT IT'S A
DIFFICULT PROGRAM TO UNDERSTAND.

AND IF YOU'RE OFFERING
MULTIPLE PRODUCTS, THIS CAN BE

AN AREA WHERE IT'S DIFFICULT
FOR THE AGENTS TO EXPRESS

VERY CLEARLY THE DIFFERENCES
IN THESE PRODUCTS IN AN AREA

WHERE BENEFICIARIES
CAN BE EASILY CONFUSED.

SO WE DO ENCOURAGE YOU
TO PLACE A CLOSER EYE

IN THIS PARTICULAR AREA.

THE LAST EXAMPLE THAT I OFFER
IS NON-RENEWAL ACTIVITY,

AND WE PLACED A PREMIUM
ON THIS THIS LAST YEAR.

WE'RE GONNA CONTINUE TO PLACE
EMPHASIS ON NON-RENEWALS.

WE HAD A LOT OF
NON-RENEWAL ACTIVITY IN 2009.

WE EXPECT TO SEE CONTINUED
NON-RENEWAL ACTIVITY IN THIS

UPCOMING YEAR, SO YOU SHOULD
CONSIDER ENHANCING,

TO THE EXTENT YOU'RE IN THOSE
MARKETS, YOUR OWN INTERNAL

SURVEILLANCE STRATEGIES,
YOUR OWN SECRET SHOPPING

IN THOSE MARKETS,
TO ENSURE THAT BENEFICIARIES

ARE RECEIVING GOOD
INFORMATION THERE.

OK, PREVENTION IS THE NEXT
THEME, AND PREVENTION

ON YOUR SIDE WOULD MOST
CERTAINLY EMBODY A ROBUST

SURVEILLANCE STRATEGY
OF YOUR OWN.

LAST YEAR, GLORIA PARKER,
THE ASSOCIATE REGIONAL

ADMINISTRATOR FROM ATLANTA
WHO TYPICALLY COMES AND SPEAKS

WITH ME DURING THESE
PRESENTATIONS, WE DID SPEND

A GREAT DEAL OF TIME
DURING OUR--WE CALL

"THE TOUR OF THE COUNTRY"--
TALKING ABOUT SURVEILLANCE,

ENCOURAGING PLANS TO CREATE
STRATEGIES THAT REALLY ENSURE

THAT STAFF--ANY STAFF
THAT HAD THE POTENTIAL

TO ENCOUNTER A BENEFICIARY--

WE'RE TALKING ABOUT WHETHER
THAT'S THE CUSTOMER SERVICE REPS

AT YOUR CALL CENTERS, TO THE
AGENTS THAT ARE ON THE GROUND.

MAKE SURE THAT ALL YOUR STAFF
THROUGHOUT THE ORGANIZATION

ARE WELL-TRAINED AND THAT
THEY UNDERSTAND

THE MARKETING GUIDELINES.

IT'S REALLY CRITICAL.

AND MAKE SURE THAT YOUR PLAN
HAS BUY-IN FROM SENIOR LEADERS

TO REINFORCE THE PHILOSOPHY
THAT COMPLIANCE IS EVERYONE'S

RESPONSIBILITY, AND I CANNOT
UNDERSCORE THAT ENOUGH.

THE ORGANIZATIONS THAT WE FEEL
PERFORM THE BEST ARE THE ONES

WHERE THAT MESSAGING IS

COMING FROM THE VERY TOP

OF THE ORGANIZATION, THROUGH
THE COMPLIANCE OFFICERS,

ALL THE WAY DOWN
TO THE SALES FORCE.

THE ORGANIZATIONS THAT
TRULY UNDERSCORE A CULTURE

OF COMPLIANCE ARE THE ONES
THAT DO THE BEST,

AND WE'VE SEEN THAT
TIME AND TIME AGAIN.

IN TERMS OF PREVENTION,
WE'VE SEEN ORGANIZATIONS

VERY SUCCESSFULLY USE SOME OF
THE TOOLS THAT WE PUT OUT THERE.

THE CMS SECRET SHOPPING
TOOL, FOR EXAMPLE,

IS AVAILABLE TO YOU.

WE'VE HEARD BACK FROM MANY OF
YOU THAT, ONE, YOU APPRECIATE

HAVING THE TOOL, BUT THEY
USE IT IN A VARIETY OF WAYS.

ONE, SOME OF YOU FORMULATE--
USE THE TOOL TO FORMULATE

YOUR OWN INTERNAL STRATEGY
FOR TRAINING YOUR AGENTS;

TWO, FOR DEVELOPING YOUR
PRESENTATION MATERIALS;

AND, THREE, FOR
SECRET-SHOPPING YOUR OWN AGENTS.

WE AT CMS VIEW THE USE OF
THAT TOOL AS A BEST PRACTICE.

IT'S WHY WE PUT IT OUT THERE.

WE ENCOURAGE ALL
OF YOU TO USE IT

IN THAT VARIETY
OF DIFFERENT WAYS.

FINALLY, UNDER PREVENTION,
WE WANT TO ENSURE THAT

YOU HAVE STRONG INTERNAL
CONTROLS IN PLACE AT THE ONSET.

AND IN A LITTLE WHILE,
KITICHIA IS GONNA SHOW YOU

SOME STATISTICS THAT ACTUALLY
DEMONSTRATE THAT ORGANIZATIONS

THAT DIDN'T DO WELL EARLY
AND WERE ABLE TO IMPLEMENT

SOME CHANGES IN TERMS OF THEIR
STRATEGIES DID BETTER AFTER

THEY RECEIVED A COMPLIANCE
NOTIFICATION FROM CMS.

SO WHILE WE APPRECIATE THE
EFFORTS THAT WENT INTO ACTUALLY

ADJUSTING QUICKLY, WE WANT
TO ENSURE THAT YOU'RE NOT JUST

FOCUSED ON DEALING WITH ISSUES
WHEN THEY COME UP, BUT DEALING

WITH ISSUES MORE PROACTIVELY
AND ADDRESSING THOSE

BEFORE THE PROBLEMS OCCUR.

I THINK THAT'S A STANCE
WE ALL WANT TO BE IN.

YOU ALL DON'T WANT TO RECEIVE
COMPLIANCE NOTICES FROM CMS,

AND WE DON'T WANT TO--DESPITE,
I THINK, PEOPLE'S PRESUMPTION

ON THIS, WE DON'T WANT TO ISSUE
THE COMPLIANCE LETTERS.

IT'S NOT A HAPPY DAY FOR ANYBODY
WHEN WE HAVE TO DO THAT.

SO BE PROACTIVE SO THAT YOU'RE
PREPARED TO ACTUALLY HAVE

THESE STRATEGIES IN PLACE BEFORE
THE MARKETING SEASON STARTS,

BEFORE YOU'RE OUT THERE
AGGRESSIVELY MARKETING.

FINALLY, THE LAST
THEME IS RESPONSE.

AND WE'D LIKE TO EXPECT
PERFECTION, I KNOW ALL OF YOU

WOULD LIKE TO HAVE PERFECTION,
BUT WE KNOW THAT'S NOT

A REALISTIC EXPECTATION.

YOU NEED TO BE ABLE
TO RESPOND RAPIDLY

WHEN THESE INFRACTIONS
DO OCCUR, OK?

WE DON'T WANT TO SEE THEM OCCUR,
BUT WHEN THEY DO, YOU NEED TO

RESPOND RAPIDLY, AND BASE
YOUR RESPONSE ON THE SEVERITY

AND THE RECURRENCE
OF THE PROBLEM.

WE WERE PLEASED, IN TERMS OF
RESPONSE, TO SEE THAT

DESPITE THE FACT--AND I KNOW
THIS IS NOT POPULAR: THE 3-DAY

TURNAROUND TIME FOR RESPONDING
TO SECRET-SHOPPING VIOLATIONS--

AND THIS IS AN AREA--KITICHIA'S
HEARD IT, I'VE HEARD IT,

WE'VE ALL HEARD IT: 3 DAYS
IS NOT ENOUGH--I'LL TELL YOU,

NEARLY 100% COMPLIANCE
IN THIS AREA.

SO WHATEVER IT IS THAT YOU'RE
ALL CONCERNED ABOUT,

FOR SOME REASON, YOU'RE
ALL STILL SUCCESSFULLY ABLE

TO MEET THIS 3-DAY TIMELINE.

AND WE APPRECIATE THE FACT THAT
YOU'RE TAKING THESE ALLEGATIONS

SERIOUSLY, YOU'RE
INVESTIGATING THEM QUICKLY,

AND YOU'RE RESPONDING BACK
TO CMS IN A TIMELY WAY,

AND THAT'S A GOOD THING.

THE OTHER THING WE'RE VERY
PLEASED TO SEE IS ORGANIZATIONS

BEING RESPONSIVE TO NIP PROBLEMS
IN THE BUD VERY QUICKLY.

IT WAS SATISFYING FOR US
TO TREND ORGANIZATIONS'

PERFORMANCE, THOSE THAT
HAD SOME VIOLATIONS EARLY

AND WERE ABLE TO GET OUT THERE,
AND WE INCREASED OUR SHOPPING

WHEN PLANS HAD PROBLEMS.

AND SOME ORGANIZATIONS
ACTUALLY HAD

CLEAN BILLS OF HEALTH

IN SUBSEQUENT MONTHS.

THAT, FOR US,
WAS A GOOD-NEWS STORY.

WE WANT TO SEE MORE OF THAT.

I WANT TO SPEND SOME TIME
BRIEFLY DISCUSSING CMS's

2010 ACTIVITIES, AND I'M NOT
GONNA SPEND A LOT OF TIME HERE.

THESE ARE ACTIVITIES
THAT WE'VE PUBLISHED.

THESE ARE ACTIVITIES THAT YOU'RE
VERY FAMILIAR WITH THROUGH

OUR COMMUNICATION TO YOU OF
RESULTS THROUGH THE SURVEILLANCE

CONSOLE, BUT WE'LL SPEND
A COUPLE OF MINUTES HERE.

FIRST IS WHAT WE CALL THE
"FLAGSHIP"--SECRET SHOPPING, OK?

AND THE MAJORITY OF OUR SHOPS
THIS YEAR WERE FOCUSED ON

SHOPPING PUBLIC SALES EVENTS.

WE STARTED SECRET SHOPPING
IN 2007, AS DAYLE MENTIONED

EARLIER, FOR PRIVATE
FEE-FOR-SERVICE VIOLATIONS.

WE QUICKLY EXPANDED THAT IN 2008
WHEN THERE WERE ALLEGATIONS

OF ROGUE AGENTS OUT THERE
IN ALL PRODUCT TYPES.

AND LAST YEAR, WE EXPANDED
TO COVER NON-RENEWAL ACTIVITIES,

WAS A PRIMARY FOCUS.

CMS CONDUCTED OVER 1,300
PUBLIC SALES EVENT SHOPS

THIS YEAR ENCOMPASSING
OVER 150 ORGANIZATIONS.

THE ORGANIZATIONS THAT
WE DIDN'T SHOP WERE

THE ORGANIZATIONS THAT DIDN'T
MARKET, OBVIOUSLY.

WHAT YOU MAY NOT KNOW IS THAT
WE HAVE A RIGOROUS TRAINING

PROGRAM FOR OUR SHOPPERS.

AND I KNOW JUST BEFORE THE
CONFERENCE DAY STARTED TODAY,

I HAD A COMPLIANCE OFFICER
COME UP TO ME AND ASK ABOUT

WHETHER WE DO ENTER
RATE OF RELIABILITY.

YES, WE DO.

WE HOPE THAT WE DON'T HAVE
MULTIPLE SHOPPERS

AT THE SAME EVENT.

THIS HAPPENS FROM TIME TO TIME.

IT'S NOT INTENTIONAL, BUT
THE RESULTS SHOULD BE THE SAME

IN THEORY, AND WHERE
WE SEE THAT ISN'T THE CASE,

WE DO TRY TO CREATE
CHANGES TO OUR PROCESS,

MODIFY OUR TOOLS,
DO ADDITIONAL TRAININGS.

BUT IT IS REALLY IMPORTANT
TO US THAT OUR SHOPPERS

DO A GOOD JOB IN THIS AREA.

WHAT I THINK YOU WILL
APPRECIATE IS THE FACT THAT

WHERE A SHOPPER MAY NOT HAVE
DONE A VERY GOOD JOB

IN TERMS OF DETAILING
THE OBSERVATION ACCURATELY,

WE'VE BEEN RESPONSIVE
IN TERMS OF INVALIDATING

THOSE DEFICIENCIES, AND
THAT'S BEEN A MAJOR CHANGE

TO OUR PROCESSES THIS YEAR.

OK, A NEW AREA WE PILOTED
THIS YEAR WAS SECRET-SHOPPING

STAGED EVENTS,
OR ONE-ON-ONE APPOINTMENTS.

WHEN I TALK ABOUT STAGED
EVENTS, I'M TALKING ABOUT US

SETTING UP SECRET-SHOPPING
INTERACTIONS WITH AN AGENT

IN A MORE INTIMATE SETTING,
A ONE-ON-ONE SETTING.

TYPICALLY, THESE ARE DONE
IN A COMMUNITY SETTING:

A LIBRARY, A COFFEE SHOP.

YOU KNOW, WE'RE STILL
LOOKING AT WAYS TO ENSURE THAT

OUR SHOPPERS MAINTAIN THEIR
ANONYMITY, AND THAT'S BEEN

THE CHALLENGE IN THIS ACTIVITY.

SO WE HANDLE THIS AS A PILOT.
WE'RE STILL TESTING

AND MODIFYING THIS TO FIGURE OUT
THE BEST WAY TO DO IT,

AS WELL AS MINIMIZE
THE BURDEN ON THE AGENTS.

BECAUSE WE DO APPRECIATE THE
DIFFERENCE IN THIS PARTICULAR

SURVEILLANCE ACTIVITY, IS
UNLIKE PUBLIC SALES EVENTS

WHICH ARE SCHEDULED ANYWAY,
THE AGENT HAS THE POTENTIAL

TO STILL MAKE THAT SALE.

THAT WE ARE, IN ESSENCE,
IMPACTING THE AGENT'S

LIVELIHOOD, IN A SENSE,
THAT WE'RE NOW TAKING TIME

AWAY FROM A POTENTIAL SALE.

THEY HAVE NO POTENTIAL
FOR ACTUALLY ENROLLING

A BENEFICIARY WHEN WE'RE
DOING THAT ONE-ON-ONE EVENT.

BUT AS YOU HEARD FROM THE
PRESENTATION EARLIER TODAY,

THIS IS AN AREA
THAT IS OF GREAT RISK.

THE PUBLIC SALES EVENTS
HAVE BEEN IMPROVING IN TIME,

AND KITICHIA'S GONNA TALK ABOUT
THAT, AND WE THINK THE AREA

WE REALLY NEED TO HONE IN ON

IS THESE ONE-ON-ONE
STAGED APPOINTMENTS.

WE ENCOURAGE YOU ALL TO BE
SPENDING TIME FOCUSED ON THIS.

WE WILL BE CONDUCTING MORE
STAGED EVENTS THIS YEAR.

IT WILL NOT BE A PILOT.
THIS WILL GO LIVE FOR REAL

WITH COMPLIANCE ACTIONS
WHEN VIOLATIONS DO OCCUR.

SPECIAL FOCUS
ON NON-RENEWALS THIS YEAR.

AS I MENTIONED EARLIER, WE HAD
A LOT OF ORGANIZATIONS

THAT NON-RENEWED IN 2009.

WE INCREASED OUR SURVEILLANCE
ACTIVITIES TO REALLY

LOOK AT NON-RENEWAL AREAS.

SO WE FOCUSED ON 55 COUNTIES
ACROSS THE COUNTRY THAT WERE

THE MOST HIGHLY HIT BY
NON-RENEWAL ACTIVITIES,

AND WE WERE LOOKING PRIMARILY
TO ENSURE THAT THERE WERE NOT

PRESSURE OR SCARE TACTICS
THAT WERE USED TO LURE

AFFECTED BENEFICIARIES
INTO THE REMAINING PLANS

IN THOSE AREAS.

IT'S VERY POSSIBLE THAT WE'RE
GONNA SEE ANOTHER ACTIVE

NON-RENEWAL SEASON
IN CONTRACT YEAR 2011.

IF THAT HAPPENS, WE WILL AGAIN
DISPROPORTIONATELY SAMPLE

THOSE PARTICULAR MARKETS,

SO BE ON THE LOOKOUT FOR THAT.

OK, MARKETING WEB SITE REVIEW
WAS ANOTHER AREA WE

TOOK A LOOK AT THIS YEAR,
AND HERE IT WAS--

THERE WAS A NARROW FOCUS.

IT WASN'T A COMPLETE
COMPREHENSIVE REVIEW

OF YOUR WEB SITES.

RATHER, WE WERE TAKING A LOOK
TO ENSURE THAT CERTAIN REQUIRED

LINKS--FOR EXAMPLE, YOUR SUMMARY
OF BENEFITS IS ONE EXAMPLE.

THERE'S A LONG LIST OF THINGS
WE WERE LOOKING AT THAT

ARE REQUIRED FOR THE MEDICARE
MARKETING GUIDELINES

TO BE ON YOUR WEB SITES.

WE WANTED TO MAKE SURE THAT
THOSE LINKS WERE AVAILABLE

AND THAT THEY WERE ACCESSIBLE
TO BENEFICIARIES, AND WE DID

TAKE COMPLIANCE ACTIONS
AGAINST ORGANIZATIONS

THAT WERE NONCOMPLIANT.

IN THIS PARTICULAR AREA,
I WANT TO EMPHASIZE--AND I

DON'T KNOW IF WE HAVE ANY OF
THE ORGANIZATIONS IN THIS ROOM

THAT FALL IN THIS BUCKET--
BUT OUR DISAPPOINTMENT ON THIS

WAS THIS IS AN AREA WE SEE

IS A SLAM DUNK: THIS IS EASY.

AND WE WENT OUT IN SEPTEMBER,
WE LOOKED, AND WE NOTIFIED

ORGANIZATIONS OF DEFICIENCIES.

WE WENT OUT AGAIN IN FEBRUARY,
AND SOME ORGANIZATIONS HAD

THE SAME VIOLATIONS AGAIN
5, 6 MONTHS DOWN THE LINE,

AND THAT'S JUST NOT ACCEPTABLE.

THIS AGAIN GOES BACK TO WHAT
DANIELLE AND CYNTHIA TALKED

ABOUT YESTERDAY, IS HAVING
THAT INFORMATION

RIGHT IN FRONT OF YOU--
RECEIVING A COMPLIANCE NOTICE

BUT BEING NONRESPONSIVE TO THAT.

AND SO ORGANIZATIONS THAT HAD
THE SAME DEFICIENCIES,

WE DID RATCHET UP
THE COMPLIANCE ACTION ON THAT.

WHILE SOME MAY SEE THAT
AS NOT A VERY IMPORTANT THING,

TO HAVE YOUR LINKS
UP THERE LIVE,

WE ACTUALLY DO
SEE THAT AS IMPORTANT.

IF BENEFICIARIES CANNOT ACCESS
YOUR CUSTOMER SERVICE LINES

DURING OFF-HOURS AND THEY NEED
TO FIND OUT WHETHER A SERVICE

IS COVERED, THEY VERY MAY WELL
GO ON YOUR SUMMARY OF BENEFITS.

THEY MAY ACCESS YOUR EOC ONLINE
TO GET THAT INFORMATION,

AND IF IT'S NOT AVAILABLE
TO THEM, THAT DOES AFFECT

THEIR ABILITY
TO FIND OUT INFORMATION

THAT IS IMPORTANT TO THEM.

SO THESE LINKS ARE IMPORTANT.
WE EXPECT YOU TO TAKE ACTION

TO ENSURE THAT YOUR WEB SITES
DO COMPLY WITH THE MEDICARE

MARKETING GUIDELINES.

AHEM. CLIPPING SERVICE
WAS ANOTHER AREA WE--

ANOTHER CONTRACTOR WE USED.

THE CLIPPING SERVICE,
IN ESSENCE, HAD 2 FUNCTIONS.

ONE, WE LOOKED AT MARKETING
OF ADS THAT WERE OUT,

PUBLISHED IN THE MARKETPLACE.

WE UNDERSTAND THAT YOU DO SUBMIT
YOUR MARKETING MATERIALS

FOR REVIEW, OK,
BUT WE NEED TO ENSURE

THAT THE MARKETING
MATERIALS THAT OUR THERE,

THAT ARE BEING PUBLISHED,
ACTUALLY COMPLY.

WE PARTICULARLY FOCUSED,
AGAIN, ON NON-RENEWAL AREAS.

WE WANTED TO MAKE SURE
THE MARKETING MATERIAL THAT WAS

OUT THERE CONTAINED ACCURATE
AND DID NOT CONTAIN MISLEADING

INFORMATION OR ANY KIND OF
PRESSURE OR SCARE TACTICS.

WE'RE GLAD TO REPORT THAT
AS IT RELATES TO CONTENT,

THIS WAS A 100% INDUSTRY-WIDE
FULLY COMPLIANT AREA.

WE DID NOT FIND A SINGLE
VIOLATION OF ALL

THE ADVERTISEMENTS THAT
WE CLIPPED, WHICH ENCOMPASSED

THOUSANDS OF ADVERTISEMENTS.

THE SECOND ASPECT OF CLIPPING
WAS TO ENSURE THAT PLANS

WERE REPORTING MARKETING EVENTS
THROUGH HPMS TO CMS,

AND WE DID HAVE
VIOLATIONS IN THIS AREA.

I WILL HIGHLIGHT, IN TERMS OF
COMPLIANCE ACTION, WHILE

YOU ARE REQUIRED TO HAVE
A 100% COMPLIANCE RATE

WITH REPORTING MARKETING
EVENTS, WE UNDERSTAND.

AGAIN, WE'RE TRYING TO BE
REALISTIC HERE, SO WE DID NOT

ISSUE COMPLIANCE LETTERS
IF ORGANIZATIONS MET A CERTAIN

THRESHOLD--I BELIEVE THIS YEAR
IT WAS 95% OF SUBMITTED EVENTS.

WE'RE NOT SAYING THAT
THAT'S A RULE, THAT YOU

HAVE TO SUBMIT 95%, BUT WE DID
HAVE A LITTLE CUSHION HERE.

THERE ARE SOME ORGANIZATIONS
THAT ARE SUBMITTING

TENS OF THOUSANDS OF EVENTS
IN HPMS--THOUSANDS OF EVENTS.

I THINK TENS OF THOUSANDS IS A
LITTLE BIT HIGH, BUT THOUSANDS

OF EVENTS IN HPMS,
AND WE UNDERSTAND THAT

ADMINISTRATIVELY THERE'S GOING
TO BE SOME SNAFUS AND SOMETIMES

THINGS WILL NOT GET
SUBMITTED APPROPRIATELY.

BUT EVEN WITH THAT CUSHION,
BEING CONSERVATIVE HERE,

WE DID HAVE ORGANIZATIONS
THAT WERE NOT

UPLOADING EVENTS AND NOT
MEETING THAT THRESHOLD.

AND, AGAIN, WE DID
THIS ONCE IN THE AEP.

WE LOOKED AGAIN IN THE OEP,
AND, SIMILARLY, SOME OF

THE SAME ORGANIZATIONS THAT
WERE NONCOMPLIANT ONCE WERE

NONCOMPLIANT AGAIN.

THIS IS AN AREA WHERE
THE PIECES OF THE PUZZLE

ARE, AGAIN, IN FRONT OF YOU.

WE DO WANT YOU TO BE RESPONSIVE
AND CORRECT THOSE DEFICIENCIES.

AND FINALLY, THE CALL CENTER

PERFORMANCE WAS THE LAST

SURVEILLANCE ACTIVITY
FOR 2010, CONTRACT YEAR 2010.

I WANT TO HIGHLIGHT
HERE THIS IS A VERY

NARROWLY FOCUSED ACTIVITY.

THE ONLY ASPECT OF CALL CENTER
MONITORING WE DID AS PART OF

SURVEILLANCE RELATES
TO CALLING NON-RENEWING

ORGANIZATION CALL CENTERS.

SO IF YOU DIDN'T HAVE ANY
NON-RENEWING PLANS, YOU WEREN'T

PART OF THIS STUDY AT ALL.

AND THE GOAL HERE WAS
TO CALL CUSTOMER SERVICE REPS

AND ENSURE THAT THEY WERE
PROVIDING ACCURATE RESPONSES

TO POTENTIAL QUESTIONS SO THAT
BENEFICIARIES WOULD

BETTER UNDERSTAND THEIR
OPTIONS AND THE DEADLINES

AS IT RELATED TO
NON-RENEWAL ACTIVITY.

A VERY COMMON QUESTION WE GET
IS THE CALL CENTER STUDY

THAT HAPPENS WITH
THE FOREIGN LANGUAGE OR THE TTY.

THAT'S A COMPLETELY DIFFERENT
STUDY THAT'S MANAGED

OUT OF OUR MEDICARE
DRUG BENEFIT GROUP--

HEALTH AND DRUG PLAN
BENEFIT GROUP.

IT IS UNRELATED
TO THIS PARTICULAR

SURVEILLANCE INITIATIVE.

SO IF YOU HAVE QUESTIONS ABOUT
THAT PARTICULAR ONE, TALK TO ME

LATER, AND I WILL GIVE YOU
THE CONTACT PERSON WHO IS

THE PROJECT OFFICE LEAD FOR
THAT PARTICULAR ACTIVITY.

ALL RIGHT, I'M GONNA CLOSE
MY PORTION OF THE PRESENTATION

TALKING ABOUT SURVEILLANCE
PHILOSOPHIES, AND THIS IS

A SLIDE I'M VERY
PROUD TO TALK ABOUT.

ACTUALLY, I REALLY
ENJOY THIS PART BECAUSE

IT'S BASED ON YOUR FEEDBACK.

IT'S BASED ON CHANGES THAT
WE'VE IMPLEMENTED HEARING

FROM THE INDUSTRY ABOUT THE WAY
WE NEED TO IMPROVE SURVEILLANCE

FROM YEAR TO YEAR.

FIRST, REAL-TIME OBSERVATION
AND RESPONSES.

AS YOU ALL KNOW, AND IT WAS
A VERY POPULAR CHANGE,

WE ROLLED OUT OUR SURVEILLANCE
CONSOLE: AN ONLINE SYSTEM,

CENTRALIZED SYSTEM WHERE WE
INPUT RESULTS, DEFICIENCIES,

AND COMMUNICATE THEM IN AN
AUTOMATED FASHION TO YOU ALL.

YOU CAN GO INTO THE CONSOLE,
INVESTIGATE, AND PROVIDE

YOUR RESPONSES BACK TO CMS.

OUR COMPLIANCE LETTERS
ARE ALL SENT OUT

THROUGH THE COMPLIANCE LETTER.

EVERYTHING IS MAINTAINED
IN A CENTRALIZED WAY,

SO WE'RE VERY HAPPY ABOUT THAT.

WE RECEIVED VERY GOOD FEEDBACK
ABOUT THE USE OF THE CONSOLE,

AND I'M PLEASED TO REPORT
THAT WE WILL CONTINUE TO USE

THE CONSOLE IN THE COMING YEARS.

LET ME TALK BRIEFLY ABOUT
OUR RISK ASSESSMENT STRATEGY.

WE DON'T TREAT
ALL PLANS THE SAME

AS IT RELATES TO
ALLOCATION OF SHOPS.

WHEN WE START THE ANNUAL
ELECTION PERIOD, WE HAVE

A RISK-BASED APPROACH WHERE
WE ANALYZE YOUR PERFORMANCE

BASED ON A NUMBER OF CRITERIA,
WHETHER IT'S PRIOR-YEAR

SURVEILLANCE RESULTS,
WHETHER IT'S CTM MARKETING

MSRP COMPLAINTS, WHETHER
YOU'RE A BIG PLAN, A NEW PLAN,

ANY OTHER MARKETING
DEFICIENCIES THAT WE'VE SEEN.

THOSE ELEMENTS ALL GO INTO
DETERMINING A RISK SCORE

FOR YOU--LOW RISK,
MEDIUM RISK, OR HIGH RISK--

AND OBVIOUSLY THE HIGH-RISK
PLANS ARE GONNA RECEIVE

MORE SHOPS THAN MEDIUM,
AND MORE THAN THE LOW.

THAT IS STRICTLY TO DETERMINE
THE ALLOCATION AT THE START

OF OUR MARKETING SURVEILLANCE
SEASON, AND WE QUICKLY SHIFT

TO A PERFORMANCE-BASED MODEL.

SO ORGANIZATIONS THAT START OFF
AS A LOW-RISK ORGANIZATION,

AND IF THERE ARE A LOT OF
VIOLATIONS FOR THAT LOW-RISK

PLAN, I PROMISE YOU WE INCREASED
OUR ALLOCATION OF SHOPS

FOR THAT ORGANIZATION.

SO WE TRY TO TAKE
A VERY FAIR APPROACH.

IF YOU'RE A COMPLIANT
ORGANIZATION, IT SHOULDN'T

MATTER THAT WE DID 2 SHOPS
OR 10 SHOPS OR 20 OR 30,

YOU WOULD BE COMPLIANT.

BUT AT THE SAME TIME,
WE WANTED TO MAKE SURE WE WERE

ALLOCATING OUR

RESOURCES EFFECTIVELY.

SO ORGANIZATIONS WITH SCORES
AND PERFORMANCE DID GO INTO

THE EQUATION IN TERMS OF HOW WE
WERE GONNA ALLOCATE OUR SHOPS.

IF YOU WANT TO KNOW IF
YOU'RE A LOW-, MEDIUM-,

OR HIGH-RISK PLAN, THEN,

ONE, IT SHOULDN'T BE A SECRET
BECAUSE, AGAIN, WE BASED IT

ON RESULTS AND DATA
THAT IS AVAILABLE TO YOU.

BUT IF YOU STILL ARE CURIOUS
AND WANT TO KNOW WHERE

YOU FALL OUT ON THAT, I'D BE
GLAD TO SHARE THAT WITH YOU.

THIS IS NOT SOMETHING THAT
WE TRY TO KEEP A SECRET.

WE ARE IN THE PROCESS
RIGHT NOW OF ASSESSING

RISK PERFORMANCE FOR
THE UPCOMING YEAR, SO IN ABOUT

THE NEXT WEEK OR TWO,
WE WILL HAVE THAT COMPLETED.

AND THEN I WANT TO CONCLUDE
WITH MY FAVORITE TOPIC,

COMPLIANCE ACTION.

I WANT TO TALK ABOUT--SORT OF
PEEL BACK THE CURTAIN

A LITTLE BIT AND TALK ABOUT
WHAT HAPPENS BEHIND THE SCENES

SO YOU UNDERSTAND OUR
PROCESSES A LITTLE BIT BETTER.

WE HAVE AN INTENSIVE,
MULTILAYERED APPROACH

FOR VALIDATING DEFICIENCIES
PRIOR TO TAKING

ANY COMPLIANCE ACTIONS.

SO I THINK THE CONCERN IN YEARS
PAST WAS A VIOLATION

COMES IN, WE'D ISSUE
A COMPLIANCE LETTER,

AND THERE WASN'T A GREAT DEAL
OF VALIDATION GOING ON

AROUND THOSE DEFICIENCIES,
THAT WE TRUSTED TOO MUCH

IN THE OBSERVATIONS
OF THE SHOPPERS,

AND THAT WAS A FAIR CRITICISM.

SO WE CHANGED THE PROCESS,
AND NOW WE HAVE 4 LAYERS,

INDEPENDENT LAYERS OF QUALITY
REVIEW FOR EVERY VIOLATION

THAT COMES IN, THE LITERALLY
THOUSANDS AND THOUSANDS

OF VIOLATIONS THAT WERE VIEWED.

KITICHIA'S ACTUALLY ON THE TEAM
THAT HELPS IN THAT PROCESS.

IT'S AN IMPRESSIVE WORKLOAD,
THEY TAKE IT VERY SERIOUSLY,

BUT I THINK IT'S FOSTERED
AN ENVIRONMENT WHERE OUR

COMPLIANCE ACTIONS IN THE
SURVEILLANCE ARENA WE FEEL

ARE EXTREMELY

EQUITABLE THIS YEAR.

SO LET ME TALK ABOUT
THOSE 4 LAYERS REAL QUICKLY.

FIRST IS THE QUALITY ASSURANCE
LAYER DONE BY OUR SHOPPERS--

THAT INCLUDES OUR REGIONAL
OFFICE SHOPPERS

AND OUR CONTRACTED SHOPPERS.

THERE'S A QUALITY REVIEW STEP TO
ENSURE THAT ALL THE APPLICABLE

FIELDS ARE COMPLETED
ACCURATELY AND COMPLETELY.

THE NEXT STEP IS THAT IT
GOES TO OUR SURVEILLANCE

ANALYSIS TEAM, OR SAT.

THIS IS THE TEAM THAT KITICHIA
SERVES ON, AND THAT TEAM

REVIEWS THE DEFICIENCIES
NOT ONCE, BUT TWICE.

THEY REVIEW IT INCOMING,
WHEN IT FIRST COMES UP

FROM THE SHOPPERS, AND THAT'S
PRIOR TO IT BEING SENT TO YOU.

THERE'S ACTUALLY MANY VIOLATIONS
AND MANY DEFICIENCIES

THAT YOU NEVER SEE BECAUSE
THEY ARE CAPTURED

AS PART OF OUR
QUALITY ASSURANCE.

IF WE DON'T FEEL IT MEETS THAT
STANDARD WHERE THERE MAY BE

A REASONABLE LIKELIHOOD
OF A VIOLATION, OR THERE'S

NOT ENOUGH DETAIL TO SUPPORT
A VIOLATION, YOU DON'T

SEE THOSE DEFICIENCIES.

WE SCRUB THEM OUT
RIGHT OFF THE BAT, OK?

SO THE FIRST LEVEL IS,
IS THERE A LIKELIHOOD,

AND IS THERE ENOUGH THERE TO
SUPPORT A POTENTIAL DEFICIENCY?

SO WE GIVE YOU
THE OPPORTUNITY, THEN,

TO INVESTIGATE AND RESPOND.

THE SAT,
SURVEY ANALYSIS TEAM,

THEN LOOKS AT IT WHEN
THOSE VIOLATIONS COME BACK.

THEY REVIEW THE ORIGINAL
OBSERVATION, THEY REVIEW

YOUR RESPONSE, AND THEN THEY
MAKE AN ASSESSMENT AS TO WHETHER

THE ORIGINAL DEFICIENCY SHOULD,
IN FACT, BE VALIDATED.

AND THE FINAL STEP
IS COMPLIANCE ACTION.

AGAIN, THIS IS
THE CRITICAL PIECE HERE.

THE SURVEILLANCE ANALYSIS TEAM
ESCALATES YOUR PERFORMANCE,

THE ENTIRE AGGREGATE
OF YOUR PERFORMANCE

FOR THAT PARTICULAR MONTH
OR THAT PARTICULAR ACTIVITY,

TO THE COMPLIANCE COMMITTEE.

AND THIS COMMITTEE
IS NOT ONE PERSON--

I SERVE ON THAT
PARTICULAR COMMITTEE.

I ACTUALLY MODERATE IT, BUT WE
ACTUALLY HAVE REPRESENTATIVES

FROM 3 CENTRAL OFFICE
COMPONENTS INCLUDING OUR

ENFORCEMENT GROUP, OUR DRUG
AND HEALTH PLAN BENEFIT GROUP,

AND OUR MEDICARE
ADVANTAGE GROUP, AS WELL AS

REPRESENTATION FROM
THE REGIONAL OFFICES.

SO IT IS A COLLABORATIVE EFFORT.
WE HAVE TO HAVE CONCURRENCE

IN MAKING OUR DECISIONS,
BUT WE REVIEW THE VIOLATIONS

AND YOUR PERFORMANCE, AND WE
ASSESS ALL OF YOUR PERFORMANCE

IN THE AGGREGATE TO DETERMINE
WHAT TYPE OF COMPLIANCE ACTION

WE'RE GOING TO TAKE.

THAT COULD INCLUDE THAT MONTH'S
PARTICULAR PERFORMANCE

IN THAT ACTIVITY--FOR EXAMPLE,
IF IT'S SHOPPING,

THE PERCENTAGE OF EVENTS
THAT HAD DEFICIENCIES.

IT COULD INCLUDE YOUR PRIOR
PERFORMANCE IN PREVIOUS MONTHS--

FOR EXAMPLE, THE RECURRENCE OF

DEFICIENCIES MONTH TO MONTH.

WE DO LOOK AT HOW SERIOUS
THE DEFICIENCIES ARE.

ARE THEY ADMINISTRATIVE
IN NATURE OR ARE THEY

MORE SERIOUS--FOR EXAMPLE,
ACTIVE ACTS OF MARKETING

MISREPRESENTATION--AND ALL
OF THAT GOES INTO OUR EQUATION

IN TERMS OF MAKING
THAT DECISION.

AND WE'VE RECEIVED FEEDBACK
THAT THE PROCESS THIS YEAR

WAS MUCH MORE EQUITABLE.

WE'RE GONNA
CONTINUE TO FINE TUNE.

WE HOPE TO CONTINUE TO IMPROVE
BASED ON THE LESSONS

WE'VE HEARD BACK FROM YOU ALL,
BUT WE CERTAINLY ARE VERY HAPPY

WITH THE WAY THINGS
HAVE GONE THIS YEAR

IN TERMS OF COMPLIANCE.

OK, SO I COME FULL CIRCLE,
AND I WANT TO CLOSE

WITH A FINAL
STATEMENT FROM SUN TZU,

SO I'M GONNA PROJECT
MY INNER PHILOSOPHER ONCE AGAIN.

THE QUOTE GOES,
"BE SUBTLE, BE SUBTLE,

AND EMPLOY THE USE OF SPIES IN
EVERY LINE OF YOUR BUSINESS."

[LAUGHTER]

AGAIN, "SPIES"
MEANING "INTELLIGENCE."

I DON'T WANT ANYBODY TO
GO BACK AND MISREPRESENT THAT.

OK, I WANT TO THANK YOU
FOR YOUR ATTENTION TODAY.

I APPRECIATE--THIS
HAS BEEN 2 1/2 DAYS.

YOU'VE BEEN VERY ATTENTIVE,
AND I VERY MUCH

THANK YOU FOR THAT.

I'D NOW LIKE TO TURN IT OVER
TO MY COLLEAGUE FROM

THE NEW YORK REGIONAL OFFICE,
MS. KITICHIA WEEKES.

[APPLAUSE]

IN THE NEXT SEGMENT OF OUR
SURVEILLANCE PRESENTATION,

I WILL BE COVERING
THE FOLLOWING 3 TOPICS:

FIRST, THE CONTRACT YEAR 2010
SURVEILLANCE OUTCOMES,

BEST PRACTICES,
AND LESSONS LEARNED.

MOST OF THE ISSUES I WILL
BE DISCUSSING ARE COVERED

IN DEPTH IN OUR RECENTLY
PUBLISHED ANNUAL ELECTION PERIOD

SURVEILLANCE INDUSTRY REPORT,
WHICH IS AVAILABLE ONLINE,

AS YOU SEE OUR WEB ADDRESS

ON-SCREEN,

AT CMS.GOV/MANAGEDCAREMARKETING.

WITH THAT SAID,
LET US NOW TAKE A LOOK AT

THE CONTRACT YEAR 2010
SURVEILLANCE OUTCOMES.

IF WE COULD SUM UP THE OVERALL
2010 MARKETING SURVEILLANCE

EVENT OUTCOMES FOR PARENT
ORGANIZATIONS IN ONE PHRASE,

IT WOULD BE,
"STRIDES IN PERFORMANCE,

BUT ROOM FOR IMPROVEMENT."

DURING THE AEP, APPROXIMATELY
40% OF THE PUBLIC SALES EVENTS

HAD ONE OR MORE VIOLATIONS.

THERE WAS A LOWER INCIDENCE
OF EGREGIOUS BEHAVIOR, WHICH WE

DEFINE AS SCARE TACTICS,
ACTS OF MISREPRESENTATION,

AND EGREGIOUS, OR AGGRESSIVE,
MARKETING PRACTICES.

WE ALSO SAW, HOWEVER, THE
HIGHEST VOLUME OF VIOLATIONS

IN THE AREA OF AGENTS' FAILURE
TO PROVIDE CLEAR, COMPLETE,

AND ACCURATE INFORMATION
ON HEALTH AND BENEFITS--

HEALTH AND DRUG BENEFITS.

THE MOST COMMON CATEGORIES
OF DEFICIENCIES CITED AT

PUBLIC SALES EVENTS INCLUDED,

ONE, THE AGENTS' FAILURE

TO PROVIDE CLEAR
AND ACCURATE INFORMATION

RELATED TO DRUG COVERAGE.

SPECIFICALLY, THERE WERE
3 PRIMARY CATEGORIES

THAT THESE VIOLATIONS FELL INTO:

ONE, HOW TO FIND OUT ABOUT
PRESCRIPTION DRUG COST;

TWO, HOW TO FIND OUT
ABOUT A PLAN FORMULARY;

AND THREE, THE ACCURACY
OF INFORMATION PROVIDED

RELATIVE TO DRUG COVERAGE.

ANOTHER COMMON DEFICIENCY
INCLUDED THE REQUIRING

OF BENEFICIARIES TO PROVIDE
THEIR PERSONAL INFORMATION

IN ORDER TO ATTEND AN EVENT.

THIS IS AN EXAMPLE OF
A PRESSURE TACTIC.

3: INAPPROPRIATE,
UNSUBSTANTIATED COMPARATIVE

MARKETING STATEMENTS--FOR
EXAMPLE, "MY PLAN IS THE BEST,"

"MY PLAN IS
THE MOST HIGHLY RATED."

THE WORD "UNSUBSTANTIATED"
IS ITALICIZED BECAUSE

WE UNDERSTAND THAT PLANS ARE
ALLOWED TO MAKE SALE PITCHES

AT EVENTS TO PROMOTE

THEIR PRODUCTS.

HOWEVER, THE MARKETING
STATEMENT MUST REFERENCE

A CREDIBLE SOURCE.

THEREFORE, WE ENCOURAGE
PLANS TO REMOVE ALL DOUBT OF

COMPLIANCE IN THIS AREA BY
USING SCRIPTS, TALKING POINTS,

AND PRESENTATIONS
THAT HAVE BEEN APPROVED

BY THE CMS REGIONAL OFFICE.

AND FINALLY, THE
INFAMOUS NO-SHOW EVENTS.

WE ARE HIGHLY CONCERNED
ABOUT THESE EVENTS BECAUSE

QUITE OFTEN WE SAW THAT
MARKETING EVENTS WERE NOT

APPROPRIATELY CANCELED IN HPMS.

NO-SHOWS NOT ONLY IMPACT
MARKETING SURVEILLANCE,

BUT MORE IMPORTANTLY,
IT SERVES AS A MAJOR

INCONVENIENCE
TO OUR BENEFICIARIES.

THEREFORE, WE EXPECT TO SEE
IMPROVEMENT IN THIS AREA.

NOW, DURING THE CONTRACT YEAR
2010 SURVEILLANCE ACTIVITIES,

WE NOT ONLY SAW VIOLATIONS,
BUT WE SAW

POSITIVE TRENDS, AS WELL.

FOR EXAMPLE, IMPROVED

PERFORMANCE WAS NOTICED

DURING THE OPEN
ENROLLMENT PERIOD.

SPECIFICALLY, VIOLATIONS
DURING THE OEP DROPPED 25%

OF MARKETING EVENTS WE ATTENDED.

THESE ARE THE LOWEST LEVELS
OF VIOLATIONS WE'VE SEEN

SINCE CMS BEGAN ITS MARKING
SURVEILLANCE INITIATIVE.

AND YET STILL, WE WANT TO SEE
THAT THESE NUMBERS

DECLINE MORE, AND WE ARE
SURE THAT YOU DO, TOO.

WE ALSO WITNESSED A SIGNIFICANT
REDUCTION IN VIOLATIONS

CITED FOR PLANS THAT RECEIVED
COMPLIANCE NOTICES.

FOR EXAMPLE, ORGANIZATIONS
THAT RECEIVED A TECHNICAL

ASSISTANCE LETTER OR FORMAL
COMPLIANCE NOTICE CONSISTENTLY

IMPROVED THE MONTH OR MONTHS
FOLLOWING THEIR RECEIPT

OF COMPLIANCE NOTIFICATIONS.

MOREOVER, WE HAVE SEEN
AND CONTINUE TO SEE

THAT ORGANIZATIONS ARE ACTING
PROACTIVELY TO RESPOND

TO VIOLATIONS AND IMPLEMENT NEW
STRATEGIES AND BEST PRACTICES.

NOW ILLUSTRATED ON THIS SLIDE
ARE THE OUTCOMES OF

DEFICIENT EVENTS FOR THE MONTHS
OF OCTOBER AND NOVEMBER

FOR HIGH-, MODERATE-, AND
LOW-RISK PARENT ORGANIZATIONS

THAT RECEIVED
COMPLIANCE NOTICES.

AS YOU CAN SEE, THE MIDDLE
COLUMN DISPLAYS THE PERCENTAGE

OF DEFICIENT EVENTS FOR EACH
PARENT ORGANIZATION RISK TYPE

FOR THE MONTH OF OCTOBER,
WHILE THE THIRD AND LAST COLUMN

ILLUSTRATES THE PERCENTAGE OF
DEFICIENT EVENTS FOR THE SAME

PARENT ORGANIZATIONS
FOR THE MONTH OF NOVEMBER.

CLEARLY, THIS TABLE SHOWS
A TREMENDOUS DECLINE--

A TREMENDOUS DECLINE FROM THE
MONTHS OF OCTOBER TO NOVEMBER.

THE OVERALL PERFORMANCE OF THE
PARENT ORGANIZATIONS DECREASED

FROM 62.1% TO 36.9% FROM THE
MONTHS OF OCTOBER TO NOVEMBER.

THIS TRANSLATES INTO
AN OVERALL 25 PER--DE--

25% DECREASE
IN DEFICIENT EVENTS.

EXCUSE ME.
SO WHAT DOES THIS TELL US?

IT SAYS THAT YOUR ORGANIZATION
HAS A SIGNIFICANT IMPACT

IN PROMOTING A CULTURE OF

COMPLIANCE IN YOUR ORGANIZATION,

AND AS WELL AS IMPROVING
PERFORMANCE IN THE BEHAVIOR

AND MARKETING PRACTICES OF
AGENTS AND YOUR SALES FORCE.

BUT IT ALSO TELLS US
THAT THESE SAME EFFORTS

SHOULD TAKE PLACE NOW
AND NOT WAIT

FOLLOWING CMS
COMPLIANCE ACTIONS.

I WOULD LIKE NOW TO TAKE A
FEW MINUTES TO HIGHLIGHT SOME OF

THE INDUSTRY BEST PRACTICES
WHICH WERE SHARED WITH CMS

VIA SUBMITTED BUSINESS PLANS AND
THROUGH DIRECT CONVERSATIONS.

SPECIFICALLY, ORGANIZATIONS
HAVE REPORTED, ONE,

STANDARDIZING TRAINING
PACKAGES AND PRESENTATIONS

TO PREVENT OR LIMIT THE ROOM
FOR INACCURACIES OR VIOLATIONS

BY AGENTS AND PLAN REPS
DURING MARKETING SALES EVENTS.

TWO, TIGHTENING OVERSIGHT AND
CONTROLS TO ENSURE THAT AGENTS

ARE NOT ONLY PROPERLY LICENSED,
BUT ALSO HAVE MET

CMS's TESTING REQUIREMENTS.

THREE, USE A THIRD-PARTY
VENDOR OR INTERNAL MARKETING

SALES STAFF AND COMPLIANCE

STAFF TO ATTEND AND ASSESS

MARKETING SALES EVENTS.

AND, FOUR, INCORPORATING
FINANCIAL PENALTIES

INTO AGENT/BROKER CONTRACTS
FOR MARKETING VIOLATIONS.

IN ESSENCE, AGENTS WOULD
NOT EARN PART OR ALL OF THEIR

SALES COMMISSION FOR MARKETING
EVENTS THAT HAD VIOLATIONS.

PLEASE NOTE THAT THE ENROLLMENT
VERIFICATIONS PROGRAMS

WERE LISTED HERE IN ERROR.

ENROLLMENT VERIFICATION
PROGRAMS ARE ACTUALLY

A CMS REQUIREMENT AND NOT
NECESSARILY A BEST PRACTICE,

SO I JUST WANTED
TO MAKE THAT POINT.

NOW...

ANY DISCUSSION ON SURVEILLANCE
IS INCOMPLETE WITHOUT

TAKING SOME TIME TO TALK ABOUT
OUR STRENGTHENED RELATIONSHIP

AND INFORMATION SHARING
WITH OUR STATE PARTNERS,

SUCH AS THE SHIPs AND DOIs.

CMS SHARES INFORMATION WITH
DOIs AND ANY IC BASED UPON

OUR MEMORANDUM OF UNDERSTANDING,
WHICH INCLUDES INFORMATION

RELATED TO SPECIFIC AGENT/BROKER

CONSUMER COMPLAINTS INVOLVING

PLANS DOING BUSINESS IN THEIR
STATES AND INFORMATION REGARDING

ENFORCEMENT ACTIONS SUCH AS
CIVIL MONETARY PENALTIES,

INTERMEDIATE SANCTIONS,
CONTRACT TERMINATIONS,

AND CONTRACT NON-RENEWALS.

CMS RECENTLY PARTNERED WITH
COMPLIANCE AND ENFORCEMENT MEDIC

IN ORDER TO INCREASE OUR
OVERSIGHT ON THE DETECTION

AND PREVENTION OF
INAPPROPRIATE ACTIVITY

IN THE PART "C"
AND "D" PROGRAMS.

THE C&E MEDIC ASSISTS CMS
IN THE MONITORING OF BENEFICIARY

COMPLAINTS OF AGENT/BROKER
MARKETING MISREPRESENTATIONS,

INAPPROPRIATE ENROLLMENT
AND DISENROLLMENT,

AND PROGRAM AUDITS
AND ASSESSMENTS.

FINALLY, CMS HAS ESTABLISHED
A REFERRAL NOTIFICATION

TO STATES FOR PENDING
INVESTIGATIONS THAT WILL SPECIFY

THE CURRENT STATUS OF MEDIC
INVESTIGATIONS RELATIVE

TO MARKETING COMPLAINT ISSUES.

THIS WILL ALLOW THE STATES
TO TAKE QUICK ACTION

AGAINST AGENTS AND WILL ALLOW US

TO SHARE ADDITIONAL PERTINENT
INFORMATION FOR THE PURPOSES

OF COMPLETING THE
INVESTIGATION AND INCREASING

OUR COMMUNICATION WITH PARTNERS.

I WILL NOW CONCLUDE BY
DISCUSSING SOME IMPORTANT

LESSONS LEARNED THROUGH THE
INDUSTRY FEEDBACK ON THE 2010

SURVEILLANCE INITIATIVES.

WE ARE TRULY GRATEFUL FOR
THE FEEDBACK PROVIDED

AND LOOK FORWARD TO INCLUDING
THEM IN OUR 2011

SURVEILLANCE STRATEGY.

THE COMMON THEMES THAT WE'VE
HEARD INCLUDED THE NEED FOR CMS

TO ENSURE OUR TOOLS AND TRAINING
PROTOCOLS CLEARLY DEFINE

THE REQUIREMENT FOR
SPECIAL PRODUCT TYPES SUCH AS

PRIVATE FEE-FOR-SERVICE PLANS,
COST PLANS, AND FULLY DUAL SNPs.

WE ALSO RECEIVED A REQUEST FOR
THE DEVELOPMENT OF A WEIGHTED

SCORING SYSTEM FOR VIOLATIONS.

BUT BEFORE I PROCEED,
IT IS IMPORTANT THAT I

HIGHLIGHT THIS KEY POINT.

IN CMS'S REVIEW OF MARKETING

VIOLATIONS, DETERMINATIONS

WERE MADE BASED ON
A PLAN'S PERFORMANCE

AND COMPLIANCE ACTION.

MULTIPLE FACTORS WERE CONSIDERED
WHEN ASSESSING PERFORMANCE.

THESE FACTORS INCLUDED A
PLAN'S NUMBER OF DEFICIENCIES,

THE SEVERITY OF DEFICIENCIES,

AND THE RECURRENCE
OF DEFICIENCIES.

HOWEVER, TO MAKE THIS PROCESS
MORE TRANSPARENT, WE ARE

DELIBERATING ON THE CONCEPT
OF WEIGHTED CATEGORIES

RANGING FROM ADMINISTRATIVE
VIOLATIONS TO THE MOST SERIOUS,

MARKETING MISREPRESENTATION.

THIS WAY, WHEN CMS MAKES
A DETERMINATION, IT WILL BE

MORE APPARENT WHY WE TOOK
THE ACTION WE DID.

WE ALSO HEARD AN ALMOST

UNIVERSAL POSITIVE FEEDBACK
ON THE SURVEILLANCE CONSOLE

EASE IN USE AND FUNCTIONALITY.

PLANS GENERALLY SEEM
APPRECIATIVE TO RECEIVE

NOTIFICATION OF
POTENTIAL DEFICIENCIES

AND THE OPPORTUNITY TO RESPOND.

THIS WILL CONTINUE
FOR CONTRACT YEAR 2011.

HOWEVER, ONE IMPROVEMENT WE
ARE EXAMINING IS THE ABILITY

TO PRODUCE REPORT EXTRACTS--
FOR EXAMPLE, SO THAT YOUR

COMPLIANCE AREA CAN PRINT
REPORTS AND THEN SHARE IT

WITH YOUR MARKETING AREA.

WE ARE LOOKING INTO
THE POSSIBILITY OF HAVING THIS

ADDED FEATURE AVAILABLE FOR THE
UPCOMING SURVEILLANCE SEASON.

AND FINALLY, ANOTHER COMMON
THEME HEARD FROM MANY OF YOU

WAS THE DESIRE TO SEE
MORE DETAILS

IN SHOPPING OBSERVATIONS.

I WANT TO EMPHASIZE THAT CMS
HAS BEEN FOCUSED ON THIS POINT

FROM DAY ONE, BUT WE WILL
CONTINUE TO BOLSTER OUR TOOLS

AND TRAINING TO ENSURE THAT
SHOPPING OBSERVATIONS

ARE CLEAR AND DETAILED
AS POSSIBLE.

WE APPRECIATE YOUR TIME AND
ATTENTION TO OUR PRESENTATION

TODAY AND LOOK FORWARD
TO YOUR QUESTIONS.

THANK YOU.

[APPLAUSE]

>> HI. I ACTUALLY HAVE
A COUPLE OF QUESTIONS.

FIRST OF ALL, THE CONSOLE
DOES WORK REALLY WELL,

SO WE APPRECIATE THAT.

THE QUESTION I HAVE IS
RELATED TO THE OTHER GROUP

THAT'S DOING
THE CALL SURVEILLANCE.

IS THERE ANY POSSIBILITY OF YOU
GUYS WORKING TOGETHER ON THIS?

IT'S A VERY DIFFERENT
KIND OF SURVEILLANCE.

NOT TO SAY ANYTHING ABOUT
THE CALL SURVEILLANCE PROCESS,

BUT YOURS WORKS VERY WELL.

THE CONSOLE WORKS VERY WELL.
WE KNOW WHERE WE ARE WITH THAT.

YOU TEND TO GET PHONE CALL
MESSAGES ON THE OTHER ONES,

AND SOMETIMES YOU GET A LETTER

AND SOMETIMES WRITE BACK,
SOMETIMES DON'T.

IT SEEMS LIKE WE'RE GETTING--
IT'S THE SAME TOPIC,

AND WE'RE GETTING IT FROM
2 DIFFERENT DIRECTIONS.

SO THAT'S JUST
ONE OBSERVATION.

AND THE OTHER QUESTION I HAD
WAS, DO YOU HAVE A CRITERIA

OR DO YOU EQUALLY SECRET-SHOP
BROKER/AGENT PLANS VERSUS

PLANS THAT USE THEIR OWN STAFF
AND INTERNAL SALES FOLKS,

AND DO YOU USE THAT
AT ALL TO SET

THE RISK LEVEL
FOR THE PLANS?

YOU KNOW, OBVIOUSLY FROM
THE PLAN'S STANDPOINT,

IF YOU'RE NOT USING
AGENTS AND BROKERS,

WE'RE A LITTLE MORE IN CONTROL
THAN THE PLANS THAT DON'T.

SO--AND THE OTHER QUESTION
I HAD WAS, IS THERE ANY

TRAINING PROGRAM FOR
THE FOLKS THAT ACTUALLY DO

THE SECRET SHOPPING?

DO THEY HAVE A CERTAIN
KNOWLEDGE LEVEL OF PLANS,

PLAN STRUCTURE, AND
THE QUESTIONS THEY'RE ASKING

WHEN THEY GO OUT?

>> THANK YOU.
I GUESS I CAN KEEP TALKING.

CAN YOU ALL STILL HEAR ME?
OK, SO THE MIKE IS STILL ON.

RELATED TO THE CALL CENTER
QUESTION--AND THANK YOU

FOR THOSE QUESTIONS,
THEY WERE VERY GOOD ONES--

THE CALL CENTER INITIATIVE
HAS BEEN GOING ON

LONGER THAN SURVEILLANCE
HAS BEEN AROUND.

SO IT EXISTED ALREADY BEFORE
SURVEILLANCE EVEN CAME AROUND,

BUT YOUR POINT IS WELL TAKEN.

IT'S SOMETHING THAT I'VE BEEN
INTERESTED IN BECAUSE

IT DOES SEEM LIKE IT FALLS
NEATLY WITHIN THE CONCEPTS

OF WHAT WE'VE BEEN
IMPLEMENTING.

IT'S SOMETHING THAT WE'RE
IN DISCUSSIONS AROUND,

BUT I CAN'T MAKE ANY
PROMISES THAT'LL HAPPEN.

YOU CAN PROVIDE THAT
FEEDBACK TO THE GROUP

THAT HANDLES
THE CALL CENTER STUDY.

IT'S MANAGED OUT OF JENNIFER
SHAPIRO'S DIVISION IN CENTRAL

OFFICE--I KNOW YOU'VE ALL
HEARD HER SPEAK BEFORE.

THAT'S WHERE IT
CURRENTLY RESIDES.

SO IF YOU HAVE ANY FEEDBACK
ABOUT THE CALL CENTER STUDY--

LINDA GOUSIS IS
THE PROJECT OFFICER.

SHE'S ALLOWED ME TO SHARE
HER NAME, SO I'M NOT SAYING

ANYTHING I SHOULDN'T HERE,
AND, AGAIN, JENNIFER SHAPIRO

IS THE DIVISION DIRECTOR
THAT MANAGES THAT.

SO, YOU KNOW, I'M DOING
WHAT I CAN, BUT I CAN'T MAKE

ANY GUARANTEES ON THAT, OK?

RELATED TO YOUR SECOND
QUESTION ABOUT BREAKING--PLANS

THAT DISPROPORTIONATELY USE
BROKERS AND AGENTS

VERSUS THEIR OWN SALES FORCE
AND DOES THAT AFFECT

THE QUANTITY OF SHOPS?

THE ANSWER IS YES
ONLY TO THE EXTENT

THAT IT IMPACTS PERFORMANCE.

SO WE DON'T ACTUALLY COLLECT
THAT INFORMATION AND THEN

USE THAT AS AN ACTIVE CRITERIA
TO DECIDE HOW MUCH WE'RE GONNA

SHOP AN ORGANIZATION.

SO, THEORETICALLY, IF AN
ORGANIZATION'S USING THEIR OWN

EMPLOYED SALES FORCE BUT YET
THEY'RE STILL A HIGH-RISK PLAN,

THEY WILL GET SHOPPED AS
A HIGH-RISK PLAN REGARDLESS.

SO IT'S NOT SOMETHING
WE ACTIVELY LOOK AT,

SO--IT'S AN
INTERESTING QUESTION.

I HAVEN'T REALLY THOUGHT
AS TO WHETHER THAT SHOULD BE

ONE OF OUR CRITERIA,
BUT I'LL TAKE A LOOK AT THAT.

OK? AND THEN RELATED
TO TRAINING PROGRAMS,

KITICHIA'S GONNA TAKE THAT ONE.

>> YES. IN TERMS TO TRAINING
OF OUR SECRET SHOPPERS,

I ACTUALLY SERVE AS
ONE OF THE TRAINING LEADS.

ACTUALLY, BEFORE THE SHOPPERS
ARE TRAINED, WE REVIEW

AND APPROVE TRAINING MATERIALS
FOR OUR CONTRACTORS

BEFORE THEY ACTUALLY USE THESE
MATERIALS IN THEIR TRAININGS.

UM, OUR STRATEGY,
IN ESSENCE, IS TO ENSURE

THAT OUR TRAININGS ARE
CONSISTENT AMONG THE CONTRACTORS

AS WELL AS THE REGIONAL OFFICES.

SO THE CONTRACTORS DO PROVIDE
INITIAL TRAININGS

TO THEIR STAFF, AND GENERALLY,
OUR SHOPPERS ARE NOT ALLOWED

TO SHOP UNTIL THEY HAVE
A CERTAIN LEVEL OF KNOWLEDGE

IN ORDER TO DO
THESE SECRET SHOPS.

PRETTY MUCH IN TERMS OF
REGIONAL OFFICE SHOPS,

WE GENERALLY HAVE THE SAME
TOPICS OF TRAINING FOR--

THAT WE USED IN OUR

CONTRACTORS' TRAINING.

WE HAVE TOPICS ON MARKETING
GUIDELINES, THE DOs AND DON'Ts

OF SECRET SHOPPINGS,
AND HOW TO COMPLETE

OUR SECRET-SHOPPING TOOLS.

WE ALSO EMPHASIZE IN OUR
TRAININGS THAT NOT ONLY

THAT THE TOOLS MUST BE COMPLETED
ACCURATELY, BUT ALSO

WE ENCOURAGE THEM TO PROVIDE
DETAILS, DETAILS, DETAILS.

OF COURSE THERE'S ALWAYS ROOM
FOR IMPROVEMENT, SO WE ARE

CURRENTLY DISCUSSING WAYS
IN WHICH WE CAN IMPROVE

OUR TRAININGS OF OUR
SECRET SHOPPERS.

IF YOU KNOW OF ANY EXAMPLE
THAT YOU'D LIKE TO SHARE WITH US

OR ANYTHING THAT WE CAN DO TO
ENHANCE OUR TRAINING PROCESS,

FEEL FREE TO SHARE
THAT INFORMATION WITH ME

AFTER THIS PRESENTATION.

>> AND I WILL ADD ONE THING
TO KITICHIA'S POINT,

THAT WE ACTUALLY UTILIZE
THE DATA IN THE CONSOLE

TO ACTUALLY FOLLOW UP
RELATED TO AGENT PERFORMANCE.

SO IF WE HAD AGENTS--SHOPPERS,
I SHOULD SAY--THAT HAD

HIGH NUMBERS OF INVALIDATED
DEFICIENCIES, THAT'S A PROBLEM.

THAT'S WASTED RESOURCES FOR US,
AND IT'S WASTED TIME

FOR YOU ALL.

AND IN ONE EXTREME SITUATION,
WE ACTUALLY HAD A SHOPPER

FIRE BECAUSE OF REAL
EGREGIOUS--JUST LACK OF

UNDERSTANDING OF WHAT THEY
WERE SUPPOSED TO BE DOING,

AND THEY WON'T BE
SHOPPING FOR CMS ANYMORE.

SO WE TAKE THIS EXTREMELY
SERIOUSLY, AND WE'RE CONSTANTLY

LOOKING AT EVOLVING
AND IMPROVING OUR TRAINING

PROTOCOLS IN REAL-TIME.

>> I WOULD JUST LIKE
TO ADD ONE MORE THING.

IN ADDITION TO OUR INITIAL
TRAININGS, WE ALSO

DO PROVIDE UPDATE TRAINING.

SO AS WE SEE CERTAIN TRENDS
IN THE FIELD, WE WILL THEN

PROVIDE UPDATES TO OUR
REGIONAL OFFICE SHOPPERS

AS WELL AS TO OUR CONTRACTORS.

ANY OTHER QUESTIONS?

>> DO YOUR SHOPPERS ALSO
GO THROUGH A TESTING

LIKE THE AGENTS WHERE THEY
HAVE TO GET CERTIFIED BY CMS

AND PASS AN 85% SCORE?

>> OUR REGIONAL OFFICE
SHOPPERS ACTUALLY DON'T

GO THROUGH TESTING, BUT OUR
CONTRACTORS DO HAVE PROCESSES

IN PLACE WHERE
THEY DO EITHER TEST OR ASSESS

THE KNOWLEDGE OF THEIR SHOPPERS.

AND IT'S INTERESTING THAT
YOU MENTION WHETHER OR NOT

THEY HAVE A CERTAIN SCORE
THAT THEY MUST PASS.

ACTUALLY, THIS WAS ONE OF THE
THINGS THAT WE'RE LOOKING INTO

FOR CONTRACT YEAR 2011.

>> OK. THANK YOU. AND MY
OTHER QUESTION IS NOW THAT

THE AEP AND THE OEP's
SURVEILLANCE ACTIVITIES

ARE OVER, WHAT
IS CMS GOING TO SURVEY

BETWEEN NOW
AND THE 10/15 AEP?

>> WANT ME TO TAKE
THAT ONE?

A COUPLE OF THINGS. ONE,
WE DON'T WANT TO GIVE

THE IMPRESSION THAT SURVEILLANCE
IS A 6-MONTH ACTIVITY,

BECAUSE PLANS--AND WE ACTUALLY
JUST DID AN EXTRACT,

MAY AND JUNE--AND PLANS
ARE STILL ACTIVELY MARKETING,

BECAUSE YOU CAN STILL
ENROLL PEOPLE

WITH SPECIAL ELECTION PERIODS.

SO WHILE THE PRIMARY
SURVEILLANCE ACTIVITIES

ARE IN THE AEP AND OEP, WE ARE
CONSIDERING EXPANDING

OUR INITIATIVE TO BE
A YEAR-ROUND ACTIVITY SO THAT

WE'RE LOOKING AT ORGANIZATIONS
CONSTANTLY--THE ONES

THAT ARE MARKETING, AT LEAST--
AND WE'RE ALSO LOOKING

TO BRANCH OUT INTO AREAS
BEYOND JUST MARKETING.

SO WE MAY LOOK AT OTHER
OPERATIONAL AREAS, AS WELL,

THAT LEND THEMSELVES
TO SURVEILLANCE

TYPES OF INITIATIVES.

>> WHAT KIND OF
OPERATIONAL AREAS?

IT'S HARD TO SAY RIGHT NOW
BECAUSE WE'RE DELIBERATING

ON STUFF THAT HASN'T BEEN
MADE PUBLIC, SO I CAN'T REALLY

DISCLOSE THOSE PARTICULAR ONES.

WE'RE STILL DELIBERATING
ON WHICH ONES FIT BEST.

IT HAS TO BE VETTED THROUGH

OUR MANAGEMENT TEAM, AND WE

HAVE TO LOOK AT
RESOURCES, FRANKLY.

YOU KNOW, WE'RE INVESTING
A LOT OF RESOURCES AND MONEY

IN OUR CURRENT SURVEILLANCE
INITIATIVES, SO WE HAVE TO BE

VERY SELECTIVE IN
TERMS OF WHAT WE'LL DO.

BUT WE DO EXPECT THAT WHEN
WE ARE READY TO ROLL OUT

NEW INITIATIVES, AS ALWAYS,

WE WILL DISCLOSE THAT
WITH THE INDUSTRY.

WE WILL PUT OUT
HPMS MEMORANDA TO ANNOUNCE

ANY NEW ACTIVITIES
THAT WILL START.

>> OK. THANK YOU
VERY MUCH.

>> YOU'RE WELCOME.

>> ANY ADDITIONAL
QUESTIONS?

>> I HAD A QUESTION ABOUT YOUR
QUALITY ASSURANCE PROGRAM.

HOW DO YOU HANDLE DEFICIENCIES
THAT ARE IDENTIFIED

AT A MARKETING EVENT
WHERE IT'S REALLY YOU HAVE

THE SECRET SHOPPER SAYING
ONE THING AND, POTENTIALLY,

THE PLAN SAYING SOMETHING
ELSE, BOTH ON YOUR SORT OF

PRE-REVIEW, IT LOOKS LIKE,
BEFORE IT COMES IN THE MODULE

AND THEN ONCE IT'S
RESPONDED TO AND PROBABLY

DISAGREED BY THE PLAN?

>> THE FAMOUS
"HE SAID/SHE SAID"

IS WHAT WE CALL IT.

UM, WE TRY TO BE VERY FAIR
IN OUR ASSESSMENT.

WE LOOK AT BOTH SIDES.
WE LOOK AT--

REALLY WHAT DRIVES US
IS, HOW MUCH DETAIL

WAS IN THAT ORIGINAL TOOL?

IF AN EXACT QUOTE WAS PROVIDED,
AND THE ORGANIZATION CAN DO

NOTHING MORE THAN SAY,
"WELL, THAT CAN'T POSSIBLY BE

WHAT THE AGENT SAID,
THEY DENIED IT COMPLETELY,"

THAT ISN'T GOING TO BE ENOUGH
IF THE SHOPPING TOOL, IN OUR

ESTIMATION, WAS VERY, VERY
DETAILED AND IT'S A SHOPPER

THAT WE HAVE CONFIDENCE
IN WHAT THEY'VE SAID.

IF THE ORGANIZATION COMES BACK
WITH DETAILS OF THEIR OWN THAT

SEEM TO CORROBORATE THAT THE
SHOPPER MAY HAVE BEEN MISTAKEN

OR MISHEARD, THEN OUR

TENDENCY IS TO INVALIDATE IT.

SO THERE IS REALLY
A BALANCING ACT,

BUT THERE'S SOME
SUBJECTIVITY HERE.

>> BECAUSE I THINK SOME OF THE
THINGS ON THE TOOL ARE ALSO,

DID THEY SAY SOMETHING
AND THE SHOPPER DIDN'T HEAR IT?

AND SO THEN IT'S SORT OF YOU'RE
TRYING TO PROVE THE NEGATIVE.

>> YEAH, AND THAT'S
A GOOD QUESTION.

THAT WAS AN AREA
FOR THE DRUG COVERAGE.

IT WAS ONE OF THE QUESTIONS--
"DID THEY ACTUALLY ACTIVELY

SAY SOMETHING ABOUT
THE DRUG COVERAGE?"

AND THE PLAN'S RESPONSE WAS
"WELL, MAYBE THEY JUST

DIDN'T HEAR THAT
PARTICULAR THING."

SO ABOUT HALFWAY THROUGH THE
MARKETING SEASON, WE REFINED

OUR TOOL WHERE NOW THE SHOPPER
ACTUALLY HAS TO ACTIVELY STATE

THAT THEY--THAT THERE WAS--

WAS THERE A POWERPOINT
PRESENTATION UP?

DID THE SHOPPER--OR, DID THE
AGENT ACTIVELY SKIP THE SLIDE?

DID THEY IGNORE THE SLIDE?

SO IT'S MORE OF AN ACTIVE ANSWER
TO THAT PARTICULAR QUESTION.

IT'S HARD: HOW DO YOU PROVE
A NEGATIVE, YOU KNOW?

AND I KNOW IT'S
A CHALLENGE FOR US,

AND IT'S A CHALLENGE FOR YOU.

THE ONLY THING THAT WE CAN DO
IS TRY TO HAVE THE NOTES BE

AS DETAILED AS POSSIBLE TO
INDICATE THAT, "YES, I WAS

"LISTENING FOR THIS.

"THEY WERE USING A SLIDE
OR THEY WEREN'T, AND THEY

SKIPPED IT OR THEY DIDN'T
COVER IT AT ALL," TO GIVE YOU

MORE CONFIDENCE THAT,
YEAH, THEY WERE LISTENING,

AND THE AGENT JUST DIDN'T
SAY ANYTHING ABOUT IT.

>> AND IF A PLAN DISAGREES
WITH A DEFICIENCY, HOW DO WE

KNOW WHETHER OR NOT
THAT'S BEEN--CMS AGREES

WITH OUR DISAGREEMENT
OR WHETHER

THE ORIGINAL DEFICIENCY
STILL STANDS?

>> YEAH, WITHIN 3 DAYS OF
RECEIPT OF THE FINDING--

OF YOUR RESPONSE, I SHOULD SAY,
WE HAVE TO MAKE A DECISION.

>> IT'S ONLY 2 DAYS.

>> SO THE TEAM THAT
KITICHIA IS ON--IT'S 2 DAYS?

>> YES. WE HAVE 2 DAYS
TO MAKE A DECISION.

CURRENTLY IN THE CONSOLE,
THERE IS NOT A NOTIFICATION

FEATURE TO ALERT YOU IF
A DEFICIENCY IS CHANGED FROM,

SAY, A VALID DEFICIENCY
TO AN INVALID DEFICIENCY.

WE HAD OUR SURVEILLANCE
LESSONS THROUGH A CONFERENCE

IN MAY IN CHICAGO, AND,
ACTUALLY, THIS IS ONE OF

THE THINGS WE'RE LOOKING TO ADD.

THIS WAS ACTUALLY PROVIDED
BY SEVERAL PLANS IN TERMS OF

THE FEEDBACK THEY
PROVIDED REGARDING

THE 2010 SURVEILLANCE STRATEGY.

SO WE ARE LOOKING INTO
ADDING THIS FEATURE FOR 2011.

>> BUT FOR NOW, YOU CAN SEE,
IF YOU GO BACK AFTER

2, 3 DAYS TOPS, NEXT TO THAT
PARTICULAR VIOLATION

IT WILL SAY "VALID"
OR "INVALID."

"VALID" MEANS WE SAW
THE ORIGINAL DEFICIENCY

AS CONFIRMED,
AND "INVALID" MEANS

WE ARE THROWING IT OUT.

>> OH. SO WE SHOULD BE ABLE
TO SEE THAT IN THE MODULE...

>> IT WILL BE THERE.
IT'S THERE NOW...

>> OK. ALL RIGHT.
THANK YOU.

>> FOR ALL OF THE
MARKETING DECISIONS.

>> AND, OF COURSE, IF YOU DON'T
GET A COMPLIANCE NOTICE

FOR THAT PARTICULAR DEFICIENCY,
THAT'S ANOTHER WAY OF KNOWING

THAT--NOTICING THAT WE
INVALIDATED THE EVENT.

BUT, OF COURSE, THAT'S NOT
THE BEST WAY OF NOTIFYING YOU

OF THIS CHANGE, SO WE ARE
WORKING ON IMPROVING THAT.

>> WE HAD THIS ISSUE, AND WE
DIDN'T--I DON'T REMEMBER SEEING

SOMETHING IN THE MODULE,
BUT WE'LL GO BACK AND LOOK.

WE DIDN'T GET A NOTICE,
BUT I THINK IN SOME SORT OF

SUMMARY WE GOT, IT WAS LISTED
AS THE NUMBER OF DEFICIENCIES

THAT WE GOT, AND WE
STRONGLY OPPOSED IT.

IT WASN'T A "HE SAID/SHE SAID,"
BUT WE HAD A LOT OF EVIDENCE

TO PROVE OUR POSITION,
AND I FELT LIKE

WE DIDN'T REALLY KNOW
THE FINAL OUTCOME.

>> YEAH, AND IT'S GOOD
FEEDBACK.

I MEAN, YOU WANT TO HAVE
KNOWLEDGE ABOUT THE FINAL

DISPOSITION, AND SO WE'RE GONNA
LOOK INTO IF WE CAN DO THAT

IN AN AUTOMATED FASHION:
TO SEND OUT A PUSH MESSAGE

WHEN A DECISION'S BEEN
VALIDATED OR INVALIDATED.

WE'RE WORKING ON THAT.

BUT WORST-CASE SCENARIO, YOU CAN
IN YOURSELF AND SEE THAT NOW.

RIGHT NOW IT'S THERE.

>> THANK YOU.
>> YOU'RE WELCOME.

>> THIS IS JUST A MATTER OF
A LITTLE BIT OF FEEDBACK.

I WORK FOR A FULLY
INTEGRATED DUAL-ELIGIBLE

SPECIAL NEEDS PLAN, AND WE
ARE FACING THE ISSUE WHERE

THE SECRET SHOPPER COMES WITH
ONLY THEIR MEDICARE HAT ON,

NOT REALIZING THESE PEOPLE
ARE ALSO ON MEDICAID.

AND SO, FOR EXAMPLE, WHEN THEY
ASK THE PROSPECTIVE MEMBER

ABOUT THEIR FINANCIAL
RESPONSIBILITIES,

DO THEY UNDERSTAND THAT?

THAT COULD BE VERY CONFUSING
TO OUR MEMBER BECAUSE

THEY REALLY DON'T HAVE ANY
FINANCIAL RESPONSIBILITIES

BECAUSE MEDICAID
PICKS THAT UP.

WE'VE STRUGGLED WITH THIS ISSUE
IN THE CALL CENTER MONITORING,

AND THERE'S BEEN A LOT OF
ADVOCACY THROUGH THE SNP

ALLIANCE ASSOCIATION, BECAUSE
WE'RE NOT THE ONLY SNP

THAT HAS EXPERIENCED THIS.

AND THEY SEEM TO BE, AT LAST
ON THE CALL-CENTERING SIDE,

RECOGNIZING THIS ISSUE.

AND I JUST ENCOURAGE YOU TO--
I SAW ON THE SLIDE

THAT ONE OF THE AREAS OF--THINGS
THAT YOU WERE LOOKING AT

IS SORT OF THIS
SPECIAL PRODUCTS.

SO I ENCOURAGE YOU IN TERMS OF
MAKING SURE YOUR SECRET SHOPPERS

THAT ARE GOING TO VISIT--OR,
YOU KNOW, SHOP AN EVENT FOR A--

AS DUAL-ELIGIBLE SNP, THAT
THEY REALLY UNDERSTAND THE FULL

PRODUCT SO THAT THERE IS--THAT'S
WHERE YOU REALLY FALL INTO

"HE SAID/SHE SAID," AND I JUST
PROVIDE THAT FEEDBACK.

>> GO AHEAD, KITICHIA.

>> THANK YOU FOR
PROVIDING THAT FEEDBACK.

AS MENTIONED IN THE
PRESENTATION, THAT WAS ONE OF

THE COMMON THEMES WE HEARD

DURING OUR LISTENING
SESSIONS WITH THE PLAN.

SO CURRENTLY AS WE SPEAK,
WE ARE LOOKING INTO IMPROVING

OUR TOOLS SO THAT WE CAN
ADDRESS THE UNIQUENESS

OF FULLY INTEGRATED
DUAL-ELIGIBLE SNPs,

COST PLANS, AND PRIVATE
FEE-FOR-SERVICE PLANS.

SO THAT'S SOMETHING THAT WE'RE
DEFINITELY LOOKING FORWARD TO,

SO THANK YOU FOR THAT FEEDBACK.

ANY OTHER QUESTIONS?

WELL, THANK YOU AGAIN
FOR YOUR ATTENTION,

AND ENJOY THE REST
OF THE CONFERENCE.

[APPLAUSE]