



**CMS 2010 BI-REGIONAL MEDICARE HEALTH PLAN COMPLIANCE  
CONFERENCE**  
**Boston & New York – Serving Our Beneficiaries Together**

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

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

OUR NEXT 2 SPEAKERS WILL  
ADDRESS THAT TOPIC--

CYNTHIA TUDOR AND DANIELLE MOON.

I'LL INTRODUCE THEM BOTH

AND THEN THEY'LL JOIN  
YOU ON STAGE.

CYNTHIA TUDOR IS THE DIRECTOR  
OF THE MEDICARE DRUG BENEFIT

AND C&D DATA GROUP  
AT CMS IN BALTIMORE.

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

FOR MOST ACTIVITIES RELATED  
TO THE IMPLEMENTATION

AND OPERATION OF THE DRUG  
BENEFIT PART D FOR CMS.

CYNTHIA'S PART D OPERATIONAL  
RESPONSIBILITIES INCLUDE

APPLICATIONS, FORMULARY  
DEVELOPMENT, CONTRACTING,

DAY-TO-DAY OPERATIONS,  
AND BENEFITS POLICY.

CYNTHIA IS ALSO RESPONSIBLE  
FOR DEVELOPING AND ANALYZING

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

AND THE DEVELOPMENT  
OF PERFORMANCE

AND QUALITY METRICS.

DR. TUDOR LED THE IMPLANTATION  
AND OPERATIONS OF RISK

ADJUSTMENT PAYMENTS PRIOR  
TO SERVING IN THIS AREA.

THOSE PAYMENTS WERE MADE  
TO MEDICARE

ADVANTAGE ORGANIZATIONS.

BEGINNING AT THE OFFICE  
OF RESEARCH

AND DEMONSTRATIONS AT CMS,  
DR. TUDOR LED A TEAM

OF RESEARCHERS  
WHO WERE RESPONSIBLE

FOR THE DEVELOPMENT  
OF MULTIPLE APPROACHES

FOR RISK ADJUSTMENT.

THE RISK ADJUSTMENT  
METHODOLOGY WAS IMPLEMENTED

SUCCESSFULLY FIRST IN JANUARY,  
2000, AND THEN MODIFIED

FOR PAYMENTS BEGINNING IN  
2004 USING AN EXPANDED MODEL.

DR. TUDOR ALSO LED  
THE DEVELOPMENT OF THE RISK

ADJUSTOR FOR PART D.

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

IN MEDSTAT IN SUCH AREAS AS

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

DR. TUDOR RECEIVED HER DOCTORATE  
FROM THE JOHNS HOPKINS  
UNIVERSITY

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

SHE'LL BE JOINED BY HER  
COLLEAGUE DANIELLE MOON.

DANIELLE MOON IS THE DIRECTOR  
OF THE MEDICARE DRUG AND HEALTH

PLAN CONTRACT ADMINISTRATION  
GROUP IN CMS IN BALTIMORE.

THIS GROUP IS RESPONSIBLE  
FOR THE DEVELOPMENT

AND IMPLEMENTATION OF  
POLICIES AND PROCEDURES

FOR THE OPERATIONS OF THE  
MEDICARE ADVANTAGE PROGRAM,

WHICH INCLUDES NEW PRODUCT  
TYPES, SUCH AS SPECIAL NEEDS

PLANS AND MEDICARE  
SAVINGS ACCOUNTS.

SHE ALSO IS INVOLVED IN  
CONTRACTING, BID NEGOTIATIONS,

PLAN PERFORMANCE,  
AND RELATED DATA ANALYSES.

PRIOR TO HER CURRENT POSITION,

MS. MOON SERVED  
AS THE DEPUTY DIRECTOR

OF THE MEDICARE  
ENROLLMENT AND APPEALS GROUP,

WHICH IS RESPONSIBLE  
FOR MEDICARE BENEFICIARY

ENROLLMENT, ELIGIBILITY,  
AND APPEALS POLICY

FOR THE TRADITION MEDICARE  
FEE-FOR-SERVICE PROGRAM.

MS. MOON RECEIVED HER JURIST  
DOCTORATE FROM THE UNIVERSITY

OF MARYLAND SCHOOL OF LAW,

AND HER MASTER'S  
IN PUBLIC ADMINISTRATION

FROM GEORGE  
WASHINGTON UNIVERSITY.

SHE'S A MEMBER  
OF THE MARYLAND BAR.

PLEASE JOIN ME IN WELCOMING  
DANIELLE AND CYNTHIA.

[APPLAUSE]

>> GREAT, OK.

CAN YOU HEAR ME OK? GOOD.

AND I CAN REACH  
THE MIC, TOO.

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

YOU KNOW, I'M  
A LITTLE CHALLENGED,

BUT THIS IS GOOD.  
AND, YOU KNOW,

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

AND THEN I HAVE  
TO CRANK THIS DOWN.

GOOD. WELL, GREAT.

WELL, THANK YOU VERY MUCH.

IT'S GREAT TO BE  
HERE THIS AFTERNOON.

I THINK THIS IS THE FIRST TIME

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

AND I APPRECIATE,  
YOU KNOW, BEING HERE

TO TALK TO YOU TODAY

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

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

AND IT'S IMPORTANT TO YOU

AND IMPORTANT TO  
OUR BENEFICIARIES.

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

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

AND GO THROUGH SEVERAL ISSUES,

AND THEN TURN IT  
OVER TO CYNTHIA,

AND THEN WE'LL  
DO SOME QUESTIONS--

HOPEFULLY HAVE  
SOME TIME FOR QUESTIONS

AND ANSWERS AT THE END.

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

WE'LL TALK A LITTLE BIT  
ABOUT EVALUATING PERFORMANCE,

TALK ABOUT THE DIMENSIONS  
OF THE OVERSIGHT,

AND HOW ALL  
OF THAT PLAYS TOGETHER.

THINGS LIKE  
ACCOUNT MANAGEMENT,

AS WELL  
AS THE REPORTING REQUIREMENTS,

MONITORING AND SURVEILLANCE,

AND THEN CYNTHIA WILL TALK  
ABOUT THE AUDITING PIECE

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

WITH PERFORMANCE METRICS,  
AND THE PERFORMANCE REVIEW--

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

SO...

I AM A LITTLE HEIGHT  
CHALLENGED BECAUSE I CAN'T

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

SO IF YOU SEE ME  
STANDING ON TIPTOE,

IT'S SO I CAN SEE THOSE.

UM...OK.

AND AS MARVA  
MENTIONED IN MY BIO,

I LEAD THE GROUP  
THAT'S RESPONSIBLE

FOR PART C IN THE MEDICARE  
ADVANTAGE PROGRAM OVERSIGHT.

AND HEIDI ARENT  
OF MY STAFF WAS HERE EARLIER

TALKING ABOUT  
SPECIAL NEEDS PLANS,

AND PAUL FOSTER  
WAS HERE THIS MORNING TALKING

ABOUT THE PROVIDER  
DISPUTE RESOLUTION PROCESS.

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

AND COMPLIANCE  
RESPONSIBILITIES

FOR THE MEDICARE ADVANTAGE  
PROGRAM, INCLUDING COST PLANS

AND SPECIAL NEEDS PLANS.

AND SO IT'S A NEW ROLE FOR ME,

AS YOU'VE PROBABLY HEARD

IN THE BIO,

BUT I'M EXCITED  
TO BE DOING THAT

AND TO BE HERE  
TALKING TO YOU ABOUT IT.

SO...LET'S SEE.

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

OF EVALUATING PERFORMANCE.

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

YOU KNOW,  
THEY'RE LARGE PROGRAMS,

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

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

AND MAKE SURE THAT THE  
PROGRAM IS WORKING EFFICIENTLY

AND EFFECTIVELY  
FOR OUR BENEFICIARIES,

AND THAT ORGANIZATIONS,

WHETHER YOU'RE A MEDICARE  
ADVANTAGE ORGANIZATION

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

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

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

OUR FOCUS  
IS ON MEDICARE BENEFICIARIES.

AND I FEEL VERY STRONGLY COMING  
FROM THE ENROLLMENT APPEALS

GROUP, WHERE, YOU KNOW,  
WE WERE DEALING

WITH GETTING BENEFICIARIES  
IN THE PROGRAM

AND REACHING OUT TO THEM,

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

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

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

WHEN WE LOOK AT DIFFERENT  
ISSUES THAT COME UP,

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

WHAT'S THE BEST DECISION

THAT'S IN  
THE BENEFICIARY'S INTEREST?

AND THAT'S SOMETHING THAT  
I SUPPORTED WHOLEHEARTEDLY

WHEN I WAS IN THE OTHER GROUP,

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

THAT'S OUR PRIMARY FOCUS.

YOU KNOW, SO  
IN ADDITION TO THAT,

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

THAT YOU'RE FOLLOWING  
THE RULES OF THE PROGRAM,

AND THAT OUR OVERSIGHT  
STRATEGY IS EFFICIENT

AND SUSTAINABLE BECAUSE  
OF THE LARGE NUMBER

OF CONTRACTORS THAT WE HAVE.

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

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

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

CONTRACTS CONTINUOUSLY.

SO WE'VE DEVELOPED AN

OVERSIGHT STRATEGY THAT RESTS ON

OR RELIES ON DATA DRIVEN  
MONITORING AND QUANTIFIABLE

PERFORMANCE MEASURES, AND  
TO MEASURE ALL ORGANIZATIONS

ON THE SAME CRITICAL ELEMENTS,  
AND TO APPLY THE RESULTS

AND TAKE  
THE ACTIONS CONSISTENTLY.

SO, YOU KNOW, THAT'S  
ANOTHER KEY CHALLENGE

IS WE HAVE TO KIND OF MAKE SURE

THAT ALL THE RULES  
ARE ENFORCED,

BUT ALSO THAT  
IT'S DONE CONSISTENTLY

ACROSS THE COUNTRY AND  
ACROSS ALL ORGANIZATIONS.

AND SO FOR MORE RESOURCE  
INTENSIVE ACTIVITIES,

WE TARGET OUR EFFORTS

IN MORE SELECTED WAYS  
BY LOOKING AT RISK ASSESSMENT

AND RISK MANAGEMENT  
TECHNIQUES, AND TO IDENTIFY

THOSE ORGANIZATIONS OR PROGRAM  
AREAS THAT NEED THAT ATTENTION.

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

WHERE'S THERE  
A PARTICULAR IMPACT

THAT WE'RE REALLY  
CONCERNED ABOUT?

AND TRYING TO ZERO IN  
ON THOSE PROBLEM AREAS

WHEN WE TALK ABOUT, YOU KNOW,

MAKING SURE THAT THE RULES  
ARE BEING FOLLOWED.

LET'S SEE. UM, SO,

OUR OVERSIGHT STRATEGY,

UM, YOU KNOW,  
HAS A NUMBER OF BENEFITS

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

WE CAN OFTEN CATCH PROBLEMS  
RELATIVELY EARLY BEFORE THEY

EVOLVE INTO SOMETHING  
MORE SYSTEMIC, OR BEFORE A LOT

OF HARM HAS BEEN DONE.

AND, YOU KNOW, THE CORRECTIVE  
RESPONSES AT THAT STAGE

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

MILDER AT THE OUTSET,  
IT CAN BE REMEDIED MORE EASILY

AND MORE QUICKLY  
AND WITH FEWER RESOURCES.

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

AND IDENTIFY THINGS BEFORE  
THEY BECOME A BIG IMPACT.

AND THAT SHOULD BE  
YOUR GOAL, AS WELL.

OBVIOUSLY,  
YOU HEARD RENESHA TALK

EARLIER TODAY ABOUT THE  
COMPLIANCE PROGRAM AND HAVING

AN EFFECTIVE COMPLIANCE  
PROGRAM, AND THAT'S REALLY

THE KEY IS TO IDENTIFY  
AND DETECT THOSE PROBLEMS.

I MEAN, YOU WANT  
TO BE PREVENTING THEM,

BUT WHEN THEY DO OCCUR,

YOU WANT TO BE ABLE  
TO IDENTIFY THEM QUICKLY

BEFORE THEY BECOME  
MUCH MORE SERIOUS.

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

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

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

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

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

A PARTICULAR ISSUE.

AND SO WE CAN TAILOR  
OUR RESPONSE TO THE UNIQUE

SITUATIONS OR CIRCUMSTANCES.

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

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

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

TO INFORM OUR  
DAY-TO-DAY DECISIONS,

AND, YOU KNOW, THAT HELPS US

UNDERSTAND HOW THE PROGRAM'S  
OPERATING OVERALL.

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

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

WE CONDUCT OVERSIGHT.

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

THAT, YOU KNOW, EACH OF  
THESE AREAS ARE SEPARATE

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

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

DEGREE OF OVERLAP THAT OCCURS,

AND WE SEE THIS  
ON A DAILY BASIS.

FOR INSTANCE, YOU KNOW,  
YOU MIGHT HAVE INFORMATION

FROM MONITORING AND  
SURVEILLANCE ACTIVITIES

THAT WOULD SURELY TELL YOU  
KIND OF WHICH PLANS SHOULD

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

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

REPORTING REQUIREMENTS,  
THE AUDITS,

AND THEN THE MONITORING.

AND SO WE'LL GO  
THROUGH EACH OF THOSE.

I ALSO WANTED TO TALK  
ABOUT THE COMPLIANCE TOOLS,

AND IT'S KIND OF A CASCADE.

WE ALSO CALL THIS OUR  
PROGRESSIVE COMPLIANCE MODEL,

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

ALL OF THE  
4 OVERSIGHT ACTIVITIES.

WE HAVE A VERY BROAD SPECTRUM  
OF COMPLIANCE ACTIONS

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

AGAIN, REALLY TAILORING THAT  
TO THE SPECIFIC CIRCUMSTANCES.

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

OF ARRAYED FROM MORE  
MILD TO MORE SEVERE.

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

THE NOTICE OF NON-COMPLIANCE,

IS OUR MOST MILD TYPE

OF WRITTEN  
FORMAL COMMUNICATION

AND IT DOES NOT  
INCLUDE WARNING LANGUAGE.

MOST OF OUR COMPLIANCE  
PROTOCOLS START OUT

WITH THE ISSUANCES  
OF NOTICES OF NON-COMPLIANCE

WITH AN ESCALATION  
TO A WARNING LETTER

IF THE PATTERN CONTINUES.

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

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

OR EXCLUSIONS,  
SUCH AS, FOR EXAMPLE,

A TEMPORARY SUPPRESSION  
FROM MEDICARE PLAN FINDER OR--

ON MEDICARE.GOV.

OR WE MIGHT EXCLUDE  
THE CONTRACT FROM MEDICARE

AND YOU, YOU KNOW, FROM  
OUR BENEFICIARY HANDBOOK.

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

AND THAT'S OFFERED  
BELOW THE BENCHMARK

AND IS SET UP TO BE RECEIVING

OLD ENROLLEES AND  
REASSIGNEES OF INDIVIDUALS

WHO ARE LOW-INCOME  
SUBSIDY ELIGIBLE,

WE MIGHT EXCLUDE YOUR CONTRACT

FROM RECEIVING THOSE  
FOR A CERTAIN PERIOD OF TIME,

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

TO DEALING WITH  
THOSE BENEFICIARIES.

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

OR CAP, WHICH BECOMES  
PUBLIC KNOWLEDGE.

AND, YOU KNOW, WE CAN  
DISAPPROVE NEW APPLICATIONS

OR SERVICE AREA EXPANSIONS  
BY THE ORGANIZATION,

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

AND WE CAN ALSO REFER  
THE ORGANIZATION

TO THE REGIONAL  
OFFICE FOR AN AUDIT.

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

IS TO MOVE TO ENFORCEMENT,  
ENFORCEMENT ACTION,

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

AND MARKETING FREEZE, OR  
AN ACTUAL CONTRACT TERMINATION.

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

THE PROBLEM RESOLVED.  
AND, UM...

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

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

IS TO REALLY PAY STRONG  
ATTENTION TO THOSE.

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

BUT ORGANIZATIONS GET INTO  
TROUBLE WHEN THEY IGNORE THOSE,

AND THEY DON'T TAKE  
THEM SERIOUSLY,

AND THEN THEY  
GET THE WARNING LETTER,

OR THEN THEY HAVE  
ANOTHER ACTION,

AND THEY WONDER  
HOW IT ALL HAPPENED.

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

THEY DON'T HAVE AS  
SCARY LANGUAGE IN THEM,

BUT YOU SHOULD DEFINITELY  
PAY ATTENTION IF YOU GET ONE

AND, YOU KNOW, AND TAKE  
THE NECESSARY STEPS

TO INVESTIGATE WHAT HAPPENED  
AND TO RESOLVE IT.

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

IS THAT EVEN THOUGH

WE HAVE THESE KINDS OF  
CASCADING STEPS, WE CAN,

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

THE WARNING LETTER  
WITH A REQUEST

FOR A BUSINESS PLAN,  
OR SOMETHING

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

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

UM...OK.

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

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

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

UM...[MUTTERING]

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

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

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

OF PIECES THAT INTERACT,  
YOU KNOW,

THERE'S THE SUBJECT  
MATTER EXPERTS,

THERE'S THE COMPLIANCE  
AND ENFORCEMENT ARM,

THERE'S CASE WORK.

SO, EACH ORGANIZATION THAT  
WE CONTRACT WITH IS ASSIGNED

AN ACCOUNT MANAGER,  
AS YOU PROBABLY ARE AWARE,

AND THESE ASSIGNMENTS ARE MADE

AT THE PARENT  
ORGANIZATION LEVEL,

MEANING THAT IF  
MULTIPLE ENTITIES

ARE RUN BY  
THE SAME PARENT.

WE TREAT THEM ALL  
AS A SINGLE ORGANIZATION.

AND ACCOUNT MANAGERS WORK  
OUT OF OUR REGIONAL OFFICES,

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

OF CONTACT AND WORK  
WITH YOU ON A DAILY BASIS.

EXCEPT PERHAPS FOR SOME  
OF THE MORE TECHNICAL WORK

THAT MIGHT BE DONE,  
LIKE WITH RESPECT TO SAFE DATA

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

THE ACCOUNT MANAGERS REALLY

ARE INVOLVED IN, OR AT LEAST

AWARE OF, YOU KNOW,  
EVERY ISSUE

THAT'S AFFECTING THE PLANS.

AND SO, YOU KNOW,  
REGARDLESS OF WHAT

THE ISSUE MIGHT BE, I MEAN,

THEY'RE IN A POSITION  
TO FIGURE OUT--

YOU KNOW, EITHER HELP  
TO FIGURE OUT WHAT THE ANSWER

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

OR FIND SOMEONE WHO CAN.

>> SO THE ROLE OF  
THE ACCOUNT MANAGER IS,

YOU KNOW, IN DAILY OVERSIGHT  
AND COMMUNICATION,

LEARN THAT POLICY AND  
OPERATIONS OF THE SPONSOR,

BOTH INSIDE AND OUT,

AND REALLY ENSURE  
THAT THE SPONSOR COMPLIES

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

AND THEN THEY DIRECT  
COMMUNICATION AND POINT

OF CONTACT TO THE COMPLIANCE  
OFFICE AND OTHER CRITICAL

SPONSOR COMPONENTS AT THE PLAN.

ALSO, THEY, YOU KNOW,  
COMMUNICATE AND REINFORCE

POSITIVE PERFORMANCE, THEY LOOK  
INTO PERFORMANCE ISSUES,

REQUEST RESOLUTION,  
TAKE COMPLIANCE ACTION

AS APPROPRIATE.  
SO A LOT OF THAT ACTION

IS DONE IN THE REGIONAL  
OFFICES AS ISSUES ARISE.

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

THEN WITH THE REGIONAL OFFICE  
ACCOUNT MANAGERS WHEN AN ISSUE

IS BEING ESCALATED,  
OR THERE'S A CONCERN

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

OR THE CAPS,  
HAVE NOT BEEN SUCCESSFUL,

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

SO, AGAIN, GOING BACK  
TO THAT DIAGRAM,

THERE'S A LOT  
OF OVERLAPPING CIRCLES

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

NEXT, I WANTED TO TALK  
A LITTLE BIT ABOUT REPORTING

REQUIREMENTS BECAUSE THAT'S  
SOMETHING THAT ALSO PLAYS

INTO OUR OVERSIGHT.

AND, YOU KNOW,  
IT GETS TO THE BASIS

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

SO, BROADLY SPEAKING, THESE  
ARE SPECIFIC DATA ELEMENTS

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

AND THE DATA THAT YOU REPORT  
IS EXTREMELY VALUABLE.

SOMETIMES THAT INFORMATION

ISN'T AVAILABLE  
FROM OTHER SOURCES.

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

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

IF WE GET IT DIRECTLY  
FROM THE ORGANIZATION.

WE CAN ALSO IDENTIFY  
DIFFERENCES BETWEEN PLAN

AND ORGANIZATION TYPES.

WE MIGHT ALSO INTEGRATE THESE  
DATA SOURCES WITH OTHER DATA

THAT WE HAVE. FOR EXAMPLE,

WE MIGHT COMPARE GRIEVANCE  
RATES THAT WE WOULD

GET FROM YOUR ORGANIZATION

TO 1-800-MEDICARE  
COMPLAINT RATES.

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

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

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

AND YOU CAN KIND OF SEE  
ON THIS SLIDE SOME

OF THE DIFFERENT THINGS  
THAT WE MIGHT INTEGRATE WITH.

IRE IS THE INDEPENDENT  
REVIEW ENTITY DATA

THAT WE GET FOR PART C  
AND PART D.

AND THEN ON THE NEXT FEW  
SLIDES I HAVE SOME EXAMPLES

OF THE DIFFERENT  
REPORTING CATEGORIES,

WHICH YOU SHOULD  
BE FAMILIAR WITH.

AND LOOKING AT SOME OF THESE  
DIFFERENT--PARTICULARLY,

ON THE PART D SIDE,  
AND THEN GRIEVANCES,

COVERAGE DETERMINATIONS,  
AND EXCEPTIONS AND APPEALS.

I MEAN, SOME OF THESE THINGS,

PARTICULARLY, WHEN  
WE TALK ABOUT GRIEVANCES

AND, UM, COVERAGE  
DETERMINATIONS,

THERE'S A LOT THAT OCCURS

ONLY WITHIN THE ORGANIZATION,

ONLY AT YOUR  
LEVEL THAT WE MIGHT NEVER

KNOW ABOUT IF WE DIDN'T ASK.

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

YOU KNOW, YOU'RE PROCESSING  
GRIEVANCES APPROPRIATELY,

THAT YOU HAVE  
A PROCESS FOR DOING THAT.

THAT, YOU KNOW, ALL  
OF THIS STUFF IS HAPPENING

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

THAT'S FINE,

BECAUSE WE CAN GET  
REPORTS FROM THEM,

BUT WE DON'T KNOW  
WHAT HAPPENED BEFORE THEN,

OR WHAT ACTIONS MIGHT NOT BE

GETTING UP THROUGH  
THE APPEALS PROCESS.

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

MAKE SURE THAT ORGANIZATIONS  
ARE, YOU KNOW,

ARE FOLLOWING THE PROCESS  
AND THAT IT'S WORKING.

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

OF REPORTING  
CATEGORIES FOR PART D.

YOU KNOW, ENROLLMENT, PROMPT  
PAYMENT, PHARMACY SUPPORT,

ELECTRONIC PRESCRIBING,  
LONG-TERM CARE UTILIZATION,

AND FRAUD, WASTE, AND  
ABUSE COMPLIANCE PROGRAMS.

SO THOSE ARE SOME NEW ONES.

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

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

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

AND SERIOUS REPORTABLE  
ADVERSE EVENTS,

ALSO PROVIDER  
NETWORK ADEQUACY,

AND, AGAIN,  
GRIEVANCES--AGAIN,

BECAUSE THAT'S  
SOMETHING THAT'S ONLY

AT THE ORGANIZATIONAL LEVEL.

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

GRIEVANCE DATA FROM  
THE REPORTING REQUIREMENTS

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

ONLY UNDERSTAND THE PROGRAM  
AND HELP US MAKE DECISIONS,

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

WHAT IT HAS TO DO.

UM...WE TREAT REPORTING  
REQUIREMENTS DATA A LITTLE

DIFFERENTLY FROM OTHER  
SOURCES OF INFORMATION

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

AND IT'S FOR RIGHT  
NOW UNAUDITED.

BUT WE'VE IMPLEMENTED AN  
APPROACH THAT WE THINK HAS

BEEN VERY SUCCESSFUL, AND SO  
WE PULLED OUT SOME EXAMPLES

TO SHOW YOU HOW IT WORKS.

FIRST, WE TOOK  
THE NUMBER OF GRIEVANCES

PER THOUSAND ENROLLEES  
FOR EACH SPONSOR,

AND THEN EACH ORGANIZATION  
WITH A GRIEVANCE RATE

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

OK. AND THOSE WHO GOT  
THE NOTICE WERE ASKED

TO REPORT BACK TO US  
ON WHAT THEY THOUGHT

CAUSED THEIR GRIEVANCE  
RATE TO BE SO HIGH.

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

OR IF THERE'S AN ACTUAL  
UNDERLYING PROBLEM

WITHIN THE ORGANIZATION.

WE THEN ASKED FOR INFORMATION  
BACK ON CURRENT PROCEDURES

FOR HANDLING GRIEVANCES,  
HOW THOSE PROCEDURES MAY HAVE

CHANGED OVER TIME, THE FURTHER  
PLANS THE ORGANIZATION

HAS TO IMPROVE PERFORMANCE.

YOU KNOW,  
REALLY JUST TRYING AGAIN,

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

WHY IS THIS RATE SO HIGH?

AND, AGAIN, AS, YOU KNOW,

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

OF LOOKING ACROSS ALL  
THE ORGANIZATIONS AND SAYING,

"WHERE ARE THE OUTLIERS?"

YOU KNOW, WHERE ARE  
ORGANIZATIONS THAT AREN'T

REALLY FALLING WITHIN THE NORM?

UM...

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

THIS A HELPFUL EXERCISE,  
AND THAT IN DOING THIS,

THEY FOUND DATA ANOMALIES  
AND DIFFERENT PROCESS PROBLEMS

IN THEIR ORGANIZATION  
AS A RESULT.

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

A SIMILAR ANALYSIS.

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

IN THIS WAY. OK?

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

STANDARDS AND PROCEDURES  
FOR PART C AND PART D

REPORTING REQUIREMENTS.

THESE STANDARDS WILL HELP  
ENSURE THAT THE REPORTED DATA

ARE RELIABLE, VALID,  
COMPLETE, AND COMPARABLE.

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

AND THEN MOST RECENTLY

IN MAY OF 2010

ON THE DATA VALIDATION.

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

ON THE WEBSITE--THE ASSESSMENT  
INSTRUMENT, THE STANDARDS

THEMSELVES, THE INSTRUCTIONS  
FOR THE DIFFERENT DATA

COLLECTION FORMS,  
AND SAMPLING INSTRUCTIONS.

SO...

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

THE REPORTING REQUIREMENTS,

HOW WE GET DATA  
IN FROM ORGANIZATIONS.

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

AND SURVEILLANCE.

IT'S ANOTHER WAY THAT WE  
GET INFORMATION ABOUT HOW

AN ORGANIZATION IS PERFORMING.

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

IT'S A SUPPLEMENT  
TO OTHER TRADITIONAL AVENUES

FOR OVERSIGHT OR AUDITS  
THAT WE MIGHT DO, WE REALLY

EMPHASIZE WHAT WE CALL  
DATA-DRIVEN MONITORING.

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

TO SYSTEMATICALLY  
ASSESS PERFORMANCE

IN CERTAIN KEY AREAS.

AGAIN, THIS GETS BACK TO,

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

WE'RE LOOKING AT EVERY  
CONTRACTOR THE SAME WAY

ON THE SAME ELEMENTS.

WE CAN ALSO AGAIN GET  
TO A FASTER RESPONSE

TO SMALLER PROBLEMS  
BEFORE THEY ESCALATE,

WHICH IS IMPORTANT,  
BOTH FROM OUR PERSPECTIVE

AND YOUR PERSPECTIVE.

AND WE CAN IDENTIFY AREAS  
WHERE THERE MIGHT BE

ADDITIONAL GUIDANCE, OR SOME  
TYPE OF TECHNICAL ASSISTANCE

MIGHT BE WARRANTED.

WE ALSO CAN USE THIS DATA  
TO REALLY QUANTIFY RESULTS

ACROSS MANY DIFFERENT  
SUBJECT AREAS

AND IDENTIFY SPONSORS  
THAT ARE OVERALL OUTLIERS.

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

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

IN THIS CATEGORY,  
IN COMPLAINTS,

AND IN GRIEVANCES,  
AND ANOTHER AREA,

THOSE ARE GOING  
TO GIVE US A PICTURE

THAT THERE MIGHT  
BE SOMETHING--THAT THERE'S

SOMETHING MORE HERE,  
THAT THERE MIGHT BE SOMETHING

FUNDAMENTALLY, YOU KNOW,  
WRONG IN THE ORGANIZATION,

OR SOMETHING--ANOTHER  
LARGER UNDERLYING PROBLEM

THAT NEEDS TO BE ADDRESSED.

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

OF THE DATA THAT WE DERIVE

INTO INFORMATION  
THAT'S HELPFUL TO THE PUBLIC,

INCLUDING BENEFICIARIES  
AND ADVOCATES.

UM...

SO, THERE'S 2 MAJOR  
SOURCES OF DATA.

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

AND IN OUR  
ADMINISTRATION DATA,

AND WE'VE LISTED  
A FEW EXAMPLES.

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

THE PRESCRIPTION  
DRUG EVENT DATA,

MARKETING,  
FORMULARY INFORMATION,

AND INFORMATION FROM  
THE MARKETING REVIEW

PROCESS, AMONG OTHERS.

THE OTHER BIG SOURCE OF DATA  
IS ALL OF OUR CONTRACTED

MONITORING AND  
SURVEILLANCE PROJECTS.

UM, AND SO WE'LL  
PUT SOME DEFINITIONS

AROUND THESE, TOO.

UM...LET'S SEE.

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

AS I KIND OF ALLUDED TO BEFORE,

YOU KNOW, TAKING  
THINGS SERIOUSLY.

TAKING THE NOTICES SERIOUSLY,  
TAKING DEADLINES SERIOUSLY.

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

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

ENROLLMENTS AREN'T DOWNLOADED  
FROM THE ONLINE ENROLLMENT

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

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

UM, WE THEN LOOK AT OUTLIERS.

AS I SAID, THOSE  
PERFORMING PARTICULAR WELL,

SO WE CAN SEE WHAT  
THEIR BEST PRACTICES MIGHT BE,

AS WELL AS THOSE  
THAT ARE PERFORMING POORLY.

AGAIN,  
TO REALLY LOOK AND SEE,

IS THERE SOME  
UNDERLYING PROBLEM HERE?

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

THAT MAY BE  
PARTICULARLY CONCERNING,

YOU KNOW, OUR STRATEGY  
IN GENERAL DOESN'T CALL

FOR A STRONG  
COMPLIANCE REACTION

TO SINGLE INSTANCES OF PROBLEMS.

WE LOOK FOR PATTERNS.

AS I SAID, BEFORE, YOU KNOW,

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

YOU KNOW, HAS PROBLEMS CROPPING  
UP IN DIFFERENT AREAS.

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

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

IS THERE A CORRESPONDING  
PROBLEM SOMEWHERE ELSE?"

YOU KNOW, TRY  
AND LOOKING FOR IMPACT.

UM, YOU KNOW, UM,

AND SO, UM,

WE REALLY ARE FOCUSED  
ON LOOKING AT PATTERNS

OF WHERE  
THERE MIGHT BE PROBLEMS.

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

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

YOU KNOW, IF IT HAS  
A STRONG POTENTIAL

FOR A NEGATIVE  
BENEFICIARY IMPACT.

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

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

YOU KNOW, WE PUT ASIDE  
THE BATTERING RAM,

YOU KNOW, THE CAP,  
THE ENROLLMENT SANCTIONS,

WHEN A SOFT NUDGE, LIKE A NOTICE

OF NON-COMPLIANCE,  
WOULD BE SUFFICIENT.

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

LIKE, YOU KNOW, AS YOU SAW

IN THE PROGRESSIVE  
COMPLIANCE MODEL,

IT'S NOT TO KIND  
OF COME OUT SWINGING

WITH THE HEAVIEST OBJECT.

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

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

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

GET THEM TO TO FIX IT."

I MEAN,  
THAT'S REALLY THE GOAL--

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

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

AND--AND--UM, AGAIN,

TAKING THESE OTHER  
MORE SERIOUS ACTIONS

BECAUSE THEY HAVE CONSEQUENCES,

YOU KNOW,  
THROUGHOUT THE PROGRAM.

AND, YOU KNOW,  
LIKE I SAID, THOUGH,

THERE ARE TIMES WHEN WE WILL

TAKE A STRONGER, MORE  
SIGNIFICANT COMPLIANCE ACTION,

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

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

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

IN OUR ANALYSIS OF THE DATA

AND IN OUR REACTION  
TO FINDINGS.

AGAIN, TREATING ALL SIMILARLY  
SITUATED CONTRACTS THE SAME.

OK...

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

THAT WE USE  
FOR MONITORING AND COMPLIANCE.

YOU KNOW, THE LOW INCOME  
SUBSIDY MATCH RATE PROJECT

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

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

AND PREMIUMS,  
AND THAT'S ONE EXAMPLE.

AND, YOU KNOW, IN TAKING  
COMPLIANCE ACTIONS,

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

THAT I'VE DESCRIBED BEFORE  
LOOKING FOR REPEAT PATTERNS.

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

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

ABOUT CERTAIN  
DATA-DRIVEN PIECES.

ANOTHER OF OUR  
DATA-DRIVE PROJECTS

IS THE CALL CENTER  
MONITORING THAT WE PERFORM

EACH QUARTER TO ENSURE THAT,  
YOU KNOW, SPONSORS

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

LAST YEAR WE EXPANDED THIS  
TO INCLUDE CALL CENTERS THAT

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

TESTING PART C AND PART D  
CALL CENTER LINES

FOR THEIR ABILITY  
TO HANDLE CALLS

FROM NON-ENGLISH-SPEAKING  
BENEFICIARIES.

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

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

HEAR THAT THERE ARE  
PROBLEMS, UM, OR CONCERNS.

UM, AND EARLY RESULTS  
FOR 2010 HAVE STARTED TO COME

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

WHICH IS EXACTLY WHAT WE'RE  
HOPING TO ACCOMPLISH.

SO, BY GOING OUT THERE  
AND MONITORING THIS,

WE'RE RAISING AWARENESS  
AS WELL ON YOUR PART,

AND THEN YOU'RE TAKING  
THE ACTIONS NECESSARY

TO MAKE SURE THAT, YOU KNOW,

THAT THE REQUIREMENTS  
ARE BEING MET.

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

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

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

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

CAN IMPROVE AND THE PROGRAM  
CAN BE BETTER OVERALL.

UM...AND THAT SEEMS  
TO BE WORKING WELL

IN THESE  
PARTICULAR CASES.

UM...WE DO A LOT OF MONITORING

AROUND MEETING DEADLINES,  
AS I SAID BEFORE.

AND SO HERE ARE SOME TRIGGERS.

YOU KNOW, AS I MENTIONED  
CERTAIN MISSED DEADLINES

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

AND WE'VE ALSO PROVIDED,  
YOU KNOW,

DEDICATED  
TECHNICAL ASSISTANCE

AND GUIDANCE ON THESE TOPICS,

PARTICULARLY WITH  
FORMULARY SUBMISSIONS,

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

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

THROUGHOUT THE PROGRAM.

BUT WE JUST INCLUDE SOME  
OF THESE OTHERS TO GIVE YOU

A FLAVOR FOR DATA--YOU KNOW,

THE RANGE OF DATA  
THAT WE LOOK AT.

LIKE IF YOU LOOK AT TIMELY  
PROCESSING OF ENROLLMENTS,

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

AND WE'RE LOOKING AT SOME  
OTHER STUDIES THAT ARE

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

YOU KNOW, HOW THAT  
PROCESS IS WORKING,

ARE YOU, YOU KNOW, ENABLING  
BENEFICIARIES WHO ARE

NEWLY ELIGIBLE FOR  
THE LOW-INCOME SUBSIDY?

ARE YOU ALLOWING THEM AND  
ENABLING THEM TO USE OTHER

EVIDENCE UNTIL OUR  
SYSTEMS ARE CAUGHT UP?

THAT'S ANOTHER KEY PIECE.

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

FINISH MY PIECE, TALKING  
ABOUT SURVEILLANCE ACTIVITY,

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

ON OVER THE PAST COUPLE OF  
YEARS IN THE OPEN ENROLLMENT

SEASON AND WE'RE GOING  
TO CONTINUE TO EXPAND THAT

IN THE COMING OPEN ENROLLMENT  
OR ANNUAL ENROLLMENT PERIOD

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

THEY FOCUS ON AREAS  
OF SPECIFIC CONCERN,

AND IT'S MAYBE FOCUSING  
ON CERTAIN SEGMENTS

OF THE INDUSTRY.

AND ONE EXAMPLE WAS WHEN  
WE HAD BEEN RECEIVING

PERSISTENT  
COMPLAINTS AND EVIDENCE

OF AGENT/BROKER MISCONDUCT.

AND, YOU KNOW, THAT  
CAME TO OUR ATTENTION,

IT CAME TO CONGRESS' ATTENTION,

YOU KNOW, AND  
THERE WAS NEW LEGISLATION

IN THE FORM OF NIPA  
THAT TOOK SOME STEPS AS WELL

AROUND AGENT/BROKER  
COMPENSATION.

BUT TO SEE WHAT WAS GOING  
ON WE CONDUCTED MORE THAN

A THOUSAND SECRET

SHOPPING EVENTS, YOU KNOW,

WHERE WE HAVE  
CONTRACTORS GO IN

AND PARTICIPATE  
IN THESE EVENTS,

AND REPORT BACK, AND  
SAY WHETHER OR NOT CERTAIN

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

YOU KNOW,  
THINGS THAT WERE SAID

THAT WERE WRONG  
OR INAPPROPRIATE.

UM, AND, UM...

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

THAT ENABLES ALL OF THIS  
TO HAPPEN IN REAL TIME,

SO YOU AS THE ORGANIZATION

CAN GO IN AND IMMEDIATELY  
SEE WHAT MIGHT

HAVE HAPPENED IN  
A PARTICULAR EVENT,

OR WHAT  
A PARTICULAR ISSUE IS.

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

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

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

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

YOU KNOW, WE DO HAVE  
OUR FINDINGS VALIDATED.

AND BEFORE WE GO AND TAKE  
ACTION ON THEM,

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

OF LETTERS, AND WE  
DO THAT THROUGHOUT

THE ANNUAL ENROLLMENT PERIOD,  
AND WE ALSO ESCALATE THAT AS

AN ORGANIZATION CONTINUES  
TO HAVE VIOLATIONS AND PROBLEMS.

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

IMPORTANT THAT YOU PAY  
ATTENTION AT THE OUTSET.

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

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

NOTICES AND NOTICES OF  
NON-COMPLIANCE, AND THINGS LIKE

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

WE'RE GOING TO, YOU KNOW,

WE'RE GOING TO LOOK  
AT THAT ORGANIZATION

EVEN MORE CLOSELY.

SO WE WILL SHOP, AS WE SAY,

WE'LL SHOP THAT ORGANIZATION  
MORE CLOSELY

AND MORE FREQUENTLY  
BECAUSE WE THINK

THERE MIGHT  
BE A PROBLEM.

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

WHERE IT PAYS TO REALLY PAY  
ATTENTION TO THESE LETTERS

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

YOU KNOW, WHERE THERE MIGHT  
BE A PARTICULAR PROBLEM.

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

WE'LL START OFF  
WITH THE AUDITING PIECE.

OK. THANK YOU.

[APPLAUSE]

ALL RIGHT, THANKS.

[APPLAUSE]

>> YESTERDAY--WE HAD  
A CONFERENCE YESTERDAY

AND THEY GAVE US A  
BOX TO STAND ON,

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

I WAS THE MODERATOR,

SO I WAS HAVING TO  
RUN BACK AND FORTH,

AND I HAD TO TAKE THE BOX AWAY,

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

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

AND IT WAS MORE  
THAN I COULD DEAL WITH.

SO THEY TOLD A JOKE YESTERDAY,

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

TO TELL IN AN AUDIENCE,

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

SO, 4 COLLEGE STUDENTS  
WENT FOR A WEEKEND OF DRINKING

AND THEY SUDDENLY REALIZED

ON THE LAST DAY  
OF THIS EXTENDED WEEKEND

THAT THEY HAD  
A FINAL THE NEXT DAY.

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

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

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

"SO LET'S CALL THE PROFESSOR

AND TELL HIM  
WE HAD A FLAT TIRE."

SO THEY CALL THE PROFESSOR

AND THE PROFESSOR  
WAS COOL ABOUT IT.

AND SAID, "SURE,  
YOU CAN JUST COME

IN THE NEXT DAY  
AND TAKE THE FINAL."

SO THE STUDENTS CONTINUED  
TO DRINK THE FOLLOWING DAY,

AND THAT NIGHT THEY WENT BACK,

AND THEN THE MORNING  
OF THE SECOND DAY

THEY WENT IF FOR THEIR FINAL,

AND THEY WALKED INTO THIS ROOM  
THAT WAS COMPLETELY CLEARED

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

AND THE PROFESSOR SAID,

"YOU HAVE ONE QUESTION  
ON YOUR FINAL

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

AND THE QUESTION  
ON THE FINAL WAS,

"WHICH TIRE WAS IT?"

[AUDIENCE LAUGHTER]

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

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

SINCE I DON'T HAVE

TO BE RUNNING BACK

AND FORTH, AHA!

OK! [LAUGHING]

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

THAT I HAVE TO  
HAVE MY GLASSES ON.

SO, ANYWAY,  
THE AUDIT APPROACH.

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

WHEN THE PART D PROGRAM  
STARTED, YOU KNOW,

THEY STARTED TALKING  
ABOUT AUDITING APPROACHES

AS THE PRIMARY MECHANISM  
FOR MAKING SURE

THAT WE HAD OVERSIGHT.

AND EVERYBODY WHO WAS AROUND  
FOR THE BEGINNING OF PART D

WOULD KNOW THAT AUDITING  
WOULD NOT HAVE WORKED

FOR WHAT HAPPENED  
WHEN PART D STARTED.

EVEN THOUGH WE MOVED AWAY  
FROM ODD ECCENTRIC OVERSIGHT

STRATEGY, IT'S STILL  
A CRITICAL ELEMENT.

I THINK VANESHA  
HAS BEEN ONE OF THE PEOPLE

LEADING THE EFFORT  
TO MAKE THIS--

THE AUDITING A MORE  
OUTCOME-ORIENTED APPROACH

THAN A PROCESS-ORIENTED  
APPROACH.

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

POLICIES AND PROCEDURES--

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

MEAN YOU'RE DOING IT RIGHT.

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

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

OR RANDOMLY SELECTING,

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

LOOKING AT THE AREAS THAT ARE  
CHANCY FOR AN ORGANIZATION,

MAKING SURE THAT WE UNDERSTAND  
WHAT THEIR PERFORMANCE HISTORY

IS, AND CHOOSING PLANS  
TO AUDIT BASED ON THAT.

WE ARE ALSO TRYING TO IMPROVE  
OUR AUDIT APPROACH SO THAT

THE RESULTS ARE MEANINGFUL  
FOR BOTH CMS AND FOR YOU,

AND THAT THEY LEAD  
TO IMPROVED PERFORMANCE

OR AN EMPHASIS ON OUTCOMES.

WE'LL BE CONDUCTING  
A MIX OF COMPREHENSIVE

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

ON CERTAIN HIGH RISK AREAS,

LIKE THE CONDUCT  
OF SPECIAL NEEDS PLANS,

AGENTS AND BROKERS, AND SPECIAL  
COMPLIANCE PROGRAM AUDITS.

DANIELLE WALKED YOU THROUGH  
AT A HIGH LEVEL A LOT

OF THE ACTIVITIES THAT  
WE UNDERTAKE TO CONDUCT

OVERSIGHT, AND AUDITING  
WAS THE LAST ONE OF THOSE

SINGLE ACTIVITIES.

THE NEXT STEP THAT WE TAKE  
IS TO INTEGRATE ALL

OF THE INFORMATION THAT  
WE GATHER THROUGH ACTIVITIES

AND INTERPRET IT  
TO MAKE IT MEANINGFUL.

I'M GOING TO TALK  
THROUGH 2 MAJOR ACTIVITIES

THAT WE WORK ON AT CMS  
JUST TO DO THAT.

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

WHERE THE GOAL IS TO PROVIDE  
INFORMATION TO THE PUBLIC

ABOUT PLANNED PERFORMANCE  
TO ASSIST IN MAKING

ENROLLMENT CHOICES.

THE OTHER IS AN ANNUAL  
COMPREHENSIVE PERFORMANCE

REVIEW THAT WE CONDUCT FOR  
EACH SPONSOR, WHERE THE GOAL

OF THIS ACTIVITY IS TO  
SYNTHESIZE ALL THE OVERSIGHT

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

TO GENERATE AN OVERALL  
PERFORMANCE SCORE

FOR THE ORGANIZATION.

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

SUPPLEMENTED BOTH THE MEDICARE  
PRESCRIPTION DRUG PLAN FINDER

AND MEDICARE OPTIONS COMPARE  
WEBSITES TO INCLUDE PART C

AND D PLAN RATINGS.

THESE RATINGS ALLOW  
BENEFICIARIES TO COMPARE

AVAILABLE PLAN OPTIONS

IN COST, QUALITY,  
AND PERFORMANCE.

THE PERFORMANCE METRICS  
ARE OFTEN REFERRED TO

AS STAR RATINGS BECAUSE  
WE INTERPRET THE RAW,

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

WHERE 5 STARS IS  
THE BEST RATING.

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

BETWEEN ACCEPTABLE AND  
UNACCEPTABLE PERFORMANCE.

ANYTHING BELOW 3 STARS WOULD  
BE A MATTER FOR CONCERN.

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

COMPOSITE OR SUMMARY SCORES

FOR BOTH PART C AND D  
PLAN RATINGS.

SUMMARY SCORES CAN BE USED  
TO QUICKLY EVALUATE PLANS

AT A GLANCE BECAUSE THERE'S  
SO MANY INDIVIDUAL MEASURES

POSTED ON THE WEB, EVEN THOUGH  
WE ALREADY SUMMARIZED

THE INDIVIDUAL MEASURES  
INTO DOMAINS.

THE NEW SUMMARY SCORES  
PROVIDE A SUMMARY LEVEL

OF INTERPRETATION.

WE USE HALF STARS FOR  
THE SUMMARY SCORES SO PLANS

AND SPONSORS PERFORMANCE  
ARE FURTHER DIFFERENTIATED.

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

TO INDIVIDUAL MEASURES.

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

BUT IT'S A SCREEN  
SHOT FROM MEDICARE.GOV

SHOWING THE STAR RATINGS  
AT THE DOMAIN LEVEL,

WHICH IS A SUMMARY SCORE,

FALLING BETWEEN  
AN INDIVIDUAL METRIC

AND AN OVERALL SUMMARY  
SCORE FOR THE PLAN.

THE ROWS REPRESENT DIFFERENT  
PLANS, AND THE COLUMNS SHOW

THE STAR RATING  
FOR EACH DOMAIN.

JUST FROM THIS RATHER TINY  
BLURRY SNAPSHOT YOU CAN SEE

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

SO ON THE D SIDE  
WE HAVE 4 DOMAINS--

DRUG PLAN CUSTOMER SERVICE,  
MEMBER COMPLAINTS,

MEMBER EXPERIENCE WITH  
THE DRUG PLAN, AND DRUG PRICING,

AND PATIENT SAFETY.

UM...THE DRUG PLAN  
CUSTOMER SERVICE

INCLUDES MEASURES  
SUCH AS TIME ON HOLD,

AND I THINK DANIELLE TALKED

ABOUT THE CUSTOMER  
SERVICE CONTRACTS,

DRUG PLANS TIMELINESS  
IN GIVING A DECISION

FOR MEMBERS  
WHO MAKE AN APPEAL.

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

MEMBER COMPLAINTS,  
MEMBERS WHO CHOOSE TO LEAVE,

AND MEDICARE AUDIT FINDINGS  
INCLUDE MEASURES BASED

ON COMPLAINTS THAT COME  
INTO 1-800-MEDICARE,

A MEASURE LOOKING  
AT MEDICARE MEMBERS

WHO LEAVE THEIR  
CURRENT DRUG PLANS,

AND A MEASURE ON HOW  
WELL A PLAN FARED DURING

AN AUDIT BY CMS.

MEMBER EXPERIENCE WITH DRUG  
PLANS INCLUDE MEASURES

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

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

AND MEMBERS' ABILITY TO GET  
PRESCRIPTIONS FILLED EASILY

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

DRUG PRICING AND PATIENT  
SAFETY INCLUDES MEASURES

ON DRUG PLAN PRICES THAT  
DID NOT INCREASE MORE THAN

EXPECTED DURING THE YEAR,  
AND DRUG PLAN PRICES

ON MEDICARE'S WEBSITE ARE  
SIMILAR TO THOSE PAID BY

MEMBERS AT THE PHARMACY.

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

[AUDIENCE LAUGHTER]

[LAUGHING] I'VE GOT 3 PLANS

THAT I WANT TO COMPARE  
IN MORE DETAIL.

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

THE DOMAIN LEVEL STARS,

AND UNDERNEATH ONE  
OF THOSE I EXPANDED THE VIEW

TO SHOW THE INDIVIDUAL MEASURES  
WITHIN THAT DOMAIN.

THE SCREEN SHOT ON YOUR RIGHT  
IS THE SAME INFORMATION

BUT DISPLAYS  
THE UNDERLYING DATA

ON WHICH THE STAR  
RATING IS BASED.

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

YOU CAN DO IT  
FOR ANOTHER PLAN, TOO.

SO YOU CAN SEE HOW  
WELL YOU'RE DOING.

THIS SLIDE SHOWS THE  
DISTRIBUTION OF PDPs

AND MEDICARE ADVANTAGE  
PART D PLANS

ON THE PART D  
SUMMARY SCORES.

WE SEE THAT MOST  
ORGANIZATIONS RECEIVED

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

WHILE NO PDPs  
RECEIVED 5 STARS,

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

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

NOW MOVING  
THROUGH THE C DOMAINS,

RATINGS OF HEALTH  
PLAN RESPONSIVENESS AND CARE

INCLUDES ITEMS LIKE DOCTORS  
WHO COMMUNICATE WELL,

AND GETTING APPOINTMENTS  
AND CARE QUICKLY.

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

MANAGING CHRONIC CONDITIONS  
INCLUDES A NUMBER OF DIABETES

CARE MEASURES AND  
CONTROLLING BLOOD PRESSURE.

THESE ARE MOSTLY FROM HETAs.

MEMBERS COMPLAINTS, APPEALS,  
AND CHOOSING TO LEAVE INCLUDES

HOW QUICKLY AND HOW WELL  
A PLAN HANDLES MEMBER COVERAGE

APPEALS, COMPLAINT RATES  
PER 1,000 MEMBERS,

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

AND SERIOUSNESS OF PROBLEMS  
CMS FINDS DURING AUDITS

OF PLAN OPERATIONS.

STAYING HEALTHY INCLUDES  
SCREENING TESTS AND VACCINES,

MEASURES LIKE BREAST  
CANCER SCREENING,

AND FLU VACCINE RATES.

AGAIN HETAs MEASURES.

AND LASTLY, HEALTH PLANS  
TELEPHONE CUSTOMER SERVICE

INCLUDES HOW LONG THE MEMBER  
WAITS ON HOLD, HOW OFTEN

THE CUSTOMER SERVICE  
REPRESENTATIVE PROVIDES

ACCURATE INFORMATION, AND  
HOW OFTEN TTY, AND TTD,

AND FOREIGN LANGUAGE  
TRANSLATION SERVICES

ARE MADE AVAILABLE

TO MEMBERS.

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

TO LANGUAGE PROFICIENCY.

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

THIS GIVES YOU THE PART  
C SUMMARY SCALE.

AGAIN, THIS IS ONLY FOR  
MEDICARE ADVANTAGE PLANS.

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

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

AS THE PART D WAS.

AND, UNFORTUNATELY,  
WE SEE A PLAN OR TWO

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

AHEM.

SO, WHAT I JUST FINISHED  
PRESENTING WAS OUR MAJOR

INITIATIVE TO TAKE PERFORMANCE  
DATA AND TO TRANSLATE IT

TO USEFUL INFORMATION, TO HELP  
THE PUBLIC MAKE INFORMED

DECISIONS ABOUT  
HEALTH AND DRUG PLANS.

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

EACH YEAR  
TO SYSTEMATICALLY ASSESS

EACH ORGANIZATION'S  
PERFORMANCE,

AND BOIL IT DOWN TO  
A SINGLE PERFORMANCE SCALE.

WE HAVE DEVELOPED  
A QUANTITATIVE METHODOLOGY THAT,

AS YOU'LL SEE IN A MOMENT,

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

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

THE WHOLE PROJECT DRIVES  
TOWARD IDENTIFYING

THOSE ORGANIZATIONS  
THAT ARE SIGNIFICANT  
PERFORMANCE OUTLIERS.

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

AS DANIELLE WENT OVER,  
TO ADDRESS OFT TYPE PROBLEMS.

THIS ANALYSIS, THOUGH, IS MEANT  
TO IDENTIFY  
THOSE ORGANIZATIONS

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

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

IT'S COMPREHENSIVE.

THESE 9 DIMENSIONS  
ARE ON THE SCREEN

AND WE'RE GOING TO GO  
THROUGH EACH ONE.

THE WAY THIS WORKS IS THAT  
WE EVALUATE EACH CONTRACT

AGAINST CERTAIN CRITERIA  
IN EACH CATEGORY.

THESE ORGANIZATIONS THAT  
PERFORMED POORLY ACCUMULATE

NEGATIVE PERFORMANCE POINTS  
FOR EACH AREA

WHERE THEY PERFORMED POORLY.

THE FIRST  
IS COMPLIANCE LETTERS,

AND DANIELLE TALKED  
A LOT ABOUT THAT.

WE IDENTIFY SPONSORS THAT  
RECEIVE A HIGH NUMBER

OF COMPLIANCE NOTICES,  
ADJUSTED FOR TYPE OF NOTICE,

AND WE WEIGH THEM DIFFERENTLY  
ACCORDING TO THE SERIOUSNESS

ASSOCIATED WITH THE ACTION.

PERFORMANCE METRICS ARE  
BASED ON THE STAR RATING

ON THE MEDICARE.GOV AND  
WE LOOK FOR SPONSORS

WITH AN OVERALL SCORE  
OF 2.5 OR BELOW

AND THAT ARE IDENTIFIED  
AS OUTLIERS.

FOR EXAMPLE, ON THAT ONE  
WE ASSIGNED 2 POINTS

FOR CONTRACTS  
WITH 2.5 STARS OR BELOW.

THE NEXT DIMENSION  
IS THE CAPS--

THE MULTIPLE, AD HOC CAPS.

WE THINK THESE  
ARE RELATIVELY RARE STILL,

AND THEY'RE RESERVED FOR FAILURE  
OF PRIOR INTERVENTIONS,

OR EGREGIOUS PROBLEMS.

THE BENEFICIARY MA-PD LOOKS  
AT THOSE AD HOC CAPS

AND DETERMINES IF THE PROBLEMS  
WERE DIRECTLY RELATED

TO DELIVERY OF SERVICE  
TO MEMBERS.

FINALLY, WE LOOK AT  
FINANCIAL INSTABILITY.

CMS PERFORMS AN ONGOING  
ASSESSMENT OF SPONSOR FINANCES

AND IDENTIFIES ORGANIZATIONS  
THAT APPEAR UNSTABLE.

AND ONE POINT IS  
IDENTIFIED FOR EACH OF THOSE.

WE THEN LOOK AT  
SUPPRESSIONS AND EXCLUSIONS.

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

MONTHLY AUTO-ENROLLEES?

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

WE LOOK AT WHETHER  
YOU WERE EXCLUDED

FROM MEDICARE AND YOU.

FOR EXAMPLE, ONE YEAR  
WE HAD TO EXCLUDE A PLAN

THAT HAD NOT  
FINISHED ITS FORMULARY

BY THE TIME MEDICARE  
AND YOU WENT OUT.

WE LOOK AT WHETHER OR NOT  
YOU HAVE LOST YOUR ABILITY

TO UPDATE YOUR FORMULARY  
BECAUSE YOU'RE A CONSISTENT,

UM...MISCREANT IN THAT.

THEN WE LOOK AT EXCLUSION

FROM PARTICIPATION

IN THE ONLINE ENROLLMENT CENTER,  
AND BASICALLY THAT COMES

FROM REPEATEDLY NOT PUTTING  
YOUR PEOPLE IN YOUR PLAN.

THERE ARE SEVERAL DIFFERENT  
TYPES OF TERMINATIONS

THAT CAN HAPPEN.

SOMETIMES AN ORGANIZATION  
MERELY MAKES A DECISION

TO NON-RENEW FOR  
THE UPCOMING CONTRACT YEAR,

BUT MISSED  
THE NON-RENEWAL DEADLINE.

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

TO IMPLEMENT  
THE PROCESS SMOOTHLY.

SO WE GIVE ONLY ONE  
NEGATIVE PERFORMANCE POINT.

BUT A MUCH MORE SERIOUS TYPE  
OF MUTUAL DETERMINATION

IS ONE THAT IS EFFECTIVE  
MID-YEAR,

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

BUT ISN'T REQUESTED  
UNTIL DURING THE AEP,

AFTER THE  
ORGANIZATION HAS STARTED

TO ENROLL MEMBERS FOR  
THE UPCOMING CONTRACT YEAR.

BENEFICIARIES  
ARE CONSIDERABLY HARMED

WHEN THESE TYPES  
OF MUTUAL TERMINATIONS HAPPEN.

THEY'RE VERY DISRUPTIVE  
TO THEM AND TO US.

FOR THESE TYPES  
OF MUTUAL TERMINATIONS,

WE ASSESS 4 POINTS.

FINALLY, TERMINATIONS  
INITIATED BY CMS

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

>> WE LOOK AT INTERMEDIATE  
SANCTIONS IN CMPs.

THEY'RE EXTREMELY RARE,  
BUT THEY ARE SIGNIFICANT

WHEN THEY HAPPEN, AND THEY  
REFLECT SIGNIFICANTLY

IMPAIRED PERFORMANCE.

WE GIVE BETWEEN 2 TO 7 POINTS  
FOR INTERMEDIATE SANCTIONS,

DEPENDING UPON  
WHETHER IT WAS A REGULAR

OR AN IMMEDIATE SANCTION,  
AND THE CURRENT STATUS

OF THAT SANCTION.

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

WE CAN ALSO GIVE  
BETWEEN 1 AND 2 POINTS

FOR OPEN COMPLIANCE PROBLEMS  
THAT HAVE NOT BEEN CAPTURED

ELSEWHERE IN THE ANALYSIS.

FOR THAT, WE BASICALLY RELY  
ON THE ACCOUNT MANAGERS

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

SO THEN WE COMPILE THE RESULTS.

WE HAVE POINT VALUES  
ASSIGNED FOR EACH DIMENSION,

AND WE LOOK AT OVERALL  
PERFORMANCE OUTLIERS.

WE HONE IN ON SPOTS AS  
WITH PROBLEMS IN MULTIPLE

CATEGORIES, AND/OR

IN ONE OR MORE PARTICULAR

HIGH RISK AREA.

WE'RE EVOLVING THIS  
PERFORMANCE ASSESSMENT.

WE USED 9 PERFORMANCE  
DIMENSIONS IN 2010

AND WE UPDATED THE POINT  
ASSIGNMENT SINCE 2009.

WE BASICALLY UPDATE THE  
DATA THAT WE USE EVERY YEAR,

AND SOMETIMES TWICE A YEAR,

TO MAKE SURE THAT  
WE USE THE MOST RECENT

AVAILABLE COMPREHENSIVE  
INFORMATION.

WE WILL LOOK TO ADD  
PERFORMANCE METRICS EACH YEAR

AS MORE DATA BECOME AVAILABLE,

AND WE MAY SHIFT POINT VALUES

BECAUSE OTHER CATEGORIES  
MAY BE IMPORTANT TO CAPTURE.

HOW DO WE USE THESE RESULTS?

THESE RESULTS ALL HELP US

MAKE MEANINGFUL DECISIONS  
ABOUT PLANS.

THEY GIVE US  
A WEALTH OF INFORMATION.

THE KEY OBJECTIVE IS  
TO SUMMARIZE THE DATA

ON THE PLAN PERFORMANCE  
FOR MA ORGANIZATIONS,

AND PART D ORGANIZATIONS,

SO YOU CAN INITIATE YOUR OWN  
PERFORMANCE IMPROVEMENTS.

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

WE SHARE THE RESULTS  
WITH SPONSORS,

WE PUBLISH THE INFORMATION ON  
THE WEB TO HELP BENEFICIARIES,

AND WE EXAMINE OUR RESULTS  
FOR BEST PRACTICES.

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

WE LOOK AT THESE AND SAY,

"DO WE NEED TO PROVIDE  
MORE TECHNICAL ASSISTANCE

TO PLANS TO HELP  
THEM FROM THIS?"

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

THE DATA AND  
WHAT WE FOUND FROM IT.

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

ONE EXAMPLE WE WANT  
TO HIGHLIGHT IS HOW WE USE ALL

OF THIS COMPLIANCE TO MAKE  
DECISIONS ABOUT IMPROVING

AND DENYING PART C AND D  
APPLICATIONS FOR NEW PRODUCTS

AND SERVICE AREA EXPANSIONS.

EACH YEAR WE GET  
HUNDREDS OF APPLICATIONS,

AND MOST OF THE APPLICANTS  
ARE ORGANIZATIONS

THAT WE ARE ALREADY  
DOING BUSINESS WITH

THROUGH ONE OR BOTH  
OF OUR PROGRAMS.

THROUGH THESE  
NEW APPLICATIONS,

ORGANIZATIONS ARE  
SEEKING TO EXPAND

INTO NEW GEOGRAPHIC AREAS  
OR TO NEW PRODUCT TYPES.

IN OUR VIEW, ORGANIZATIONS

WITH A RECENT HISTORY

OF PAST PERFORMANCE PROBLEMS  
MUST FOCUS ON THEIR CURRENT WORK

OF BUSINESS AND NOT EXPAND  
UNTIL THEY ARE OPERATING

IN FULL COMPLIANCE  
WITH OUR RULES.

SO TO THAT END, APPLICANTS  
WITH A HIGH NEGATIVE

PAST PERFORMANCE SCORE APPROVE  
FOR SERVICE AREA EXPANSIONS

OR NEW CONTRACTS FOR  
ADDITIONAL PRODUCTS--

WE DON'T APPROVE THEM.

WE LET THESE ORGANIZATIONS  
KNOW THAT WE WANT THEM

TO FOCUS ON THEIR CURRENT  
MEMBERS AND TO IMPROVE

THEIR PERFORMANCE BEFORE  
THEY EXPAND FURTHER.

APPLICANTS CAN WITHDRAW  
THEIR APPLICATIONS

OR THEY CAN APPEAL.

OUR AUTHORITY TO DENY  
APPLICATIONS ON THE BASIS

OF PAST PERFORMANCE  
IS CLEARLY SPECIFIED

IN BOTH THE C  
AND D REGULATIONS.

THE HISTORY OF THIS IS IN 2009,

WE HAD  
2 ORGANIZATIONS NOTIFIED

THAT THEIR APPLICATIONS WOULD  
BE DENIED, AND BOTH WITHDREW.

IN 2010, 9 ORGANIZATIONS  
WERE IDENTIFIED AS OUTLIERS,

7 OF WHOM HAD  
SUBMITTED APPLICATIONS,

AND ALL 7 WITHDREW.

FOR 2011, 21 ORGANIZATIONS  
WERE IDENTIFIED

AS PERFORMANCE OUTLIERS  
AND THESE WERE INCREASED

DUE TO THE INCLUSION  
OF TERMINATED

OR NON-RENEWED CONTRACTS.

AND 10 OF THESE HAD  
SUBMITTED APPLICATIONS.

8 ORGANIZATIONS WITHDREW ALL  
THEIR PENDING APPLICATIONS

AS A RESULT OF THIS, AND  
2 ORGANIZATIONS WITHDREW

MOST OF THEIR APPLICATIONS.

AND THOSE REMAINING APPLICATIONS  
WOULD BE SUBJECT TO APPEAL.

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

WE'RE GOING TO HAVE  
A CONTINUING EMPHASIS ON DOING

ALL THESE ACTIVITIES  
TO PROTECT BENEFICIARIES,

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

LOW-COST, QUALITY CARE.

WE WANT MORE AUTO--  
AUTO--AUTOMATION

AND REAL-TIME PROBLEMS  
TO SHOW UP.

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

PRO-ACTIVE, DATA-DRIVEN,  
TARGETED MONITORING.

HIGH-RISK PROGRAM AREAS--  
MARKETING REMAINS AN AREA

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

VANESHA TALKED ABOUT  
COMPLIANCE PROGRAM AUDITS.

EMERGING AREAS OF CONCERN  
CONTINUE TO BE ENROLLMENT,

APPEALS, ACCESS TO  
PROVIDERS AND BENEFITS,

AND VULNERABLE BENEFICIARIES.

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

THE ADMINISTRATION  
OF MEDICARE PLANS

AS IF THEY WERE  
COMMERCIAL PLANS.

MEDICARE BENEFICIARIES  
HAVE A LOT MORE RIGHTS

THAN PEOPLE  
IN COMMERCIAL PLANS.

AND COMPANIES THAT  
ADMINISTER THEIR PLANS

AS IF ALL THEY'RE TREATING  
ARE COMMERCIAL MEMBERS

ARE FALLING VERY SHORT.

WE HAVE 2 KINDS OF PRODUCTS--

HIGH RISK AND  
PRIVATE FEE-FOR-SERVICE

THAT WE'RE ALSO LOOKING AT.

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

THIS IS REGULATION 40.85

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

THERE ARE KEY COMPLIANCE  
AND MONITORING PROVISIONS

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

YOU CAN'T JUST BE  
SUBSTANTIALLY COMPLETE.

THE PAST PERFORMANCE  
ANALYSIS IS IN THERE.

THE USE OF OUTLIERS

FOR COMPLIANCE IS OUTLINED.

DISRUPTIVE MUTUAL TERMINATION  
ISSUES ARE ADDRESSED.

AND THE MUTUAL TERMINATION--

A 2-YEAR APPLICATION BAN  
IS IN THERE.

AND, BASICALLY, WE'RE  
CONSIDERING OPTIONS

FOR RAISING THE BAR  
FOR PART C AND D

APPLICATION REQUIREMENTS.

I WANT TO THANK YOU  
FOR BOTH DANIELLE AND I,

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

[APPLAUSE]

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

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

AND I APOLOGIZE  
IF I MISSED THIS,

BUT COULD YOU  
GIVE ME A SENSE OF WHAT

THE STAR SYSTEM RATINGS

AND SORT OF THE NEGATIVE  
POINT ASSIGNMENT,

HOW THAT'S TREATED

IN COMPARISON WITH THE OTHER  
THINGS WHERE YOU WERE TALKING

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

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

I'M NOT GOING  
TO LOOK IT UP--

BUT I HAVE THE NUMBER.

I THINK IT'S 1 OR 2

POINTS FOR ANYTHING BELOW--

AT OR BELOW 2.5.

>> OK, THANK YOU.

>> HI,  
MY NAME IS CARA CURTIS,

AND I WORK FOR A FULLY  
INTEGRATED SPECIAL NEEDS

PLAN LOCATED  
IN MASSACHUSETTS.

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

GOING TO BE GETTING  
FITS INTO ALL OF THIS.

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

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

THAT WE'RE PUTTING  
TREMENDOUS RESOURCES

INTO THIS, AND I'M NOT SURE

WHERE THIS FALLS  
IN THE EQUATION.

>> WELL, THE REASON  
WE HAVE MOVED TOWARDS

VALIDATING IS  
THAT WE DO BELIEVE

IT'S IMPORTANT TO BE  
ABLE TO COMPARE PLANS

ON THESE DIMENSIONS.

FOR EXAMPLE, SOME  
OF THE DATA TALK ABOUT

WHAT I CALL SEMI-ELECTIVE  
PROCEDURES,

BUT WHICH REALLY  
AREN'T THAT.

THOSE DATA CAN BE USED  
TO FIGURE OUT

WHICH PLANS ARE  
GIVING NOT ENOUGH

OF THOSE KINDS OF  
PROCEDURES ADJUSTED

FOR HEALTH STATUS.

AND IT WILL BE SEVERAL  
YEARS BEFORE WE CAN USE

THEM, I THINK.

YOU HAVE TO LOOK  
AT THESE MEASURES

WHEN THEY COME IN,  
ESPECIALLY THIS KIND.

BUT WHETHER IT HAS TO BE  
CASE MIX ADJUSTED,

AND IF SO,  
HOW DO YOU DO

THE CASE MIX  
ADJUSTMENT FOR IT?

SO ALL OF THOSE ISSUES  
WILL BE RESOLVED,

BUT A LOT OF THE DATA,

BECAUSE THERE  
ARE NO ENCOUNTER DATA

FOR MA PLANS,  
A LOT OF IT IS COMING

FROM WHAT  
IS IT THAT WE KNOW

ABOUT WHAT YOU'RE GIVING

AND WHAT  
YOU'RE NOT GIVING.

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

SOME OF IT, AS A RESULT,

WHEN THE COUNTER  
DATA STARTS FLOWING IN

AND IS SORT OF  
VALIDATED, AFTER A WHILE

SOME OF THOSE WILL STOP,

AND MANY OF THEM  
WILL CONTINUE

BECAUSE ENCOUNTER DATA  
WON'T REVEAL EVERYTHING

THAT THOSE THINGS DO.

>> MY NAME IS JANET EISENBERG,

AND I WORK FOR CARE FIRST  
HEALTH PLAN IN CALIFORNIA.

WITH ALL THE RIGOROUS  
AUDIT MONITORING

AND COMPLIANCE WARNING AND  
NON-COMPLIANCE LETTERS,

SHOULD WE EXPECT CMS  
TO COME TO OUR DOOR

AND PERFORM A COMPREHENSIVE  
STANDARD AUDIT,

A SITE AUDIT,  
LIKE THEY USED TO DO?

>> WELL, WE'RE IN THE--

I DON'T KNOW IF  
THIS MIC IS ON.

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

REALLY MY PARTICULAR AREA,  
BUT WE'VE LOOKED

AT THE AUDIT PROTOCOLS.

AND CYNTHIA MENTIONED  
THAT WE'RE NOT GOING

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

AND AUDITING  
JUST A SET NUMBER

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

YOU KNOW, APPLYING KIND OF A  
RISK ASSESSMENT STRATEGY,

AND SAYING  
WHERE ORGANIZATIONS

THAT ARE IN PARTICULAR  
HAVE SHOWN TO HAVE

PARTICULAR PROBLEMS  
OR DEFICIENCIES,

AND THAT'S WHERE  
WE WANT TO LOOK.

SO WE'RE IN THE PROCESS  
OF ROLLING OUT

THAT NEW,  
I WOULD SAY, PROTOCOL,

THIS YEAR,  
YOU KNOW, THIS SUMMER.

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

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

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

IN TERMS OF HOW WE SELECT  
THE ORGANIZATIONS.

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

AND WHERE THERE IS  
A PARTICULAR PROBLEM

AND SELECTING ORGANIZATIONS

THAT ARE DEEMED  
TO BE HIGH RISK.

YOU KNOW, WHERE WE'VE  
SEEN EVIDENCE OF PROBLEMS

THROUGHOUT THE YEAR. SO...

AND IF YOU WANT  
TO ADD ANYTHING TO THAT.

>> I THINK THE ONE THING  
THAT YOU SHOULD

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

BOTH DANIELLE AND I,

BUT WHAT VANESHA  
SAID IS THAT

EVERYTHING THAT  
WE'RE TELLING YOU,

YOU ALREADY HAVE.

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

THAT YOU  
DON'T KNOW ABOUT.

EVERYTHING  
WE USE YOU HAVE,

AND ALL YOU HAVE TO DO  
IS PUT IT TOGETHER.

AND IT'S ALWAYS  
A SURPRISE

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

"EVERYTHING I'M TELLING  
YOU, YOU KNOW.

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

YOU'VE GIVEN ME."

SO NONE  
OF THIS IS HIDDEN.

IT'S ALL  
WITHIN YOUR POWER

TO LOOK AT  
AND TO FIGURE OUT.

THE TROUBLE  
IS YOU DON'T.

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

IS TAKE WHAT YOU KNOW  
ABOUT YOUR ORGANIZATION,

START WITH  
YOUR STAR RATING,

START WITH YOUR  
COMPLIANCE NOTICES.

DANIELLE AND I,  
WE TALKED TO ONE

OF THE PEOPLE WHO WERE

A PERFORMANCE  
ASSESSMENT PROBLEM,

AND WE HAD TO TELL  
THEM WE HAD SENT THEM

SOMETHING LIKE 12  
COMPLIANCE NOTICES,

AND THEY HAD IGNORED  
EVERY ONE OF THEM--

EVERY ONE OF THEM.

AND THEY  
WERE SPUTTERING.

SO LET'S, YOU KNOW,  
JUST REMEMBER,

YOU HAVE ALL OF THIS.

ALL OF IT.

YOU JUST HAVE  
TO PUT IT TOGETHER.

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

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

ON THE POINT SYSTEM  
EXTREMELY HELPFUL.

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

THAT PREVENTED PLANS  
FROM EXPANDING?

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

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

>> NO, THEY'RE JUST NUMBERS.

>> YEAH.  
THAT'S NOT HIDDEN.

WE CAN GET IT FOR YOU.

I JUST DON'T  
REMEMBER WHAT IT WAS.

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

PUBLISH THIS INFORMATION  
OR IS THERE SOMEWHERE

THAT WE CAN GO  
PROACTIVELY TO--

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

OF THE MANUAL  
WHEN IT COMES OUT.

>> FANTASTIC.

>> ALL OF IT  
WILL BE THERE.

>> THANK YOU.

>> PART C AND D  
VALIDATION REQUIREMENTS.

WE'RE IN THE PROCESS  
OF STARTING TO EVALUATE

OUR BUDGETS FOR 2011  
AND TRYING TO DETERMINE

HOW MUCH TO  
ALLOCATE FOR THIS.

WILL WE BE REQUIRED TO HAVE  
AN EXTERNAL AUDITOR VALIDATE

ALL OF THE ELEMENTS  
THAT WERE INCLUDED

IN THE GUIDANCE,

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

A SUBSET VALIDATED IN 2011?

AND WHEN WILL THAT  
INFORMATION BE AVAILABLE?

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

I'M NOT WILLING IN FRONT  
OF THIS AUDIENCE

TO COMMIT TO  
WHAT THE ANSWER IS

WITHOUT MAKING SURE  
MY FACTS ARE STRAIGHT.

I THINK THE ANSWER  
IS OUR EXPECTATION

IS AN EXTERNAL AUDITOR  
DOES ALL OF THIS,

BUT SOME OF THE SELF-  
ASSESSMENTS CAN HELP

THAT AUDITOR  
MOVE FASTER.

>> HI, CYNTHIA.  
JACKIE DUDDIE FROM HORIZON

BLUE CROSS  
BLUE SHIELD OF NEW JERSEY.

MY QUESTION IS ABOUT  
THE STAR RATINGS.

ARE ALL THE INDIVIDUAL  
MEASURES EQUALLY WEIGHTED

TO COME UP  
WITH A COMPOSITE SCORE?

>> AT THIS POINT, YES.

>> AT THIS POINT.

AND ARE YOU CONSIDERING  
ADJUSTING THAT

BECAUSE THE STAR RATINGS ARE  
GOING TO BE USED TO TRIGGER

QUALITY BONUSES IN THE FUTURE?

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

YOU KNOW, I THINK  
DANIELLE CAN SPEAK

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

WHAT THE FINAL  
METHODOLOGY

FOR 2012 WILL BE.

I THINK YOU COULD EXPECT  
THAT IN THE FUTURE.

IT'S NOT CLEAR  
THOUGH FOR 2012.

I THINK WE'RE VERY  
SENSITIVE TO THE FACT

THAT THE STAR

RATINGS FOR THE UPCOMING

ANNUAL ELECTION PERIOD,

YOU KNOW, WERE  
COLLECTED IN 2009.

SO YOU HAVE TO--WE HAVE  
TO THINK ABOUT

THE DATA LAGS  
FOR ALL OF THIS.

>> OK, THANK YOU.