



**CMS 2010 Tri-Regional Plan Compliance Conference
Dallas Hilton Lincoln Center – May 19-20, 2010**

A MOSAIC of More: More insight, More answers, More compliance...

**Verbatim Transcript
Surveillance**

Michael Kavouras, National Part C Compliance Lead, Medicare Drug & Health Plan Contract Administration Group
Gloria Parker, Atlanta Associate Regional Administrator, Division of Medicare Health Plans Operations

Part 1

>> WE HAVE JOINING US MICHAEL
KAVOURAS FROM OUR HEADQUARTERS

OFFICE IN BALTIMORE.

MIKE IS THE NATIONAL PART C
COMPLIANCE LEAD.

HE IS IN THE MEDICARE DRUG
AND HEALTH PLAN CONTRACT

ADMINISTRATION GROUP.

ALSO JOINING MIKE AS A SPEAKER
IS GLORIA PARKER, WHOM YOU'VE

ALREADY MET THIS MORNING.

AGAIN, GLORIA IS THE
ATLANTA ASSOCIATE REGIONAL

ADMINISTRATOR FOR
HEALTH PLAN OPERATIONS.

MIKE AND GLORIA, WE
LOOK FORWARD TO HEARING

YOUR REMARKS.

[APPLAUSE]

>> GOOD MORNING.



I OPENED THIS MORNING'S
PRESENTATION ON SURVEILLANCE

WITH THE REMINDER THAT
SURVEILLANCE

IS A PURPOSE-DRIVEN ACTIVITY.

ITS MAIN GOAL IS TO
ENSURE THAT ALL MEDICARE

BENEFICIARIES RECEIVE
COMPLIANT INFORMATION THAT

ALLOWS FOR THEM TO MAKE
CONFIDENT, INFORMED DECISIONS

REGARDING THEIR
HEALTH CARE CHOICES.

IT'S A REAL IMPORTANT
REMINDER.

THE SUCCESS OF SURVEILLANCE
RELIES HEAVILY ON PLANS

AND SPONSORS UNDERSTANDING
AND ABIDING BY THE RULES

OF ENGAGEMENT AS IT RELATES
TO MARKETING OF PRODUCTS TO

BENEFICIARIES IN A VARIETY
OF HEALTH CARE SETTINGS.

OVER THE LAST THREE YEARS,
WE'VE DEVELOPED A ROBUST

SURVEILLANCE METHODOLOGY THAT
HAS EVOLVED LARGELY DUE TO

WEAKNESSES IN THE MARKETPLACE.

BACK IN 2007, SURVEILLANCE GOT
ITS START BECAUSE OF PRIVATE

FEE-FOR-SERVICE CONCERNS
THAT WERE PERMEATING THE

MARKETPLACE, AND AT THAT TIME,
SURVEILLANCE WAS LIMITED TO

SEVEN PRIVATE
FEE-FOR-SERVICE PLANS.

IN 2008, COMPLIANCE WAS
DECIDED AS A RESULT OF WHAT

WAS HAPPENING IN THE MARKETPLACE
WITH PRIVATE

FEE-FOR-SERVICE AND BECAUSE OF
SOME THINGS THAT WERE OCCURRING

AROUND AGENTS WHO WERE NOT
COMPLYING WITH THE RULES THAT

WE SHOULD EXPAND SURVEILLANCE
TO ALL PRODUCT LINES,

AND SO AGAIN, SURVEILLANCE
GOT A NEW FACELIFT.

IN 2009, WHILE HE HAD,
WE THINK, THE ISSUES

FOR PRIVATE FEE-FOR-SERVICE
UNDER CONTROL AND SOME

OF THE CONCERNS WITH THE
AGENTS WERE BEGINNING TO TAPER

OFF SOMEWHAT, WE HAD A LARGE
NUMBER OF NONRENEWALS THAT

OCCURRED, AND WE PUT A LOT OF
EMPHASIS, AMONG OTHER THINGS,

AROUND THE NONRENEWAL ACTIVITY
DURING THE OPEN ENROLLMENT

PERIOD AND THE ANNUAL
ENROLLMENT PERIOD.

IN 2010,
WE WILL CONTINUE TO BUILD

A SURVEILLANCE STRATEGY
THAT IDENTIFIES POTENTIAL

WEAKNESSES IN THE MARKETPLACE.

FIRST AND FOREMOST, I WANT TO
ASSURE YOU THAT AS WE DEVELOP

THE STRATEGY, AS IN THE PAST,
WE WILL BE TRANSPARENT

WITH OUR STRATEGY, AND WHY?

AS I'VE ALREADY EMPHASIZED,
CMS WILL CONTINUE TO SHARE

OUR METHODOLOGY BECAUSE WE WANT,
AGAIN, FOR MEMBERS TO HAVE

CLEAR AND COMPLIANT
MARKETING ENCOUNTERS.

IT DOESN'T SERVE US WELL TO DO
SURVEILLANCE IF WE DON'T WANT

TO CHANGE THE BEHAVIOR.

WHAT WE REALLY, REALLY WANT IS
FOR A MEDICARE MEMBER TO HAVE

AN ENCOUNTER--

BE THAT FACE-TO-FACE, ONE-ON-
ONE, AT A PUBLIC SALES EVENT,

OVER THE PHONE--

BUT THAT IT BE CLEAR AND
COMPLIANT AND THAT IT DOES,

IN FACT, ALLOW FOR THEM TO
MAKE A CONFIDENT, INFORMED

DECISION REGARDING THEIR
HEALTH CARE CHOICES.

SECONDLY, THE 2010 STRATEGY
IS BEING DESIGNED WITH THREE

WORDS IN MIND--

DETECTION, PREVENTION,
AND ABILITIES TO RESPOND WHEN

INFRACTIONS ARE IDENTIFIED.

AS WITH EARLIER DETECTION--

I'M SORRY.

TO ENSURE EARLY DETECTION
OF ISSUES DURING THE AEP

AND THE OEP, A RISK ASSESSMENT ANALYSIS WAS DONE TO DETERMINE

THE NUMBER AND FREQUENCY OF SECRET SHOPS FOR MEDICARE

ADVANTAGE ORGANIZATIONS AND FOR PRESCRIPTION DRUG PLANS.

THIS WAS DONE AT THE PARENT ORGANIZATION THAT, AGAIN,

WE WENT FROM SEVEN PRIVATE FEE-FOR-SERVICE PLANS TO

LOOKING AT ALL OF OUR PARENT ORGANIZATIONS.

THE ANALYSIS WAS BASED ON OBJECTIVE CRITERIA AND DATA

SOURCES AVAILABLE TO CMS.

IN 2010 FOR THIS UPCOMING AEP/OEP, WE WILL CONTINUE TO

UTILIZE A RISK-BASED MODEL THAT WILL ALLOW FOR EARLY

DETECTION OF ISSUES.

AS WITH EARLY DETECTION, WE WANTED TO ENSURE THAT IT

LEADS TO PREVENTION ON THE PLAN'S PART.

OUR SURVEILLANCE CONSOLE WAS DEVELOPED TO PROVIDE THE PLAN

AND THE SPONSORS WITH REAL-TIME ISSUES AS THEY SURFACED,

ALLOWING THE PLANS TO GET AHEAD OF AN ISSUE OR,

HOPEFULLY, TO PREVENT THE ISSUE FROM REOCCURRING AGAIN.

THE CONSOLE ALLOWED YOU TO SEE YOUR PLAN'S RESULTS TO

SECRET SHOPS.

NOW, WE BELIEVE THAT WE WERE
SUCCESSFUL IN THIS AREA,

AS MANY OF YOU DID TAKE
CORRECTIVE ACTIONS EARLY ON

DURING THE AEP, AND THOSE
ACTIONS LOOKED SOMETHING LIKE

MAKING CHANGES TO YOUR
PRESENTATION MATERIALS.

SOME OF YOU BROUGHT YOUR
AGENTS BACK IN FOR RETRAINING.

MANY OF YOU, AND SOME OF YOU
TOOK A CLOSER LOOK AT

THE AGENTS YOU WERE DEALING
WITH, AND, IN FACT, SOME

OF YOU MAY HAVE SUSPENDED
AN AGENT OR MAYBE EVEN

TERMINATED AN AGENT.

LASTLY, IN TERMS OF
RESPONDING, OUR STRATEGY THIS

YEAR PROVIDED RESPONSES
TO VALIDATED ISSUES, ALSO

ON A REAL-TIME BASIS, IN THAT
COMPLIANCE ACTIONS WERE TAKEN

ON A FLOW BASIS RATHER THAN AT
THE END OF THE AEP OR THE OEP.

FOR CONTRACT YEAR 2009--

I HAVE TO KEEP THEM
STRAIGHT IN MY MIND--

WE GAVE YOU YOUR RESULTS
AT THE END OF THE AEP.

THIS YEAR, WHAT WE'VE
ATTEMPTED TO DO IS TO GIVE YOU

THOSE COMPLIANCE ACTIONS--

GOOD, BAD, OR INDIFFERENT--

SOONER SO THAT YOU COULD AGAIN
HAVE AN OPPORTUNITY TO ACT

ON THEM, AND MANY OF YOU,
AGAIN, DID DO THAT, AND MIKE

WILL TALK A LITTLE BIT MORE
ABOUT WHAT WE SAW IN TERMS

OF COMPLIANCE ACTIONS IN A
FEW MOMENTS, BUT THE ONE THING

THAT I WANT TO DO RIGHT NOW
IS TO MESSAGE TO YOU THAT

SURVEILLANCE DOESN'T STOP
WITH THE AEP AND THE OEP AS IT

RELATES TO MARKETING TO
MEDICARE BENEFICIARIES.

THIS IS AN ACTION
THAT WILL CONTINUE.

THE CLOCK DOESN'T STOP.

SO IF YOU'RE IN THE AUDIENCE
AND YOU'RE A PLAN THAT'S

SAYING, "PHEW, WE GOT THROUGH
THE AEP AND THE OEP, AND WE

ONLY HAD ONE WARNING LEFT,"
IT DOESN'T STOP.

WE PICK UP WHERE YOU LEFT OFF.
I WANT YOU TO HEAR THAT.

WE PICK UP WHERE YOU LEFT OFF.

SO I'M HOPEFUL THAT A COUPLE
OF THINGS HAPPEN THAT YOU LEFT

OFF IN GOOD STANDING.

IF YOU DIDN'T, LISTEN
CLOSELY BECAUSE, AGAIN,

AS YOU HEARD ME SAY,
WE'RE GOING TO USE

A RISK-BASED ANALYSIS WHICH WILL
LOOK AT HOW YOU

PERFORMED DURING THE LAST
CONTRACT YEAR PERIOD.

I THINK THAT'S ONLY FAIR,
AND I'M HOPEFUL THAT BETWEEN

THE MARKETING SEASONS THAT
YOU'RE TAKING A STRONGER LOOK

AT WHAT WAS IN THAT CONSOLE AND
TWEAKING, MAKING CHANGES TO

WHATEVER NEEDS TO HAPPEN TO
GET YOU OFF TO THE RIGHT START

WHEN WE START OUR SURVEILLANCE
ACTIVITIES AROUND THE AEP THIS

YEAR, AND BEFORE I LEAVE THIS
SLIDE, I WANT TO SPEND A FEW

MINUTES DISCUSSING SOME
EXAMPLES OF HOW YOU,

AS A HEALTH PLAN, CAN BUILD
A SURVEILLANCE PROGRAM THAT'S

DESIGNED TO DETECT,
PREVENT, AND RESPOND.

NOW, IN TERMS OF DETECTION,
I STRONGLY URGE YOU,

AS A PLAN, TO DO SOME
SURVEILLANCE RISK ANALYSIS,

AND SOME OF THE THINGS,
THE THREE EXAMPLES AM GOING

TO SHARE, I DON'T THINK THEIR
ROCKET SCIENCE, BUT MANY

OF YOU UTILIZED SOME OF THESE
TECHNIQUES, SO I WANT TO SHARE

WHAT I THINK ARE THREE
STRONG EXAMPLES.

THE FIRST ONE THAT COMES
TO MIND IS TO DO A RISK

ASSESSMENT AROUND WHETHER OR
NOT YOU HAVE EMPLOYED AGENTS,

CONTRACTED AGENTS, OR A
COMBINATION AND LET THAT GUIDE

YOU IN TERMS OF WHAT
YOU'RE GOING TO DO OR NOT DO

AROUND SURVEILLANCE.

NOW I SEE SOME HEADS SHAKING.

I HOPE THAT'S BECAUSE
YOU THINK THAT'S A GOOD

SUGGESTION, AND WHILE
IT'S SIMPLE, SOME OF YOU

DIDN'T DO THAT.

I WANT YOU TO TAKE A LOOK
AGAIN TO DECIDE WHERE ARE YOU

GETTING YOUR LEADS FROM.

ARE THEY COMING FROM FIELD
MAINTENANCE ORGANIZATIONS,

THIRD PARTY LEAD GENERATORS.

THESE ARE THE SITUATIONS
WHERE YOU'RE MORE PRONE--

I DIDN'T SAY DEFINITELY--
BUT MORE PRONE.

IF THINGS ARE GOING TO GO
WRONG, THERE CAN GO WRONG WHEN

AGENTS ARE NOT WITHIN YOUR
CONTROL, MEANING THEY'RE NOT

BEING PAID BY YOU.

ANOTHER THING THAT YOU CAN DO
IS TO LOOK TO SEE WHAT TYPE

OF PRODUCT OFFERINGS YOU HAVE.

IF YOU'RE OFFERING
MULTIPLE PRODUCTS--

AN HMO, A PPO, A PRIVATE
FEE-FOR-SERVICE--

THEN, AGAIN, I THINK THE
CHALLENGE FOR YOU IS A LITTLE

GREATER THAN A PLAN THAT,
PERHAPS, IS ONLY OFFERING ONE

TYPE OF PRODUCT.

SO, AGAIN, YOU WANT TO TAKE
A LOOK AT THAT

IN YOUR RISK ANALYSIS.

THE OTHER THING THAT YOU WANT
TO DO IS TO LOOK AT ARE YOU

IN AN AREA WHERE THERE IS
LIKELY TO BE NONRENEWAL

ACTIVITY OR ARE YOU,
AS A PLAN, PLANNING ON

NONRENEWING, DOING SOME FORM
OF NONRENEWAL, EITHER THROUGH

A SERVICE AREA REDUCTION,
THE NONRENEWAL OF A PRODUCT,

OR NONRENEWAL OF THE CONTRACT,
AND, AGAIN, ASK YOURSELF,

"WHAT DO WE NEED TO BE DOING
DIFFERENTLY TO ENSURE THAT WE

ARE COMPLIANT WITH ALL OF
THE RULES OF ENGAGEMENT

AROUND MARKETING?"

AND THE LAST EXAMPLE THAT
I THROW OUT IS, YOU CAN BE

A PLAN WITH ALL OF THIS--YOU
COULD HAVE EMPLOYED AGENTS,

CONTRACTED AGENTS, MULTIPLE
PRODUCT OFFERINGS; YOU COULD

BE IN A NONRENEWAL AREA;
YOU COULD BE NONRENEWING--

AND IF THAT IS YOU, THEN,
AGAIN, WE WANT YOU TO START TO

DO YOUR LEGWORK SOONER
RATHER THAN LATER.

IN TERMS OF PREVENTION ON YOUR
SIDE, I WOULD MOST CERTAINLY

ASK YOU TO EMBODY A
ROBUST SURVEILLANCE PLAN.

NOW, LAST YEAR, IF YOU HAD
THE OPPORTUNITY TO HEAR

PRESENTATIONS FROM MIKE AND I.

YOU HEARD ME TALK
ABOUT THE 3Rs.

I'M NOT GOING TO GO THROUGH
THE 3Rs AGAIN, BUT I'M JUST

GOING TO GIVE YOU A RECAPPED
VERSION BECAUSE TO DO GREAT

PREVENTION, YOU NEED TO HAVE
A ROBUST SURVEILLANCE PLAN,

AND IF YOU HEARD ME SPEAK LAST
YEAR, YOU HEARD ME SAY THAT IT

NEEDS TO, ONE,
INCORPORATE ALL

OF THE PRODUCTS YOU SELL.

TWO, ANYBODY, ANYBODY THAT HAS
THE POTENTIAL TO ENCOUNTER ONE

OF YOUR MEDICARE BENEFICIARIES
NEEDS TO BE THOROUGHLY TRAINED

ON WHAT IT IS YOU'RE OFFERING,
AND, THREE, YOU WANT TO BE,

AGAIN, ASSURED THAT YOU HAVE
BUY-IN FROM THE TOP DOWN.

NOW, WE TRY TO HELP WITH THAT
THIS YEAR, WE MEANING

THE REGIONAL OFFICES.

WE MESSAGE TO ALL OF OUR HIGH-
RISK PARENT ORGANIZATIONS LAST

YEAR THAT WE EXPECTED FOR
THEM TO BE COMPLIANT, AND WE

MESSAGE THAT AT THE VERY TOP
OF THE ORGANIZATION, MEANING

YOUR CEOs, YOUR MEDICARE
COMPLIANCE PERSONS, AND YOUR

VICE PRESIDENTS OR YOUR
LEADS FROM MARKETING.

AGAIN, WE NEED YOUR FULL
COOPERATION FROM THE TOP DOWN

TO MAKE SURE THAT WE ARE
SEEING ISSUES, THAT WE HAVE

YOUR UNDIVIDED ATTENTION.

ONE OF THE OTHER THINGS
YOU CAN DO THAT A COUPLE

OF THE PLANS SAID THAT THEY
FOUND USEFUL WAS TO UTILIZE

OUR SURVEILLANCE
SHOPPING TOOL.

I SAID AT THE BEGINNING
THAT WE WERE TRANSPARENT.

WE MADE THAT TOOL AVAILABLE.

SOME OF YOU REALLY TOOK US TO
HEART, TOOK THAT TOOL, MODELED

YOUR SURVEILLANCE
TOOL AFTER THAT.

SOME OF YOU USED IT VERBATIM,
WHICH WAS FINE.

WE'VE HEARD THAT MANY OF YOU
USED IT FOR TRAINING PURPOSES.

SOME OF YOU USED IT TO
HELP CARVE OUT YOUR

PRESENTATION MATERIALS.

WHATEVER WORKS FOR YOU,
AS MY MOTHER WOULD SAY,

WHATEVER FLOATS YOUR BOAT,
JUST MAKE SURE THAT BOAT

FLOATS IN THE RIGHT DIRECTION.

MAKE SURE OF THAT.

YOU DON'T WANT TO SAIL IN THE
WRONG DIRECTION, BUT WE WANT

TO MAKE SURE THAT YOU CAN
UTILIZE THAT TOOL TO GUIDE

YOUR THOUGHTS AROUND SOMETHING
THAT HELPS YOU GET THROUGH

THE AEP AND THE OEP
WITHOUT DIFFICULTIES.

THE LAST THING I WANT TO TALK
ABOUT IN TERMS OF WHAT YOU CAN

DO AROUND PREVENTION IS TO
HAVE STRONG INTERNAL CONTROLS

IN PLACE AT THE ONSET.

YOU NEED TO BE ABLE, AGAIN,
TO DEAL QUICKLY WITH ISSUES

WHEN THEY ARISE, NOT THAT
WE WANT YOU TO USE THEM,

BUT THERE'S NOTHING WORSE IN
MY MIND THAN HAVING A PLAN

HAVE SOME DIFFICULTIES
THAT THEY DON'T HAVE A CLUE

ABOUT HOW THEY
WANT TO HANDLE IT.

NOW, MIKE IS GOING TO TALK
ABOUT SOME BEST PRACTICES THAT

WE THINK ARE THERE, BUT YOU
NEED TO BE ABLE TO MESSAGE UP

FRONT AS YOU EMPLOY AGENTS OR
AS YOU CONTRACT WITH AGENTS

WHAT YOU'RE PREPARED TO DO

SHOULD THEIR BEHAVIOR PUT YOU

IN A PREDICAMENT WHERE YOU'RE
BEING ASKED

TO CORRECT A BEHAVIOR.

SO AGAIN, STRONG INTERNAL
CONTROLS

IN PLACE, AND THEN IN TERMS

OF WHAT YOU CAN DO TO RESPOND
TO ISSUES IS, YOU CAN DEAL

WITH THE ISSUES RATHER
THAN DEBATING THE PROCESS.

NOW, IT WORKED THIS YEAR.

AGAIN, WE'VE HEARD FROM SOME
OF YOU LAST YEAR WHEN WE

TALKED ABOUT, "DID WE WANT
TO GIVE YOU THREE DAYS?

COULD IT WORK?

DID WE DO THIS?
COULD WE DO THAT?"

IT WORKED. IT WORKED.

I DON'T THINK WE HAD ANY
ISSUES, PER SE, WITH ANYBODY

RESPONDING WITHIN THOSE TIME
FRAMES, BUT I'M CONVINCED THAT

IT WORKED BECAUSE YOU PUT YOUR
EFFORTS INTO DEALING WITH THE

ISSUE RATHER THAN DEBATING THE
PROCESS OR COMING BACK TO SAY,

"WELL, CAN WE HAVE--" YOU
DEALT WITH THE ISSUES.

SO, AGAIN, IN ORDER TO BE
RESPONSIVE TO OUR CONCERNS,

I WANT YOU AGAIN TO BE
THINKING ABOUT WHAT INTERNAL

CONTROLS LOOK LIKE FOR
INFRACTIONS, WHAT YOU ARE

PREPARED TO DO, AND THEN
BE READY TO DO THAT.

Part 2

>> NOW LET'S
MOVE ON. I WANT TO REVIEW.

I JUST THINK IT'S WONDERFUL
WHEN GADGETS WORK FOR ME.

THEY DON'T ALWAYS WORK FOR ME.

I WANT TO REVIEW WITH YOU,
IF YOU WILL, SOME OF THE

SURVEILLANCE ACTIVITIES THAT
WE ENCOUNTERED THIS PAST YEAR.

YOU HEARD ME SAY THAT WE BEGAN
OUR SECRET SHOPPING PROGRAM

IN 2007 WHEN WE DID PUBLIC
SALES EVENTS FOR SEVEN PRIVATE

FEE-FOR-SERVICE PLANS,
BUT WE'VE COME A LONG WAY.

IN CONTRACT YEAR 2010,
WE ACTUALLY CONDUCTED SHOPS

FOR JUST OVER 1,300
SALES EVENTS.

THE TRAINING, THERE WAS SOME
CONCERN INITIALLY ABOUT WHO

WAS SHOPPING THE EVENTS.

WELL, THERE'S A COMBINATION.

PRIMARILY, WE USED CONTRACTOR
HELP, AND WE UTILIZED A LOT

OF OUR RO SHOPPERS.

I'M REALLY PROUD OF THE SHOPS

THAT OCCURRED THIS YEAR.

THERE WAS SOME RIGOROUS
TRAINING THAT WENT INTO

THOSE SHOPS.

WE DID A LOT OF TRAINING
WITH OUR OWN STAFF, STRONG

SHOPPERS, SOME OF THEM
THAT ARE IN THIS ROOM.

NOT ONLY DID WE DID THE
INITIAL TRAINING, BUT WE DID

A LOT OF REASSESSMENT OF OUR
TRAININGS AS WE WENT THROUGH

THE AEP AND THE OEP.

WE MODIFIED OUR TOOLS
WE'VE IMPROVED OUR TRAINING

PROTOCOLS, AND, AGAIN,
OUR BOTTOM-LINE GOAL IS TO

ENSURE THAT OBSERVATIONS THAT
WE SEE FROM YOUR SHOPS ARE

ACCURATE, THEY'RE VERIFIABLE,
AND THAT THEIR UNDERSTANDABLE.

WE CONDUCTED A SERIES OF
LISTENING SESSIONS THIS MONTH

AND WILL BUILD IN MANY OF
THE SUGGESTIONS INTO OUR

DEVELOPMENT OF THE TOOL THAT
WE'RE GOING TO USE FOR THE 2011

CONTRACT YEAR, SO, AGAIN,
THE SECRET SHOPPING,

WE THOUGHT, WENT OVER WELL,
AND, AGAIN, WE CONTINUE TO

POUR A LOT OF ENERGIES
INTO THAT TOOL.

SECRET SHOPPING,

THAT'S STILL GOOD.

WE DID A PILOT OF WHAT WE
CALL STAGED EVENTS, OR

ONE-ON-ONE EVENTS.

THE PILOT WAS CONDUCTED DURING
BOTH THE AEP AND THE OEP,

AND SINCE THIS ACTIVITY WAS A
PILOT, WE DID NOT ISSUE ANY

COMPLIANCE NOTICES AS A RESULT
OF WHAT WE SAW

DURING ONE-ON-ONE EVENTS.

WHAT WE WILL DO, HOWEVER, IS,
WERE GOING TO USE

THAT INFORMATION.

WE WILL CONTINUE TO DO SOME
FORM OF STAGED SHOPS, AND WE'RE

GOING TO USE THIS DATA THAT
WE'VE GLEANED FROM THIS PAST

AEP/OEP TO HELP US FINE-TUNE
THE PROCESS AROUND WHAT'S

OCCURRING WHEN SOMEBODY
ENCOUNTERS A MARKET ENCOUNTER

WITH JUST THEM AND THE
SALES AGENT, AND, HOPEFULLY,

YOU'RE THINKING
ABOUT THAT, AS WELL.

WE PUT A LOT OF
FOCUS ON NONRENEWALS.

AGAIN, YOU HEARD ME SAY
EARLIER THAT WE DID ENCOUNTER

A LARGER NUMBER OF NONRENEWALS
THIS YEAR, AND AS

A RESULT OF THAT,
WE CONDUCTED SHOPS IN 55

MARKETS WHICH REPRESENTED THE
HIGHEST RATES OF NONRENEWAL

ACTIVITY TO ENSURE THAT THE
REMAINING ORGANIZATIONS DID

NOT UTILIZE PRESSURE OR SCARE
TACTICS TO LURE AFFECTED

BENEFICIARIES INTO THEIR
PLANS, AND WE'RE HAPPY TO

REPORT THAT WE DIDN'T THINK
THAT WE SAW ANY EGREGIOUS

ACTIVITIES IN THIS AREA.

HOWEVER, SINCE WE ANTICIPATE
THERE IS A POSSIBILITY THAT WE

MAY SEE ANOTHER RISE, IF YOU
WILL, IN NONRENEWAL ACTIVITY

FOR CONTRACT YEAR 2011,
WE'LL STILL WANT TO KEEP

NONRENEWAL SURVEILLANCE
ON OUR RADAR SCREEN.

MARKETING REVIEW WEBSITE.

NOW, THIS ACTIVITY WAS SIMPLE.

WHAT WE LOOKED FOR IN TERMS

OF YOUR WEBSITES WERE, ONE,

WAS IT OPERABLE AND WAS THE

INFORMATION EASILY LOCATED

AND WAS IT ACCURATE.

COMPLIANCE ACTIONS WERE TAKEN

FOR ORGANIZATIONS THAT DID NOT

MEET THESE REQUIREMENTS,

SO, AGAIN, AS YOU'RE PULLING
UP YOUR WEBSITES, REDESIGNING
THEM, MAKE SURE THAT
THEY'RE OPERABLE.
THEY NEED TO, AGAIN, BE
EASILY ACCESSIBLE FOR MEMBERS,
AND THEY DO NEED
TO BE ACCURATE.
CLIPPING SERVICE.
THIS ACTIVITY
HAD TWO PURPOSES.
THE FIRST WAS TO REVIEW THE
ADVERTISEMENTS TO ENSURE THAT
THE EVENTS LISTED WERE
ACTUALLY REPORTED TO CMS VIA
OUR HPMS, AND THE SECOND WAS
TO REVIEW ADVERTISEMENTS,
PARTICULARLY AROUND THE
NONRENEWAL AREA'S MARKETS,
TO ENSURE THAT, AGAIN,
THEY WERE CLEAR, ACCURATE,
AND DID NOT USE SCARE
OR PRESSURE TACTICS.
NO COMPLIANCE ACTIONS WERE
TAKEN AGAINST ORGANIZATIONS AS
A RESULT OF INAPPROPRIATE

CONTENT IN ADVERTISEMENT.
HOWEVER, SOME ORGANIZATIONS
DID, IN FACT, RECEIVE
COMPLIANCE NOTICES DUE TO
UNREPORTED MARKETING EVENTS.
CALL CENTER PERFORMANCE,
AND, AGAIN, THIS WAS
FOR NONRENEWING PLANS,
SO, AGAIN, I HOPE YOU'RE
HEARING THAT, AGAIN, WE ARE
PUTTING A LOT OF EMPHASIS
ON NONRENEWALS BECAUSE,
AGAIN, WE THINK IT'S GOING TO
HAPPEN AGAIN THIS YEAR THAT
PLANS DECIDE TO NONRENEW.
THERE IS BEHAVIOR IN
THE MARKETPLACE THAT IS
EXPECTED BY CMS,
AND AS PART OF OUR YEAR-ROUND
SURVEILLANCE AROUND
NONRENEWALS, CMS CONDUCTED
A PILOT REGARDING CALL CENTER
PERFORMANCE FOR ORGANIZATIONS
THAT WERE NONRENEWING PRODUCTS
DURING CONTRACT YEAR 2010.
THE QUESTIONS IN THIS ACTIVITY

WERE FOCUSED ON SPECIFIC
NONRENEWAL-RELATED
QUESTIONS WHICH ASSESS
THE ORGANIZATION'S ABILITY TO
PROVIDE ACCURATE RESPONSES TO
POTENTIAL QUESTIONS THAT A
BENEFICIARY MAY ASK TO BETTER
UNDERSTAND THEIR OPTIONS AND
DEADLINES AS IT'S RELATED TO
SELECTING A DIFFERENT
ORGANIZATION OR A PLAN.
THE INFORMATION GLEANED,
AGAIN, FROM THIS ACTIVITY
WILL BE ANALYZED TO STRENGTHEN
THE ACTIVITY FOR POSSIBLE
INCLUSION IN CONTRACT 2011.
NOW I JUST WANT TO SPEND
THE TIME THAT I HAVE LEFT
TALKING A LITTLE BIT ABOUT
SURVEILLANCE PHILOSOPHIES.
SURVEILLANCE IS REAL-TIME,
REAL-TIME OBSERVATIONS,
BECAUSE IT'S THE ONLY SHOT
THAT A MEMBER HAS TO MAKE THAT
ONE DECISION, AND, AGAIN,
I KNOW YOU KEEP HEARING ME SAY
WE WANT CLEAR, COMPLIANT.
WELL, WE DO BECAUSE THIS IS
THEIR OPPORTUNITY TO DO THAT.

WE 'VE ROLLED OUT
EFFECTIVELY AND USED AN ONLINE

AUTOMATED SURVEILLANCE CONSOLE
TO COMMUNICATE VIOLATIONS

AND RESULTS TO M.A.
AND PDP ORGANIZATIONS.

THE CONSOLE ALLOWS CMS TO
COMMUNICATE DEFICIENCIES IN AS

CLOSE TO REAL TIME AS
POSSIBLE.

WITHIN DAYS OF COMPLETING YOUR
SHOPS FOR YOUR ORGANIZATIONS,

WE WERE ABLE TO SEND
YOU YOUR RESULTS.

AGAIN, GOOD, BAD,
OR INDIFFERENT, WE SENT THEM,

AND THE CONSOLE GAVE YOU A
FORM TO DOCUMENT AND PROVIDE

FORMAL RESPONSES TO ANY
IDENTIFIED ISSUES, AND, AGAIN,

WE ARE DOING THAT, AS YOU
HEARD ME SAY EARLIER, SO IF

YOU ARE SEEING SOMETHING VERY
EARLY IN THE AEP, AND, IF YOU

CAN RECALL, WHILE WE DIDN'T
TELL YOU WHEN WE SHOPPED YOU,

WE DID DO RISK ANALYSIS
ASSESSMENT TO HELP US DECIDE

WHO NEEDED TO BE SHOPPED,
WHEN, HOW MANY TIMES,

ET CETERA, SO IF WE ARE SEEING
ISSUES, WE WERE ABLE TO GET

THOSE ISSUES IN FRONT OF YOU
AND GIVE YOU AS MUCH TIME AS

POSSIBLE TO LOOK AT THOSE
ISSUES BEFORE WE WENT BACK OUT

AND DID ANOTHER ROUND OF
SHOPS, AND PRIMARILY THAT WAS

A SIGNIFICANT CHANGE IN
OUR SHOPPING STRATEGY.

AGAIN, WE IMPLEMENTED WHAT
WE CALLED CLUSTER SHOPPING,

AND WHAT THAT MEANT, AGAIN,
WAS THAT, RATHER THAN HAVING

OUR SHOPPERS OBSERVE YOUR
MARKET EVENTS CONTINUOUSLY

AND IN A ROLLING FASHION,
WE INSTEAD TARGETED EACH

ORGANIZATION DURING A
PREDEFINED, ANONYMOUS

TIMEFRAME EACH MONTH, AND ALL
OF OUR SHOPS ARE CONDUCTED

DURING THAT TIMEFRAME, AND ALL
OF THE RESULTS ARE SENT TO

YOUR ORGANIZATION AT ONE TIME.

AGAIN, THE BENEFIT HERE IS
THAT IT ALLOWS CMS TO MAKE

A DETERMINATION ABOUT
YOUR PERFORMANCE.

IT ALLOWS YOU THE OPPORTUNITY
TO IMPLEMENT IMMEDIATE ACTION

THAT YOU WILL TAKE BEFORE
WE DO ANOTHER RUN OF SHOPS

AGAINST YOUR ORGANIZATION.

CMS WILL AGAIN USE A RISK
APPROACH TO IDENTIFY THE

NUMBER OF SHOPS ASSIGNED AT
THE START OF THE AEP, AND WE

WILL QUICKLY SHIFT TO
PERFORMANCE-BASED MODEL

AND DECIDE NUMBER OF SHOPS
DEPENDING ON WHAT WE

SEE INITIALLY.

ORGANIZATIONS WITH POOR
PERFORMANCE WILL RECEIVE

INCREASED NUMBER OF SHOPS.

CMS CONDUCTED AN INTENSIVE
LEVEL, MULTI-LAYERED

VALIDATION PROCESS OF OUR
SECRET SHOPPING DEFICIENCIES,

AND I REALLY WANT
TO STRESS THIS HERE.

I DON'T WANT ANYONE TO GO AWAY
AND THINK WE SENT SOMEONE OUT

TO SHOP, THEY COME BACK,
WE PUT IN THE CONSOLE, AND IT

CAME DIRECTLY TO YOU.

I WANT TO KIND OF WALK YOU
THROUGH THE LAYERS THAT WE

EMPLOYED BEFORE WE SENT YOU
A COMPLIANCE ACTION WHERE WE

FELT WE HAD
VALIDATED THAT PROCESS.

FIRST, THERE WAS THE
QUALITY ASSURANCE DONE BY THE

CONTRACTOR OR THE RO SHOPPER
TO ENSURE THAT ALL APPLICABLE

FIELDS WERE COMPLETED.

NEXT, WE HAD A SURVEILLANCE
ANALYSIS TEAM--WE CALL THEM

THAT S.A.T. TEAM--

THAT REVIEWED THE DEFICIENCIES
BEFORE THEY WENT TO

THE ORGANIZATION TO CONFIRM
THAT THE OBSERVATIONS ARE

ADEQUATELY DETAILED AND MAY
SUPPORT A FINDING, AND THEN

AFTER THAT, WE PROVIDED YOU
WITH THE OPPORTUNITY TO LOOK

AT THE DEFICIENCIES AND
PROVIDE YOUR RESPONSES.

THEY THEN WENT BACK TO THAT
SURVEILLANCE ANALYSIS TEAM

AFTER WE GOT YOUR COMMENTS TO
SEE IF THEY STILL THEN FELT

THAT THE DEFICIENCY WAS ONE
THAT COULD BE VALIDATED.

SOME WE INVALIDATED.

OTHERS, WE WERE NOT, AND THEN
FOR THOSE THAT WE FELT WERE

VALIDATED, THAT NEEDED TO
COME TO THE COMPLIANCE TEAM,

IT CAME TO A COMMITTEE
WHERE ALL OF THE VALIDATED

DEFICIENCIES THAT WERE
CONFIRMED, WE USED THOSE THEN

TO DRIVE OUR DECISIONS ABOUT
WHETHER YOU GOT A TECHNICAL

ASSISTANCE LETTER, A NOTICE OF
NONCOMPLIANCE, OR ANY OTHER

HIGHER REQUEST.

SO, AGAIN, WE DON'T JUST SAY,
"YOU MADE A MISTAKE," OR,

"WE THINK YOU MADE A MISTAKE,"
AND WE RUN WITH IT.

WE REALLY DO VALIDATE WHETHER
OR NOT WE THINK THAT THEY ARE,

IN FACT, VALID, GIVE YOU
AN OPPORTUNITY TO RESPOND.

WE CAN EITHER INVALIDATE OR

VALIDATE, AND THEN IT MOVES

ON TO A COMPLIANCE COMMITTEE,
WHERE, AGAIN, WE TRY TO MAKE

SURE THAT THEY'VE HAD
A CONSISTENT LOOK

AND AN APPROACH.

NOW I'M GOING TO TURN IT OVER
TO MIKE KAVOURAS, WHO'S

GOING TO TALK TO YOU ABOUT
SOME OF THE SPECIFIC OUTCOMES

THAT CAME FROM OUR SHOPS.

HE'LL GO OVER SOME BEST
PRACTICES AND SOME THINGS

WE'VE LEARNED AS A RESULT
OF THE ACTIVITIES THAT WE

CONDUCTED MOST RECENTLY.

>> GOOD MORNING.

I THINK THIS IS THE LAST
PRESENTATION BEFORE LUNCH,

SO HOPEFULLY, WE CAN
CONTINUE THE MOMENTUM.

I WAS LOOKING AROUND THE ROOM,
AND I DEFINITELY SEE

AN INTEREST IN THIS PARTICULAR
TOPIC, AND WE HOPE WE HAVE SOME

REAL GOOD, INFORMATIVE
INFORMATION TO SHARE

WITH YOU ALL HERE WITH THE

BALANCE OF THIS SEGMENT.

AS GLORIA MENTIONED,
WE'RE GOING TO COVER THREE

ASPECTS OF SURVEILLANCE IN
THIS NEXT SEGMENT, SOME

OF THE OUTCOMES FROM
CONTRACT YEAR 2010.

WE'RE GOING TO COVER BEST
PRACTICES THAT WE'VE HEARD

BACK FROM THE INDUSTRY ABOUT
AS WELL AS LESSONS LEARNED,

AND WE HAVE A LOT OF LESSONS
LEARNED FROM THIS LAST YEAR.

OK.

NOW, UP ON THE SCREEN HERE--

AND IT'S NOT IN YOUR PACKETS,
SO YOU MAY HAVE TO WRITE DOWN

THIS WEB ADDRESS--

BUT WE WANTED TO MAKE SURE

THAT EVERYBODY KNEW THAT WE

HAVE RELEASED THE AEP
SURVEILLANCE INDUSTRY REPORT.

THIS WAS ACTUALLY PUBLISHED
AND POSTED ON OUR CMS WEBSITE

A FEW WEEKS AGO, AND I'M NOT
CONVINCED THAT EVERYBODY IS

AWARE THAT THIS
REPORT IS PUBLIC.

MUCH OF WHAT I'LL BE
DISCUSSING HERE IN THIS NEXT

SEGMENT IS ACTUALLY CONTAINED
IN THIS COMPREHENSIVE REPORT,

SO IF YOU WANT TO GET MORE IN

DEPTH ON SOME OF THE TOPICS

THAT WILL BE COVERING HERE
WHERE YOU FEEL THAT YOUR

QUESTIONS WERE NOT ANSWERED
HERE TODAY, PLEASE FEEL FREE

TO GO THROUGH THAT REPORT.

IF YOU HAVE ANY QUESTIONS
LATER ON AFTER VIEWING IT,

PLEASE FEEL FREE TO CONTACT
ME, AND I CAN HELP ANSWER ANY

QUESTIONS YOU MAY HAVE.

DID I GIVE PEOPLE ENOUGH
TIME TO WRITE THAT DOWN?

IT'S
CMS.GOV/MANAGEDCAREMARKETING/ .

THAT'S ALL ONE WORD.

Part 3

>> LET ME START FIRST
WITH INDUSTRY PERFORMANCE,

WHAT WE SAW.

I THINK IT'S SAFE TO SAY THAT
WE'VE DEFINITELY SEEN STRIDES

IN PERFORMANCE, BUT THERE
IS ROOM FOR IMPROVEMENT.

YOU KNOW, GLORIA AND I ARE
NEVER SATISFIED, I THINK,

UNTIL THAT NUMBER
GETS DOWN TO ZERO.

I THINK THAT'S
EVERYBODY'S ULTIMATE GOAL.

WE WANT NO VIOLATIONS IN
THE MARKETPLACE, OBVIOUSLY,

BUT HERE'S WHAT WE SAW.

THE NUMBER UP ON THE SCREEN
HERE REPRESENTS THE PERCENTAGE

OF EVENTS WITH VIOLATIONS
DISCOVERED DURING OUR ANNUAL

ELECTION PERIOD, AND THE
VIOLATIONS AT EVENTS IN THE AEP

WERE AT 40%,
A NUMBER WE DEFINITELY WANT TO
SEE COME DOWN.

WE ALSO KNOW THERE IS ROOM FOR
IMPROVEMENT BECAUSE THROUGHOUT

THE AEP AND OVP, WE ISSUED
OVER 420 NOTIFICATIONS TO

ORGANIZATIONS RELATED TO
VIOLATIONS WE FOUND

AT MARKETING EVENTS.

MANY OF THOSE WERE OF THE
TECHNICAL ASSISTANCE VARIETY,

AND I WANT TO EMPHASIZE THAT
THAT KIND OF NOTIFICATION IS

NOT CONSIDERED A FORMAL
COMPLIANCE LETTER, BUT IT IS

PUTTING AN ORGANIZATION
ON NOTICE ABOUT

DEFICIENCIES WE FOUND.

SO, AGAIN, ONE VIOLATION,
YOU RECEIVED AT MINIMUM

A TECHNICAL ASSISTANCE LETTER.

WE WANT TO MAKE SURE THE
ORGANIZATIONS ARE RESPONSIVE

TO EVEN ONE VIOLATION AND ABLE
TO TAKE ACTION, SO WE DIDN'T

BURY THAT.

WE DIDN'T HIDE IT.

WE MADE SURE WE GOT THAT OUT,
AS GLORIA MENTIONED, REAL-TIME

THROUGH THE CONSOLE, AND
WE FORMALIZED THAT AS PART

OF THE OFFICIAL RECORD THROUGH
THE ISSUANCE OF TECHNICAL

ASSISTANCE LETTERS.

WHERE ORGANIZATIONS HAD
RECURRENT PROBLEMS OR MORE

SERIOUS PROBLEMS, WE GOT
INTO THE MORE FORMAL ACTIONS.

AGAIN, 420 LETTERS WENT
OUT AGAIN THE AEP AND OEP

INDUSTRYWIDE.

THAT'S A LOT OF LETTERS,
OK, BUT WE DEFINITELY HAVE

SEEN SOME GOOD OUTCOMES
AS A RESULT OF THAT.

ONE OF THE THINGS HERE COVERED
IN THE SECOND BULLET IS,

NOW THAT WE'VE DONE THIS A FEW
YEARS, A DEFINITIVE DECREASE

IN THE NUMBER OF EGREGIOUS
VIOLATIONS IN THE MARKETPLACE,

AND WHEN I SAY EGREGIOUS,
WE'RE TALKING ABOUT A FEW

CATEGORIES OF VIOLATIONS.

SCARE TACTICS IS ONE OF THOSE,
ACTS OF MISREPRESENTATION,

AND AGGRESSIVE
MARKETING TACTICS.

WE'RE NOT SEEING AS MUCH OF
THOSE VIOLATIONS AS WE HAVE

IN YEARS PAST.

THAT'S GOOD NEWS.

HOWEVER, WE ARE STILL SEEING
DEFICIENCIES IN THE AREAS

OF PROVIDING CLEAR AND
ACCURATE INFORMATION TO

MEDICARE BENEFICIARIES THAT ARE
ATTENDING MARKETING EVENTS.

THE NEXT SLIDE IS GOING TO
GET INTO SOME OF THE SPECIFIC

DETAILS OF THE MOST
COMMON DEFICIENCIES THAT WE

SAW INDUSTRYWIDE.

NOW, AGAIN, YOUR LETTERS THAT
YOU ALL RECEIVED GAVE YOU

A SENSE OF WHAT YOUR
SPECIFIC PROBLEMS WERE

AT MARKETING EVENTS.

THIS IS GIVING YOU AN
INDUSTRYWIDE SNAPSHOT OF WHAT

WE SAW BETWEEN THE
AEP IN THE OEP--

ONE, THE FAILURE TO PROVIDE
CLEAR AND ACCURATE INFORMATION

RELATED TO YOUR
PLANS DRUG COVERAGE.

THIS WAS A VERY COMMON
SUBSTANTIVE DEFICIENCY THAT WE

SAW TIME AND TIME AGAIN.

THERE WERE THREE PRIMARY AREAS
THAT WE EXAMINED THAT CROPPED

UP OVER AND OVER AGAIN,
ONE RELATED TO COST, MAKING

SURE THAT THE AGENT OR PLAN
REPRESENTATIVE GAVE CLEAR

AND ACCURATE INFORMATION
RELATED TO WHAT

THE COST-SHARING COSTS WERE
GOING TO BE FOR A PARTICULAR

BENEFICIARY THAT WANTED TO JOIN
A PARTICULAR PLAN, EITHER

AN MAPD OR PDB PLAN,
ACCURATELY DESCRIBING

THE PLAN'S COVERAGE GAP.

AGAIN, THIS GOES BACK
A COUPLE YEARS NOW.

THIS IS ONE OF
THE HOT BUTTON TOPICS,

AND WE KNOW THE COVERAGE GAP
IS COMPLICATED.

IT'S DIFFICULT TO EXPLAIN.

IT'S DIFFICULT FOR
BENEFICIARIES TO UNDERSTAND,

BUT WE SAW REPEATEDLY
THAT THIS WAS ONE OF OUR MORE

FREQUENT AREAS OF DEFICIENCIES
IN DESCRIBING ACCURATELY

THE COVERAGE GAP AND THIRD,
AN ACCURATE DESCRIPTION

OF THE PLAN'S FORMULARY,
LETTING BENEFICIARIES KNOW THE

CATEGORIES OF DRUGS THAT WERE
COVERED UNDER THE PARTICULAR

PLAN OR LETTING THE
BENEFICIARIES KNOW WHERE THEY

CAN OBTAIN THAT INFORMATION,
WHICH IS ACCEPTABLE.

YOU CAN ACTUALLY REFER THEM
TO YOUR WEBSITE OR REFER THEM

TO YOUR CUSTOMER SERVICE
AREA TO GET A COPY

OF THE PLAN FORMULARY.

SECOND, ANOTHER COMMON AREA OF
DEFICIENCY WE SAW IS WHAT WE

CALL PRESSURE TACTICS,
PARTICULARLY IN THE AREA

OF REQUIRING BENEFICIARIES TO
PROVIDE THEIR PERSONAL CONTACT

INFORMATION, AND WE SAW THIS
OVER AND OVER AGAIN WHERE THE

AGENT OR PLAN REPRESENTATIVE,
THE BENEFICIARY COMES INTO

THAT PARTICULAR EVENT,
AND THEY SAY THINGS LIKE,

YOU KNOW, "YOU HAVE TO SIGN
THIS FORM BECAUSE MY BOSS

REQUIRES ME TO COLLECT ALL
NAMES OF PEOPLE THAT ATTEND

THIS EVENT," OR, "MEDICARE
REQUIRES ME TO MAKE SURE THAT

I GET EVERYBODY'S NAMES THAT
ATTENDS A MEDICARE SEMINAR."

IT GIVES THE BENEFICIARY A
SENSE THAT THEY HAVE TO GIVE

UP PERSONAL INFORMATION
THAT ISN'T REQUIRED.

THE BIG CONCERN FOR US HERE
ISN'T ONLY WITH THE PRESSURE

THE BENEFICIARY FEELS, BUT THE
POTENTIAL THERE THAT THE AGENT

OR PLAN REP CAN TAKE THAT

INFORMATION AND CONDUCT

ONE-ON-ONE APPOINTMENTS WITH
THAT BENEFICIARY WITHOUT HAVING

OBTAINED APPROPRIATE SCOPE
OF APPOINTMENT FORM,

AND THAT'S SOMETHING THAT WE
LOSE CONTROL OVER AFTER THAT

EVENT OCCURS.

SO THAT PRESSURE TACTICS TELLS
US SOMETHING ABOUT A BEHAVIOR

THAT WE FEEL IS INAPPROPRIATE,
AND WE WANT TO MAKE SURE THAT

THAT DISCONTINUES.

THIRD, INAPPROPRIATE,
UNSUBSTANTIATED--

I ITALICIZE THAT FOR A
REASON; I'LL COME BACK TO THAT

IN A MOMENT--

BUT INAPPROPRIATE,
UNSUBSTANTIATED COMPARATIVE

MARKETING STATEMENTS MADE AT
EVENTS, FOR EXAMPLE, "WE ARE

THE BEST PLAN IN THE STATE OF
TEXAS," OR, "WE OFFER THE MOST

COMPREHENSIVE DRUG COVERAGE
IN ALL OF ARIZONA."

THOSE KIND OF STATEMENTS
ARE INAPPROPRIATE IF THEY'RE

UNSUBSTANTIATED, AND I'M
GOING TO PUT SOME PARAMETERS

AROUND THAT BECAUSE PLANS ARE
OBVIOUSLY SELLING PRODUCTS.

WE GET THAT.

YOU'RE TRYING TO SELL AND
MARKET TO BENEFICIARIES.

YOU'RE TRYING TO PAINT YOUR
PLANS IN THE BEST PICTURE THAT

YOU POSSIBLY CAN, BUT THE
MEDICARE MARKETING GUIDELINES

ARE VERY CLEAR ABOUT WHAT'S
ALLOWED AND WHAT'S NOT ALLOWED

IN THIS AREA.

OUR ADVICE TO ORGANIZATIONS
TO MAKE SURE AND ELIMINATE ANY

DOUBT IN THIS AREA IS TO
FOLLOW THE REQUIREMENTS THAT

ARE SPELLED OUT IN THE
MEDICARE MARKETING GUIDELINES

AS IT RELATES TO PROVIDING
THESE TYPES OF CLAIMS

AND COMPARISONS IN THE SECTION
THAT TALKS ABOUT THE WAY YOU

CAN TALK ABOUT THIS FOR
WRITTEN MARKETING MATERIAL.

THE SAME RULES APPLY.

IF YOU'RE GOING TO HAVE AGENTS
OR BROKERS USE TALKING POINTS

OR MAKE STATEMENTS THAT MAKE
COMPARISONS LIKE THIS, FOLLOW

THE RULES IN THAT SECTION
WHICH STATE THAT IT MUST BE

SUPPORTED BY SOME
AUTHORITATIVE SOURCE,

THAT IT CAN'T JUST BE
SORT OF HYPERBOLE.

IT CAN'T BE AN AGENT STANDING
UP THERE AND JUST MAKING

A STATEMENT THAT, YOU KNOW,
TOES THE LINE OF WHAT'S

ACCURATE AND
TRUTHFUL, OK?

SO SAYING YOU'RE THE BEST HAS
TO BE SUPPORTED IN SOME WAY.

IS IT THE BEST IN QUALITY?

WHEN YOU SAY YOU HAVE THE MOST
COMPREHENSIVE DRUG COVERAGE,

WHAT DOES THAT EXACTLY MEAN?

SO YOU HAVE TO MAKE
SURE YOU'RE CITING TO

AN AUTHORITATIVE
SOURCE, ONE.

TWO, MAKE SURE THAT THAT
PARTICULAR SCRIPT, THAT

PARTICULAR PRESENTATION,
THAT PARTICULAR TALKING POINT

HAS BEEN APPROVED BY YOUR
CMS REGIONAL OFFICE, OK,

THE SAME WAY THAT YOUR
MARKETING MATERIAL IS.

IF IT'S BEEN APPROVED AND IT'S
BEEN SUPPORTED, THEN YOU'LL

NOT HAVE TO WORRY THAT THIS
WILL BE CITED AS A VIOLATION

IN THE FUTURE, AND WE CAN
ELIMINATE THAT AS A PROBLEM.

FOURTH, OUR FAMOUS--
OR, I SHOULD SAY, INFAMOUS--

NO-SHOWS, AND THESE ARE THE
ONES WHERE OUR SHOPPERS GO TO

AN EVENT AND NOBODY'S THERE.

NOW, THIS IS OF CONCERN FOR

A COUPLE OF REASONS.

ONE, OBVIOUSLY--

AND WE DON'T MAKE ANY
BONES ABOUT THIS--

THE REASON WE ASK YOU TO
UPLOAD YOUR EVENTS INTO HPMS

IS TO ENSURE THAT WE
CAN CONDUCT A ROBUST

SURVEILLANCE PROGRAM.

IF WE DON'T KNOW YOUR
SHOPPING, IF WE DON'T KNOW

WHERE YOU'RE HOLDING MARKETING
EVENTS, WE CAN CONDUCT OUR

SURVEILLANCE ACTIVITIES,
SO THAT'S A PROBLEM,

BUT BEYOND SORT OF THE IMPACT
THAT IT HAS ON US, GETTING AWAY

FROM SORT OF THE EGOCENTRIC
VIEW OF THIS, THE MORE

IMPORTANT ASPECT FOR US IS,
WE'VE GONE TO EVENTS WHERE

BENEFICIARIES ARE THERE
WITH US, WITH THE SHOPPERS,

AND WHAT THAT TELLS US IS THAT
THE PLAN DIDN'T FOLLOW

THE RULES AS IT RELATED TO,
ONE, CANCELING THE EVENT

IN HPMS, SO A MORE
ADMINISTRATIVE DEFICIENCY,

BUT, TWO, THAT YOU MAY NOT
HAVE FOLLOWED THE RULES AS IT

RELATED TO FOLLOWING OUR
GUIDELINES FOR PROVIDING

BENEFICIARIES PUBLIC NOTICE

OF A CANCELED EVENT, AND,
YOU KNOW, IF YOU HAVE A
BENEFICIARY THAT TRAVELED LONG
DISTANCES TO GET TO A
MARKETING EVENT, THAT'S
A TERRIBLE INCONVENIENCE TO
THEM, AND WE DON'T WANT TO SEE
THAT HAPPEN.

SO, WHILE PEOPLE MAY,
YOU KNOW, SORT OF LOOK AT THIS
PARTICULAR DEFICIENCY AS NOT
PARTICULARLY SERIOUS, WHEN IT
DOES HAVE BENEFICIARY IMPACT,
WE WANT TO MAKE SURE WE
ELIMINATE THAT.

THE RULES ARE IN
PLACE FOR THAT REASON.

OK.

WE HAVE SEEN POSITIVE TRENDS.

THERE HAVE BEEN GOOD
IMPROVEMENTS, AS I MENTIONED
AT THE START, STRIDES IN THE
MARKETPLACE AS IT RELATES TO
PLAN PERFORMANCE.

WHAT I DIDN'T SHOW AT THE
BEGINNING WHEN I USE THE
NUMBER TO TALK ABOUT THE 40%
OF EVENTS WITH VIOLATIONS

IN THE AEP, I DO HAVE SOME
NUMBERS FROM THE OEP,

AND WE'RE STILL CRUNCHING
THE NUMBERS TO MAKE SURE WE
FINALIZE IT FOR UPCOMING

OEP/AEP REPORT, BUT THERE

DEFINITELY HAS BEEN A
DOWNTICK, CONSISTENT DOWNTICK

EACH MONTH, STARTING
WITH OCTOBER THROUGH OUR

SURVEILLANCE SHOPPING SEASON,
WHICH ENDED IN MARCH.

OVERALL DURING THE OEP,
THAT NUMBER THAT WAS AT 40%

DURING THE AEP DROPPED ALL
THE WAY DOWN TO 25%, AND THAT

NUMBER, IN TERMS OF PERCENTAGE
OF VIOLATIONS, IS AS LOW AS

WE'VE SEEN THAT LEVEL OF
PERFORMANCE, AND LOW BEING

A GOOD THING HERE, SINCE WE'VE
STARTED OUR SURVEILLANCE

ACTIVITIES A FEW YEARS BACK.

SO ARE WE HAPPY WITH 25%?

LET'S SAY WERE GLAD IT'S
GOING IN THAT DIRECTION.

WE WANT TO SEE THAT
NUMBER CONTINUE TO GO DOWN.

THE OTHER OBSERVATION
WE MADE--

AND WE PAID REALLY CLOSE
ATTENTION TO THIS THIS YEAR--

IS, WE TOOK VERY CLOSE MEASURE
OF HOW PLANS WERE PERFORMING

AFTER THEY RECEIVED A
NOTIFICATION FROM CMS, AND I'M

GOING TO CLICK AHEAD HERE TO
THE NEXT SLIDE, WHICH MAY BE

A LITTLE HARD TO READ,

I THINK, IN YOUR PACKETS.

HOPEFULLY, HERE BLOWN UP,
IT'S A LITTLE BIT

EASIER TO SEE.

WHAT WE DID IS, WE COMPARED
ORGANIZATIONS' PERFORMANCE

AFTER RECEIVING A NOTICE
FROM CMS TO SEE WHETHER YOUR

ACTIONS WOULD HAVE AN IMPACT
ON AGENT,

BROKER, PLAN REP PERFORMANCE,

AND WHAT WE SAW WAS
UNEQUIVOCALLY YES, THAT YOUR

ACTIONS HAD A DEMONSTRABLE
IMPROVEMENT IN TERMS OF HAVING

AN INFLUENCE IN TERMS OF
AGENT, BROKER BEHAVIOR.

LET ME GO OVER SOME
OF THE NUMBERS HERE.

WE'RE USING OCTOBER-NOVEMBER
JUST AS A SAMPLE, BUT WE DID

SEE THE SAME DEMONSTRATION
MONTH AND MONTH AGAIN.

IN OCTOBER, WE LOOKED AT
ORGANIZATIONS THAT RECEIVED

A NOTIFICATION FROM CMS.

ORGANIZATIONS THAT HAD ONE OR
MORE VIOLATIONS, OK, RECEIVE

COMPLIANCE LETTERS FROM CMS,
AGAIN, AS I MENTIONED,

THE TECHNICAL ASSISTANCE
LETTER OR HIGHER.

OF ORGANIZATIONS THAT RECEIVED
A COMPLIANCE LETTER, THOSE

ORGANIZATIONS HAD DEFICIENCIES
AT 62% OF THE MARKETING EVENTS

WE ATTENDED.

AFTER WE TOOK A LOOK AT THOSE
ORGANIZATIONS, WE WENT OUT

AND SHOT THEM AGAIN IN
NOVEMBER, THE ORGANIZATIONS

THAT HAD DEFICIENCIES,
AND THAT NUMBER DROPPED 25

PERCENTAGE POINTS,
NEARLY IN HALF, ACTUALLY.

WE WENT FROM 62% TO 37% OF THE
EVENTS HAD VIOLATIONS AFTER

RECEIPT OF COMPLIANCE LETTERS
FROM CMS, AND THAT TELLS US

TWO THINGS.

ONE, AS I MENTIONED, IT
TELLS US THAT YOUR ACTIONS,

YOUR EFFORTS ACTUALLY HAVE AN
IMPACT IN CREATING A CULTURE

OF COMPLIANCE WITH YOUR
MARKETING AGENTS AND BROKERS

AND YOUR SALES FORCE.

THEY'RE ACTUALLY ARE STEPS
THAT YOU'RE TAKING THAT ARE

ACTUALLY HAVING A
MEASURABLE IMPROVEMENT

IN YOUR PERFORMANCE.

THAT'S A GOOD THING, BUT
IT TELLS ME SOMETHING ELSE,

AND THIS GOES TO GLORIA'S
POINT EARLIER--

I DON'T WANT THAT TO GET LOST

HERE IN THE ROOM--THAT THERE

IS NOT A RESET BUTTON, THAT
WE ARE CONSTANTLY EVALUATING

PERFORMANCE, AND WE WILL
CONTINUE TO EVALUATE

PERFORMANCE THROUGH THE SUMMER
AND INTO THE AEP FOR CONTRACT

YEAR 2011.

IT'S REALLY IMPORTANT THAT
ORGANIZATIONS DON'T SIT IDLY

BACK AND THINK THEY'RE GOING TO
GET A DO-OVER, THEY'RE GOING TO

GO BACK TO GO, WE'RE GOING
TO START FROM THE BEGINNING

AGAIN, THAT YOU'VE SEEN
THIS LEVEL OF IMPROVEMENT,

THAT YOUR ACTIONS ARE
ACTUALLY HAVING AN IMPACT.

WHAT IT'S TELLING US IS THAT
DON'T WAIT FOR CMS TO GIVE YOU

A COMPLIANCE LETTER AND BE
REACTIVE BECAUSE YOU DON'T

WANT TO BE IN THE POSTURE
WHERE YOUR LAST LETTER HERE

WAS A WARNING LETTER AND NOW
WE'RE FORCED TO GO INTO A CAP

RIGHT OFF THE BAT DURING
THE AEP, OK?

SO BE PROACTIVE.

UNDERSTAND THE PERFORMANCE,
WHAT YOU NEED TO DO TO MAKE

SURE THAT YOUR ORGANIZATION
AND YOUR PLAN REPS, AGENTS,

AND BROKERS ARE COMPLIANT
RIGHT OFF THE BAT, THAT

THERE'S A CLEAR UNDERSTANDING
OF WHAT THE RULES ARE.

GET YOUR STANDARDIZED TRAINING
PACKAGES IN ORDER RIGHT

AT THE OUTSET, AND LET'S MAKE
SURE WE HAVE A COMPLIANT

ENVIRONMENT RIGHT AT THE
BEGINNING.

PARTICULARLY THIS YEAR,

WE'RE GOING TO HAVE
CHANGES TO OUR ELECTION

PERIODS, AND WE THINK THERE'S
GOING TO BE MORE AGGRESSIVE

MARKETING GOING ON THIS
AEP THAN EVER BEFORE.

SO THERE ISN'T GOING
TO BE TIME TO WAIT.

THERE ISN'T GOING TO BE A
TIPTOEING, AS I CALL IT,

UP THE COMPLIANCE
LADDER THIS YEAR.

WE'RE GOING TO BE DOING OUR
SHOPPING MUCH MORE INTENSIVELY

THAN WE EVER HAVE IN THE PAST,
ESPECIALLY EARLY ON

IN THE PROCESS, SO WE WANT TO
MAKE SURE WE'VE PUT EVERYBODY

ON NOTICE THAT THAT IS GOING
TO BE OUR STRATEGY THIS YEAR,

BUT WE'RE OPTIMISTIC THAT IF
PEOPLE HEED THESE LESSONS

AND HEAR WHAT WE HAVE TO SAY
HERE THAT YOU'LL IMPLEMENT THESE

CONTROLS AND HAVE A REAL
ROBUST OVERSIGHT STRATEGY

AT THE ONSET, AND WE'RE
CONFIDENT ABOUT THE RESULTS

WE'RE GOING TO SEE.

SO NEXT YEAR WHEN WERE TALKING
AGAIN, WE DON'T WANT TO SEE

A DOWNWARD TREND.

WE WANT TO SEE A FLAT LINE.

WE WANT TO SEE A STRAIGHT,
CONSISTENT, GOOD LEVEL

OF PERFORMANCE ALL THE WAY
THROUGH, BEGINNING TO END.

Part 4

>> ONE OF THE QUESTIONS WE GET
REPEATEDLY IS, WHAT ARE SOME

OF THE BEST PRACTICES?

WHAT ARE OTHER ORGANIZATIONS
IN THIS INDUSTRY DOING TO

IMPROVE PERFORMANCE?

SO WITHOUT GIVING AWAY ANY
PROPRIETARY INFORMATION--

WE CERTAINLY AREN'T GOING TO
NAME ANY NAMES OR GIVE AWAY

ANY DETAILS THAT WILL IDENTIFY
THE ORGANIZATIONS THAT

IMPLEMENTED THESE PARTICULAR
PRACTICES--

BUT THERE WERE COMMON THREADS.

AS GLORIA MENTIONED, WE TALKED
TO MANY INDUSTRY EXECUTIVES,

MANY COMPLIANCE

OFFICERS ONE ON ONE.

WE ALSO REVIEWED ALL OF
THE BUSINESS PLANS THAT WE

RECEIVED, OK?

WE RECEIVED A NUMBER OF THEM.

WE LOOKED FOR COMMONALITIES,
COMMON THREADS.

WHAT ARE SOME OF THE COMMON
STRATEGIES THAT ORGANIZATIONS

THROUGHOUT THE INDUSTRY ARE
EMPLOYING TO GET BEHAVIOR

UNDER CONTROL, AND A FEW
COMMON THEMES RECURRED.

I WANT TO TALK ABOUT SOME
OF THEM HERE TODAY.

ONE IS STANDARDIZING TRAINING
PACKAGES, AND WHAT IS NOT UP

THERE IS PRESENTATIONS,
AS WELL, THAT ORGANIZATIONS

INCREASINGLY WENT TO
STANDARDIZED PACKAGES.

AGENTS AND BROKERS WERE LEFT
LESS TO SORT OF GO OFF THE

CUFF AND FREELANCE IN TERMS OF
SOME OF THE FEEDBACK THEY WERE

PROVIDING TO BENEFICIARIES,
AND THERE WAS A LOT MORE

CONTROL IN TERMS OF WHAT
THEIR AGENTS AND BROKERS WERE

ALLOWED TO SAY THE MARKETPLACE
MORE STANDARDIZED TRAINING--

WEBINARS ARE SOMETHING
WE HEARD A LOT--

MAKING SURE THAT YOU'RE GOING
ABOVE AND BEYOND JUST THE CMS

REQUIRED TRAINING BUT
EMPLOYING REALLY STRICT

REQUIREMENTS OF YOUR OWN AS IT
RELATED TO THE TESTING OF YOUR

AGENTS AND BROKERS BEFORE
THEY BE ALLOWED TO SELL

YOUR PRODUCTS.

SECOND, IMPLEMENTING MORE
EFFECTIVE CONTROLS TO ENSURE

THAT YOU'RE KEEPING TRACK
OF WHICH OF YOUR AGENTS ARE

ACTIVELY LICENSED AND, AGAIN,
WHAT'S NOT UP HERE, TESTED,

BECAUSE WE HAVE NEW
REQUIREMENTS THAT RELATE TO

MAKING SURE THAT YOUR
MARKETING SALES FORCE PASSES

THE REQUIRED CMS MARKETING
TEST BEFORE THEY CAN

SELL PRODUCTS.

WE KNOW THERE'S ROOM FOR
IMPROVEMENT IN THIS AREA BECAUSE

OF THE RECENT OIG REPORT
THAT IS PUBLIC,

WAS PUBLISHED IN MARCH, THAT,

AMONGST MANY THINGS, LOOKED AT
THIS PARTICULAR AREA TO SEE

HOW PLANS WERE DOING AS IT
RELATED TO TESTING AND MAKING

SURE THEIR AGENTS AND
BROKERS WERE LICENSED,

AND THE FINDINGS SHOW THAT
THERE WERE ORGANIZATIONS THAT

EVERYBODY WHO WAS SAMPLED
HAD INCIDENTS OF TAKING

APPLICATIONS AND ALLOWING PLAN
REPS TO BE SELLING FOR THEIR

ORGANIZATION WITHOUT ENSURING
THAT THEY HAD, IN FACT,

BEEN LICENSED OR TESTED.

SO WE KNOW THAT IT'S AN AREA
FOR IMPROVEMENT, AND WE WILL

BE DIGGING THAT INTO MUCH
MORE DEPTH IN THE FUTURE.

ORGANIZATIONS REPORTED TO US
THAT THEY HAVE EMPLOYED MUCH

MORE ROBUST INTERNAL
SECRET SHOPPING PROGRAMS

OF THEIR OWN.

WE ARE GLAD TO HEAR THAT,
SO NOT RELYING ON CMS'S SECRET

SHOPPING PROGRAM TO DO YOUR
WORK FOR YOU, BUT ACTUALLY

EMPLOYING THIRD-PARTY VENDORS
AND EMPLOYING YOUR OWN STAFF,

YOUR OWN SALES MANAGERS.

WE HEARD COMPLIANCE TEAMS
ACTUALLY GOING OUT THERE

AT EVENTS.

SOME SMALLER PLANS REPORTED
THAT THEY ACTUALLY HAD EVERY

EVENT COVERED BY SOMEBODY IN
THEIR ORGANIZATION, EITHER

IN THE MARKETING AREA
OR IN COMPLIANCE.

WHERE CMS WAS, YOU ALSO WERE
THERE, AS WELL, LOOKING,

AS WELL, AND WE KNOW THAT
LARGER NATIONAL ORGANIZATIONS,

THAT'S NOT PRACTICAL.

WE GET THAT.

IT'S NOT PRACTICAL THAT YOU
CAN BE AT EVERY EVENT, BUT WE

HEARD FROM EVERYBODY,
BIG PLAN TO SMALL PLAN,

THAT YOU'RE HAVING A MUCH
MORE VISIBLE PRESENCE OUT

IN THE MARKETPLACE,
THAT YOU'RE SEEING THE SAME

THINGS WE ARE SEEING,
AND THAT'S GOOD NEWS.

ONE OF THE AREAS THAT WE
LIKED WAS PLANS THAT TOLD

US THEY INCORPORATED

FINANCIAL PENALTIES INTO
THEIR CONTRACTS WITH AGENTS

AND BROKERS, THAT IF CMS OR
ANOTHER GOVERNMENTAL AGENCY OR

EVEN THE PLAN THEMSELVES AND
THEIR OWN SECRET SHOPPING

PROGRAMS IDENTIFIED VIOLATIONS
AT AN EVENT WHERE THEY

BASICALLY HAD A
NONCOMPLIANT EVENT--

THERE WAS SOME VIOLATION
EITHER WITH THE REGS OR

WITH THE MEDICARE MARKETING
GUIDELINES--

THAT THAT PLAN REPS DID NOT
GET THE COMMISSION, EITHER ALL

OR IN PART, FOR THAT
PARTICULAR SALES EVENT.

WE THINK THAT'S
A GOOD APPROACH.

IT'S HITTING PEOPLE
IN THE POCKETBOOK.

IT HITS IS WHERE IT COUNTS,

AND WE THINK THAT
ACTUALLY WOULD HAVE

A SIGNIFICANT IMPACT IN
TERMS OF ENSURING

A COMPLIANT MARKETPLACE.

OK.

I WANT TO TAKE A MOMENT TO
TALK ABOUT OUR STRENGTHENED
INFORMATION SHARING WITH
OUR STATE PARTNERS.

ONE OF THE AREAS THAT ALL OF
YOU ARE FAMILIAR WITH IS THAT
CMS ONLY HAVE SO MUCH CONTROL
OVER THE AGENTS AND BROKERS.

WE CAN TAKE COMPLIANCE ACTIONS
THAT HOLD YOU RESPONSIBLE
FOR THE PERFORMANCE OF YOUR
AGENTS AND BROKERS AND PLAN
REPS, BUT WHEN IT COMES TO
THESE INDEPENDENT AGENTS,

WE HAVE NO DIRECT OVERSIGHT
OVER THEM, AND WHAT WE HAVE TO
DO IS ENSURE THAT OUR STATE
PARTNERS, PARTICULARLY THE
DOIs, HAVE THE INFORMATION
THEY NEED TO TAKE ACTION.
THESE AGENTS OR BROKERS OFTEN
SELL NOT JUST FOR ONE PLAN,
BUT FOR MULTIPLE PLANS,
SO ACTION AGAINST PLAN
"A" DOESN'T ENSURE THAT THIS
AGENT WON'T CONTINUE TO SELL
INAPPROPRIATELY FOR PLANS
"B," "C," AND "D,"
SO WHAT WE DO--
AND, FORTUNATELY, WE ARE
STRUCTURED IN A WAY NOW
FOLLOWING A REORGANIZATION
TO EFFICIENTLY
HAND OFF INFORMATION--
IN OUR DIVISION, THE
DIVISION OF MEDICARE ADVANTAGE
OPERATIONS, WE HAVE A DOI
LIAISON, A NATIONAL LIAISON
WHO WORKS WITH ALL 10 REGIONAL
OFFICES, AND WHERE WE HAVE

INCIDENTS OF VIOLATIONS--EITHER
FOUND THROUGH COMPLAINTS,
FOUND THROUGH OUR SURVEILLANCE
INITIATIVES, WHEREEVER IT MAY
BE FOUND--WE ACTUALLY CAN HAND
THAT OFF TO OUR DOI LIAISONS
AND GET THAT INFORMATION TO
THE APPROPRIATE STATES SO THEY
ALSO CAN TAKE THE APPROPRIATE
LEVEL OF ACTION, WHETHER IT'S
SUSPENDING LICENSE
DETERMINING THE AGENTS.
WE ALSO HAVE A RECENT
PARTNERSHIP WITH OUR
COMPLIANCE AND ENFORCEMENT
MEDIC, AND FOR THOSE OF YOU
THAT DON'T KNOW WHAT THE MEDICS
ARE, THEY'RE AN INDEPENDENT
CONTRACTOR THAT CMS EMPLOYEES
TO CONDUCT INVESTIGATIONS,
MORE IN-DEPTH INVESTIGATIONS.
IN THE PAST, WE'VE USED
THEM FOR FRAUD, WASTE,
AND ABUSE INVESTIGATIONS.
WE ARE NOW USING THEM FOR MORE
ROBUST INVESTIGATIONS INTO ANY

COMPLIANCE AND ENFORCEMENT

AREAS, AND SO WE'RE TRYING TO

UTILIZE THEM MORE IN

THIS PARTICULAR ARENA.

I WANT TO CLOSE WITH A COUPLE

OF MINUTES HERE TALKING
ABOUT OUR LESSONS LEARNED.

A FEW WEEKS AGO, WE WENT
OUT TO THE INDUSTRY, AND WE

ACTUALLY OPENED OURSELVES
UP TO COMMENTS, CRITICISMS,

COMPLAINTS, WHATEVER IT MAY BE,

AND WHAT
WE HEARD BACK WAS ACTUALLY

VERY GOOD, SUBSTANTIVE
FEEDBACK ABOUT OUR

SURVEILLANCE PROGRAM.

WE HEARD THERE WERE A LOT OF
THINGS THAT YOU LIKED.

YOU LIKE THE SURVEILLANCE
CONSOLE.

YOU LIKED THE
REAL-TIME NOTIFICATION

OF YOUR DEFICIENCIES.

YOU LIKED THE OPPORTUNITY TO
BE ABLE TO PROVIDE CMS DIRECT

FEEDBACK AND INVESTIGATE SO THAT
WE CAN MAKE THE APPROPRIATE

COMPLIANCE DETERMINATIONS.

THOSE ARE ALL GOOD THINGS,
SO WE HEARD THE GOOD THINGS.

WE APPRECIATE YOU SHARING THAT
WITH US, BUT WE ALSO HEARD

SOME THINGS THAT WE
NEEDED TO IMPROVE,

AND WE'RE HERE TO LISTEN.

WE'RE HERE TO ACTUALLY
REFINE AND MAKE THIS THE MOST

ROBUST AND EFFECTIVE
SURVEILLANCE STRATEGY THAT

WE CAN HAVE.

THE IDEA FOR US IS NOT TO
ISSUE COMPLIANCE LETTERS.

THAT ISN'T OUR GOAL.

OUR GOAL IS TO ENSURE
THAT THERE IS A COMPLIANT

ENVIRONMENT OUT THERE FOR
MEDICARE BENEFICIARIES TO

RECEIVE CORRECT AND
INACCURATE INFORMATION SO THEY

CAN MAKE THE BEST
HEALTH CARE DECISION-MAKING

CHOICE FOR THEM.

THAT'S OUR ULTIMATE GOAL,
AND I THINK THAT'S EVERYONE'S

GOAL IN THIS ROOM.

WE'RE ALL STRIVING TOWARDS
THAT SAME MISSION, SO TO GET

THERE, WE HAVE TO BE OPEN
TO IMPROVEMENTS, AND SO SOME

OF THE COMMON FEEDBACK
THAT WE HEARD THAT WE'RE

IN THE PROCESS RIGHT NOW OF
ANALYZING AND CONFIDENT THAT

WE'LL BE ABLE TO IMPLEMENT
MOVING FORWARD, ONE IS--

WE HEARD THIS ONE
LOUD AND CLEAR--

CMS, MAKE SURE THAT WHEN
YOU'RE OUT THERE WITH YOUR

SECRET SHOPPERS THAT YOU'RE
CONSIDERING THE SPECIAL

PRODUCT TYPES AS IT RELATES
TO EXAMINING OUR PERFORMANCE,

THAT IF WE ARE A DUAL SNIP,
THE RULES FOR DUEL SNIPS ARE

DIFFERENT THAN WHAT IT MAY
BE FOR OTHER MEDICARE

ADVANTAGE ORGANIZATIONS.

WE'VE BEEN ASKED TO DEVELOP
A WEIGHTED SCORING SYSTEM,

OK, AND GLORIA
HIGHLIGHTED THIS BEFORE.

WE ACTUALLY DO HAVE--

WHEN WE MET FROM A COMPLIANCE
PERSPECTIVE, WE DID CONSIDER

THE SEVERITY OF THE VIOLATIONS,
YOUR FEEDBACK,

THE RECURRENCE OF VIOLATIONS.

SO WE INTERNALLY DID HAVE,
IN ESSENCE, A WEIGHTED SCALE.

WHAT WASN'T THERE WAS THIS
TRANSPARENCY THAT YOU ALL

WANTED TO KNOW JUST HOW
SERIOUS WE CONSIDERED

THE VIOLATIONS

SO WHEN YOU'RE GETTING A WARNING

LETTER, YOU HAVE A SENSE THAT,

YOU KNOW, YOU GOT THE
WARNING LETTER FOR A REASON.

SO WE'RE LOOKING AT DEVELOPING
CATEGORIES THAT WE WOULD PLACE
DEFICIENCIES IN.

WE ACTUALLY HEARD THIS
BACK FROM ONE ORGANIZATION.

WE REALLY LOVE THIS IDEA.

THE CATEGORIES WOULD
FALL UNDER THE CATEGORIES

OF ADMINISTRATIVE OR
MISCELLANEOUS TYPES

OF VIOLATIONS,
ERRORS OF OMISSION.

FOR EXAMPLE, THE AGENT DOES
A PRESENTATION BUT FORGETS OR

SKIPS THE COVERAGE
GAP INFORMATION.

THEY SHOULD HAVE PRESENTED IT,
BUT THEY LEFT IT OUT, SO NOT

AN ACTIVE ACT OF
MISREPRESENTATION,

BUT AN ERROR OF OMISSION THAT
COULD HAVE INFLUENCED

THE BENEFICIARY.

INAPPROPRIATE BENEFICIARY
INFLUENCE WOULD BE ANOTHER

EXAMPLE, AND THEN THE FINAL
CATEGORY, WHICH WE WOULD SEE

AS THE MOST SERIOUS,
IS MARKETING

MISREPRESENTATION, AND THOSE
ARE THE MOST EGREGIOUS THINGS.

FINALLY, CONSOLE REPORTING
AND EXTRACT FUNCTIONALITY.

YOU ALL WANT THE ABILITY TO
BE ABLE TO DOWNLOAD EXCEL OR

IN .PDF THE RESULTS SO THAT
YOUR COMPLIANCE TEAM CAN HAND

IT OFF TO YOUR MARKETING
AREA, AND FINALLY--
AND I'M COMING TO CONCLUSION;
I SEE THE RED LIGHT HAS

FLASHED HERE, SURPRISINGLY--
ADDITIONAL DETAILS IN TERMS
OF OUR OBSERVATIONS FROM
OUR SHOPPERS.

YOU WANT AS MUCH DETAIL AS YOU
CAN GET SO THAT YOU CAN MAKE

AN ASSESSMENT AND CONDUCT
INVESTIGATIONS MOST FULLY.

SO WE WANT THAT.

THIS HAS BEEN AN AREA OF
FOCUS NOT FOR THIS YEAR.

FROM THE BEGINNING.

DETAILS, DETAILS, DETAILS,
WE'VE SAID THAT EVERY TIME

SO WE'LL CONTINUE TO
PLACE FOCUS ON THAT.

UNFORTUNATELY, WE DON'T HAVE
TIME FOR QUESTIONS, AS WE

THOUGHT WE WOULD, AT THE END
OF THE SESSION, BUT WE WILL BE
BACK FOR THE AFTERNOON PANEL.

SO GLORIA AND I BOTH THANK
YOU FOR YOUR TIME
AND ATTENTION TODAY.
[APPLAUSE]

Photographs, Courtesy of: Photohome.com and Korrectech.com