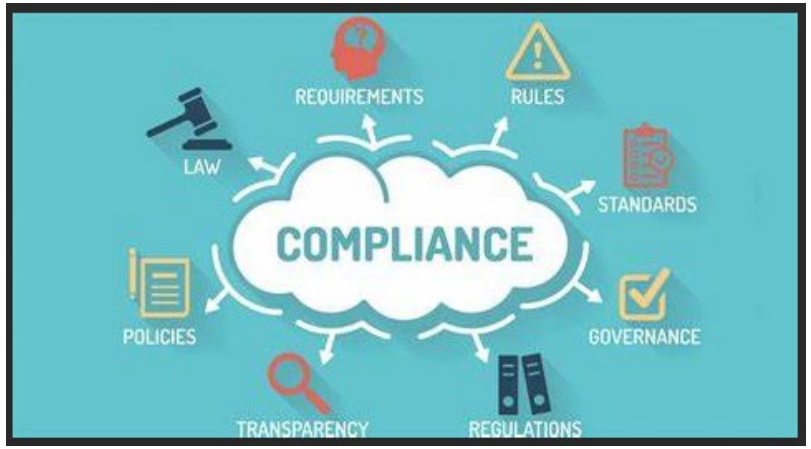
2024 Medicare Parts C and D General Compliance Training

Based on CMS Compliance Program Requirements and the 2019 Medicare Learning Network Web-Based Training Course

Introduction

This training is geared towards assisting Medicare Part C and D plans' employees, governing body members, and first-tier, downstream, and related entities (FDRs) to satisfy annual compliance training requirements as identified in regulations and sub-regulatory guidance:

- 42 Code of Federal Regulations (CFR) Section 422.503 (b)(4)(vi)(C)
- 42 CFR Section 423.504(b)(4)(vi)(C)
- Chapter 9 of the Medicare Prescription Drug Benefit Manual;
- and Chapter 21 of the Medicare Managed Care Manual – Section 50.3



Why is this Training Required?

YOU are part of the solution!

Each year, billions of dollars are inappropriately spent because of fraud, waste and abuse (FWA); affecting everyone. Training helps detect, correct and prevent FWA

Compliance is everyone's responsibility.

As individuals who provide health or administrative services for Medicare enrollees, every action taken at MMO potentially affects Medicare enrollees or programming.

Therefore, we have requirements that Medicare Compliance and FWA training occur within 90 days of hire and annually thereafter.

Compliance Program Requirement

- The Centers for Medicare and Medicaid Services (CMS) requires organizations to implement and maintain an effective compliance program for Medicare Part C and Part D plans.
  - An effective compliance program:
    - Must be able to demonstrate an organization's commitment to legal and ethical conduct.
    - Provide guidance on how to handle compliance questions and concerns.
    - Provide guidance on how to identify and report compliance violations.

What is an Effective Compliance Program?

An effective compliance program fosters a culture of compliance within an organization and also:

- Prevents, detects, and corrects non-compliance.
- Is fully implemented and is tailored to an organization's specific operations and circumstances.
- Had adequate resources.
- Promotes the organization's Code of Conduct
- Establishes clear lines of communication for reporting non-compliance.

Effective compliance programs are essential to provide the above, as well as fraud, waste and abuse (FWA), and must include the seven core compliance program elements.

Seven Core Compliance Program Requirements

CMS requires an effective compliance program to include seven core elements:

I. Written Policies and Procedures and Code of Conduct

I. These articulate our plan's commitment to comply with all applicable Federal and State standards and describe expectations that are in line with the Code of Conduct.

a. MMO Policies and procedures and Code of Conduct can be located at PartnerNet > QuickLinks > Policies – Corporate.

II. Compliance Leadership and Oversight

I. Plans must designate a compliance officer and a compliance committee accountable for activities and status of the compliance program, including issues/incident management, investigation and resolution.

II. Senior management and governing body must be engaged and employ reasonable oversight of the compliance program.

III. Training and Education

I. Appropriate training should cover the elements of the compliance program as well as preventing, detecting and reporting non-compliance and FWA. Plans should also exercise specialized training for individuals involved in the delivery of services related to Medicare Advantage.

IV. Effective Lines of Communication with the Compliance Officer and Disclosure Program

I. Make effective communication lines accessible to all, ensure confidentiality, and provide methods for anonymous and good-faith reporting. All employees can report via established mechanisms without the fear of retaliation.

V. Enforcing Standards

I. Plan must enforce standards for non-compliance actions, including disciplinary action.

VI. Risk Assessment, Auditing and Monitoring

I. Conduct routine monitoring and auditing of plan and FDR operations to evaluate compliance with CMS requirements as well as the overall effectiveness of the compliance program. Plans must ensure FDRs are performing delegated administrative or healthcare functions related to plan's Medicare Compliance program comply with Medicare Requirements.

VII. Responding to Detected Offenses and Developing Corrective Action

I. Plan must use effective measures to respond promptly to non-compliance and undertake appropriate corrective action.

Plans and FDRs

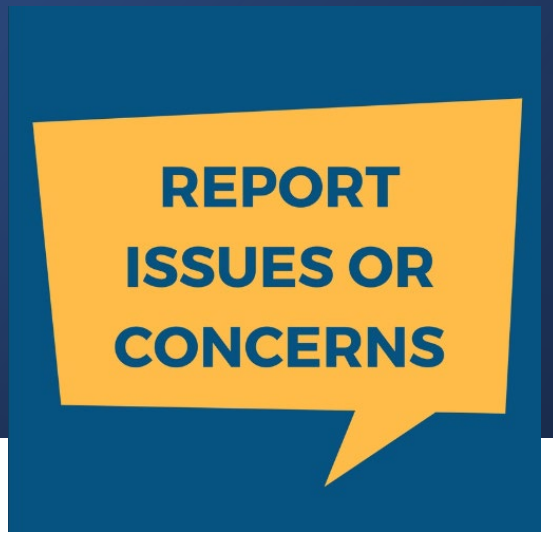
- CMS expects all plans will apply their training requirements and “effective lines of communication” to their FDRs. Having “effective lines of communication” means employees of the plan and the plan’s FDRs have several avenues to report compliance concerns.

Ethics: Do the Right Thing!

As part of the Medicare Program, you must conduct yourself in an ethical and legal manner. It's about doing the right thing!

- Act fairly and honestly
- Adhere to high ethical standards in all you do
- Comply with all applicable laws, regulations, and CMS requirements
- Report suspected violations

How Do You Know When to Report?



Reporting all suspected and/or potential instance of non-compliance is everyone's responsibility.

MMO's Code of Conduct states our compliance expectations, principles and values.

- The MMO Code of Conduct can be located on PartnerNet > Compliance > Team Member Resources > Code of Conduct

MMO Reporting Mechanisms include:

- Your direct supervisor, or any member of Leadership
- The Compliance tile on MMO intranet PartnerNet > Compliance > Report Concern
- The Compliance hotline: 800-553-1000
- Via email: CorporateCompliance@medmutual.com and/or MACompliance@medmutual.com

All reporting can be made anonymously and without fear of retaliation.

What is Non-Compliance

Non-compliance is conduct that does not conform to the law, Federal health care program requirements, or MMO's ethical and business policies. CMS identifies the following as Part C and D high risk areas:

- Agent/broker compensation
- Appeals and grievance review
- Beneficiary notices
- Conflicts of interest
- Claims processing
- Credentialing and provider networks
- Documentation and timeliness requirements
- Ethics
- FDR oversight and monitoring
- HIPAA
- Marketing and enrollment
- Pharmacy, formulary and benefit administration
- Quality of Care

Consequences of Non-Compliance

- Failure to follow Medicare Program requirements and CMS guidance can lead to serious consequences, including:
  - Contract termination
  - Criminal penalties
  - Exclusion from participating in all Federal health care programs
  - Civil monetary penalties (CMPs)

Non-Compliance Affects Everyone

- Without effective programs to prevent, detect, and correct non-compliance, risks are:
  - Harm to beneficiaries:
    - Delayed services
    - Denial of benefits
    - Difficulty in using providers of choice
    - Other hurdles to care
  - Less money for everyone:
    - Higher insurance premiums
    - Higher copayments
    - Lower benefits for individuals and employers
    - Lower Star ratings
    - Lower profits

Auditing and Monitoring Activity

INTERNAL AUDITING IS A FORMAL REVIEW OF COMPLIANCE WITH A PARTICULAR SET OF STANDARDS (FOR EXAMPLE, POLICIES, PROCEDURES, LAWS, AND REGULATIONS) USED AS BASE MEASURES.

INTERNAL MONITORING ACTIVITIES INCLUDE REGULAR REVIEWS CONFIRMING ONGOING COMPLIANCE AND TAKING EFFECTIVE CORRECTIVE ACTIONS.

Summary – Prevent – Detect – Correct!

Compliance is Everyone's Responsibility!

MMO must create and maintain compliance programs that meet the seven core elements of an effective compliance program, and foster a culture of compliance.

To ensure compliance, behave ethically and follow MMO's Code of Conduct. Be aware of common instances of non-compliance and report it through MMO's reporting mechanisms.