

# Medicare Parts C & D General Compliance Training 2023

## Important Notice

- » This training module will assist PHP Medicare (PHPM) Parts C and D in satisfying the Compliance training requirements of the Compliance regulations at:
- » 42 C.F.R. Section 422.503(b)(4)(vi) and 423.504(b)(4)(vi)
- » Section 50.3 of the Compliance Program Guidelines are found in Chapter 9 of the Medicare Prescription Drug Benefit Manual and Chapter 21 of the Medicare Managed Care Manual.

# Training Agenda

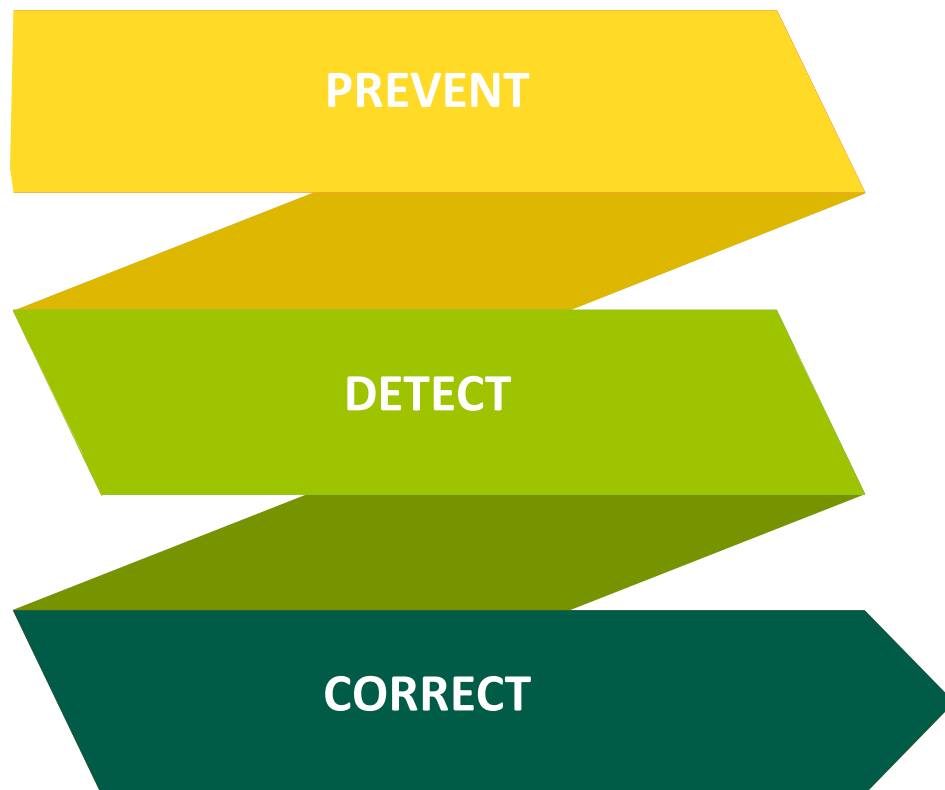
- 1 Introduction
- 2 General Compliance
- 3 Resources
- 4 Knowledge Test

# Introduction

# Why Compliance?

Compliance is **everyone's** responsibility!

As an individual who provides health or administrative services for PHP Medicare enrollees, every action you take potentially affects Medicare enrollees, the PHP Medicare program, or the Medicare trust fund.



# Training Objectives

- To understand the organization's commitment to legal and ethical business behavior
- To understand how a compliance program operates
- To gain awareness of how compliance violations should be reported



# General Compliance

# Where Do I Fit In?



Medicare Advantage Prescription Drug (MAPD) Plan: Also known as a Sponsor (Medicare Advantage Organization [MAO] or a Prescription Drug Plan [PDP]) – PHP Medicare is a MAPD plan



First-tier entity: Examples of First- tier entity: agents & brokers directly contracted with; firms providing agent/broker services, hospital or health care facility; provider group; doctor's office; clinical laboratory; customer service provider; claims processing and adjudication company; a company that handles enrollment, disenrollment, and membership functions; and contracted sales agents



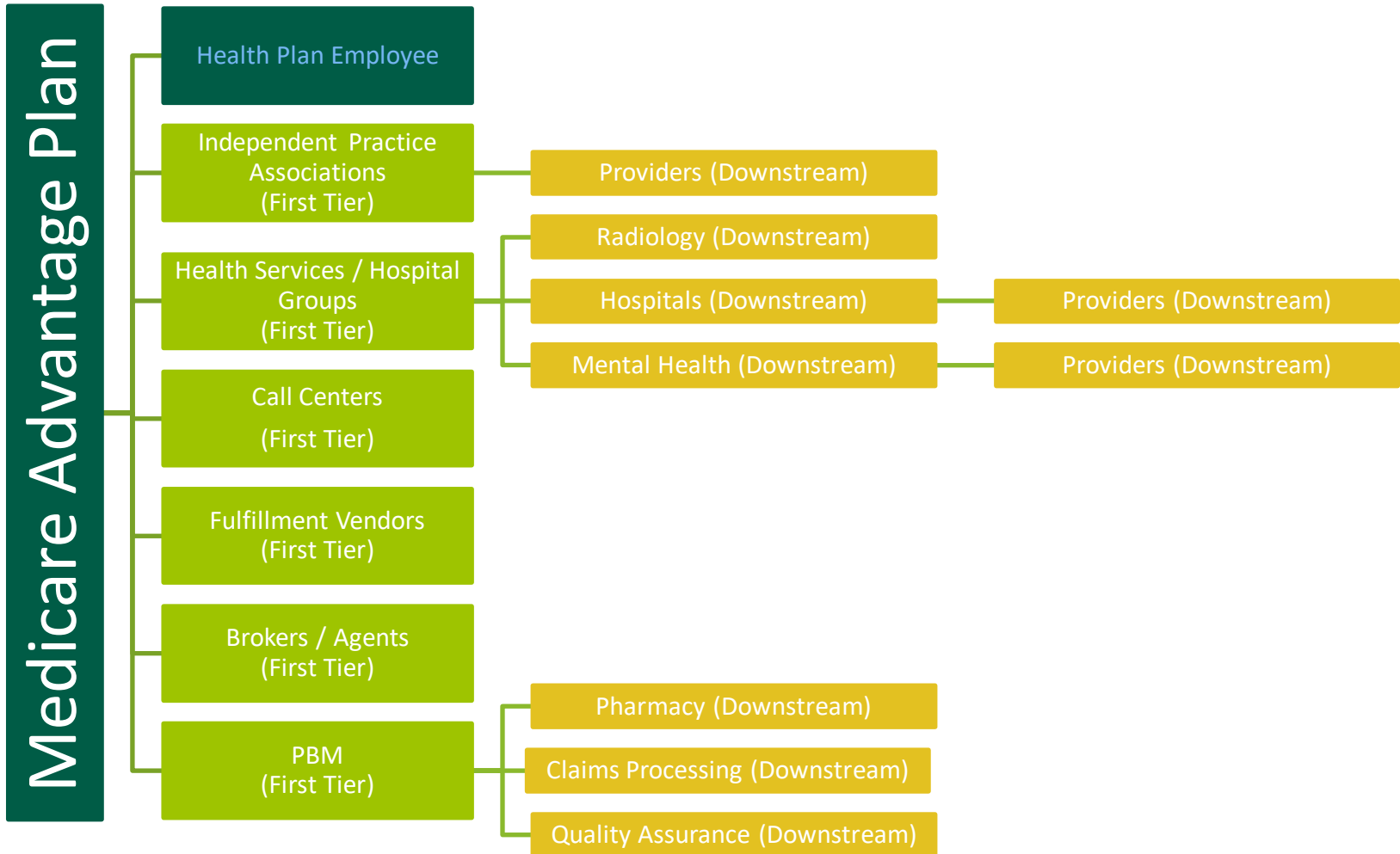
Downstream entity: Examples of Downstream Entity: brokers & agents contracted by sales firms, pharmacies, doctor's office, firms providing agent/broker services, marketing firms, and call centers



Related entity: Examples of Related entity: Entity with common ownership or control of a Sponsor, health promotion provider



# Where Do I Fit in the Medicare Program



# What Governs Compliance

## Social Security Act:

- Title 18

## Code of Federal Regulations\*:

- 42 CFR Parts 422 (Part C) and 423 (Part D)

## CMS Guidance:

- Manuals
- HPMS Memos

## CMS Contracts:

- Private entities apply and contracts are renewed/non-renewed each year

## Other Sources:

- OIG/DOJ (fraud, waste and abuse (FWA))
- HHS (HIPAA privacy)

## State Laws:

- Licensure
- Financial Solvency
- Sales Agents

*\* 42 C.F.R. §§ 422.503(b)(4)(vi) and 423.504(b)(4)(vi)*

## PHP Medicare's Corporate Compliance Plan

- *Code of Conduct*
- *Policies and Procedures*

# Medicare Compliance Program

CMS requires PHP Medicare Parts C & D to implement an effective compliance program

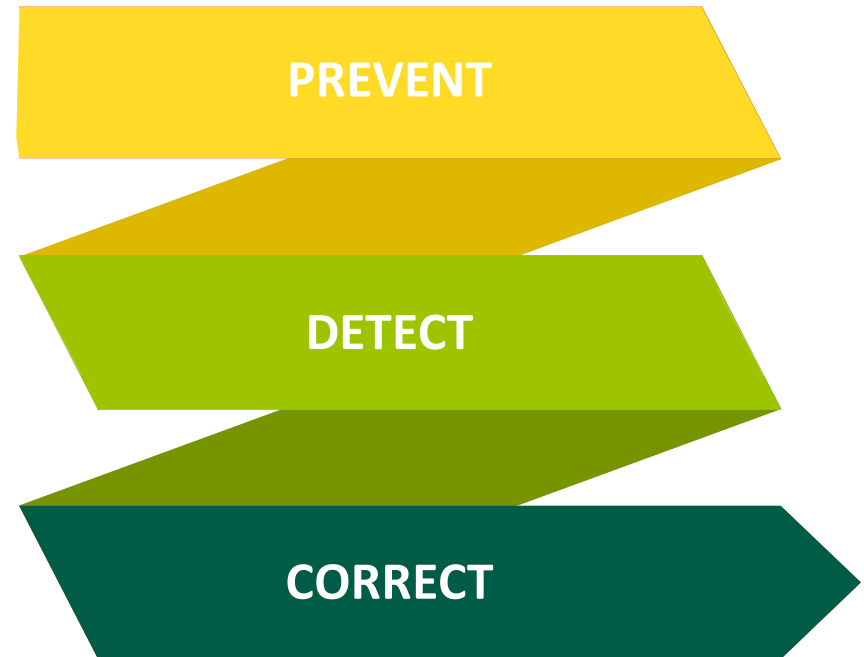
An effective compliance program should:

- Guide how to identify and report compliance violations
- Guide how to handle compliance questions and concerns
- Articulate and demonstrate an organization's commitment to legal and ethical conduct

# An Effective Medicare Compliance Program

A culture of compliance within an organization:

- **PREVENTS**  
non-compliance
- **DETECTS**  
non-compliance
- **CORRECTS**  
non-compliance



# 7 Elements of an Effective Compliance Program

1. Implementing written policies, procedures, and standards of conduct
2. Designating a compliance officer and compliance committee
3. Conducting effective training and education
4. Developing effective lines of communication
5. Conducting internal monitoring and auditing
6. Enforcing standards through well-publicized disciplinary guidelines
7. Responding promptly to detected offenses and undertaking corrective action

42 C.F.R. §§ 422.503(b)(4)(vi) and 423.504(b)(4)(vi); Internet-Only Manual (“IOM”), Pub. 100-16, Medicare Managed Care Manual Chapter 21; IOM, Pub. 100-18, Medicare Prescription Drug Benefit Manual Chapter 9

# 5 Tips for Creating a Culture of Compliance

1. Make compliance plans a priority
2. Know your fraud and abuse risk areas
3. Manage your financial relationships
4. Just because another person or organization is doing something doesn't mean you can or should. Call the PHP Compliance Hotline at 866.747.2667 to report suspect practices
5. When in doubt, ask for help

# Ethics – Do the Right Thing!



# PHP Medicare Compliance & Ethics

## What is Expected of Me?

- » **PHP Medicare (PHPM) Compliance Plan**
  - » A written document that explains how PHPM will comply with all of the laws and regulations that apply to its business practices.
  - » Intranet Documents are found in the Policy and Procedure Manual (PPM).
- » **Code of Conduct:**
  - » Review the Physicians Health Plan Code of Conduct
  - » Be honest and tell the truth.
  - » The document records completely, accurately, and timely.
  - » Do not accept bribes or payoffs for any reason.
  - » Treat all member information as confidential.
  - » Avoid situations that may cause a question as to your integrity or motives.
  - » Report violations of Code of Conduct and suspected non-compliance.



# Communication

- CMS expects PHP Medicare (PHPM) will apply their training requirements and “effective lines of communication” to employees and to the entities with which they partner
- Having “effective lines of communication” means that employees of the organization and the partnering entities have several avenues through which to report compliance concerns

## Report Compliance Concerns



Talk with your Manager or Supervisor



Call the Compliance Hotline



Report directly to PHP Medicare Compliance

# How to Report Compliance Concerns



Verbal: Contact your Supervisor, Medicare Compliance Officer (MCO) (Michelle Coberly), the Chief Compliance Officer (CCO) (Nick D'Isa), or designee in person, by telephone, or via e-mail



Written correspondence to Physicians Health Plan (PHP) Compliance Department at:

- PO Box 30377 Lansing MI 48909-7877
- E-mail [phpcompliance@phpmm.org](mailto:phpcompliance@phpmm.org)



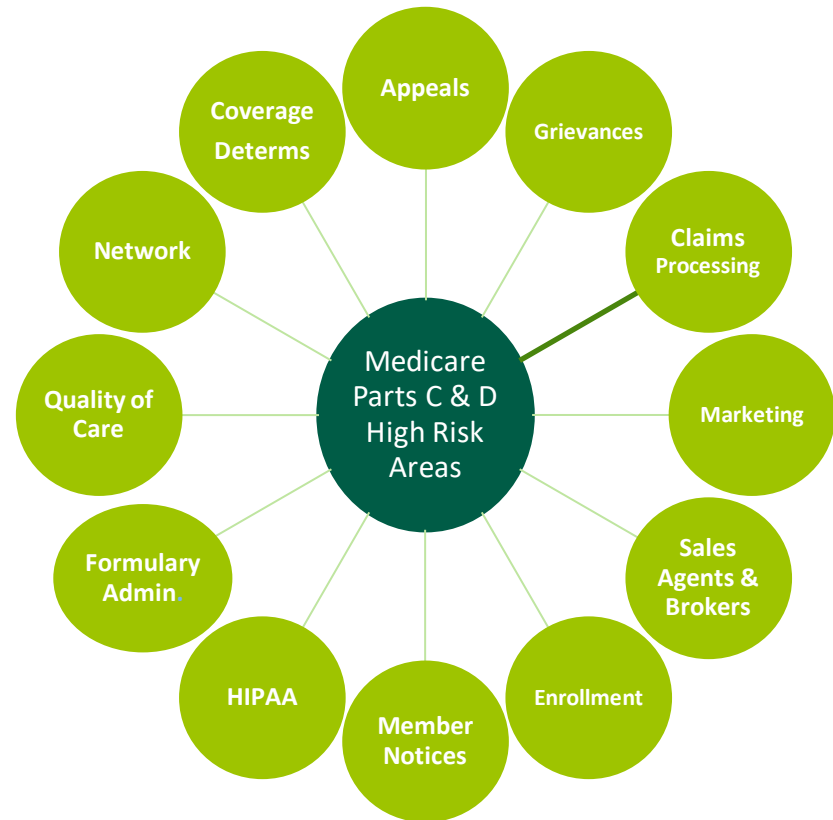
Call the Compliance Hotline to report concerns and violations confidentially and anonymously, 24 hours a day, 7 days a week, 866.747.2667

# I'm Afraid to Report Noncompliance

- There can be **NO** retaliation against you for reporting suspected non-compliance in good faith
- All employees are required to report issues of non-compliance
- PHPM prohibits any retaliatory action for good faith reporting of suspected violations of law, regulation, or PHPM policy
- Managers are to promote/support employees reporting non-compliance issues

# What is Noncompliance?

Noncompliance is conduct that does not conform to the law, and Federal health care program requirements, or to an organization's ethical and business policies



# What to Report?

1

## ISSUES

Actual non-compliance.

2

## CONCERNS

Potential non-compliance, areas of concern.  
This shows the department is proactive in identifying potential issues and can resolve them.

3

## DEFICIENCIES

Deficiencies with monitoring activities.  
Deficiencies do not necessarily mean non-compliance.



# Noncompliance Harms Members

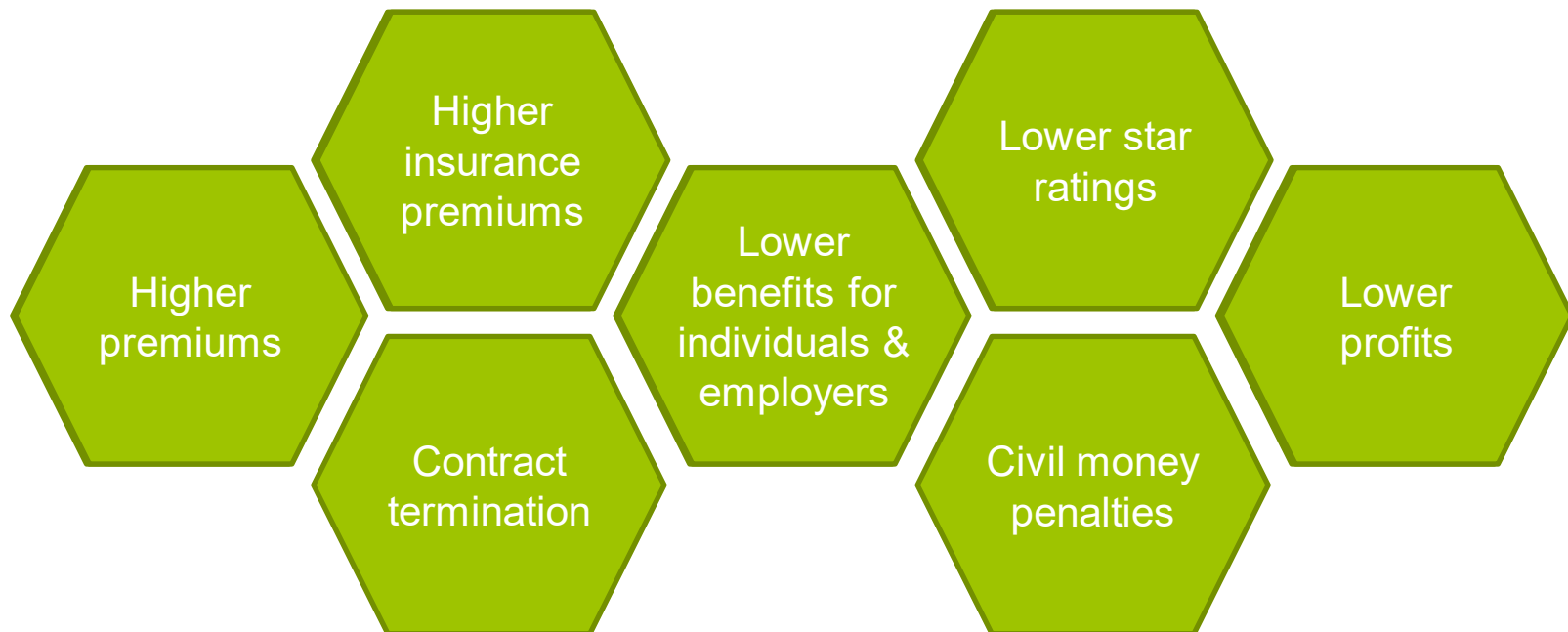
Without programs to prevent, detect, and correct non-compliance, we all risk: Harm to beneficiaries, such as:



# Noncompliance Costs Money

**Noncompliance affects EVERYONE!**

Without programs to prevent, detect, and correct noncompliance you risk:





# What Happens Next?

## **After noncompliance has been detected:**

- Investigation occurs immediately
- Promptly correct noncompliance

## **Correcting and monitoring for noncompliance:**

- Avoids the recurrence of the same noncompliance
- Promotes efficiency and effective internal controls
- Protects members
- Ensures ongoing compliance with CMS requirements

## Learn from Noncompliance

- » Once non-compliance is detected and corrected, an ongoing evaluation process is critical to ensure the non-compliance does not recur
- » Monitoring activities are regular reviews that confirm ongoing compliance and ensure that corrective actions are undertaken and effective
- » The audit is a formal review of compliance with a particular set of standards (e.g., policies and procedures, laws and regulations) used as base measures

## Consequences of Noncompliance

PHPM is required to have disciplinary standards in place for noncompliant behavior. Those who engage in noncompliant behavior may be subject to any of the following:

- Mandatory Training or Re-Training
- Disciplinary Action
- Termination

# Compliance is EVERYONE'S Responsibility



**PREVENT**

**DETECT & REPORT**

**CORRECT**

**1**

## **PREVENT**

Operate within Physicians Health Plan's ethical expectation to PREVENT non-compliance.

**2**

## **DETECT & REPORT**

If you DETECT potential non-compliance REPORT it.

**3**

## **CORRECT**

CORRECT non-compliance to protect members and to save money.

# Resources

# Additional Compliance Resources

For more information on laws governing the Medicare program and Medicare noncompliance, or for additional healthcare compliance resources please see:

- Title XVIII of the Social Security Act
- Medicare Regulations governing Parts C and D (42 C.F.R. §§ 422 and 423)
- Civil False Claims Act (31 U.S.C. §§ 3729-3733)
- Criminal False Claims Statute (18 U.S.C. §§ 287,1001)
- Anti-Kickback Statute (42 U.S.C. § 1320a-7b(b))
- Stark Statute (Physician Self-Referral Law) (42 U.S.C. § 1395nn)
- Exclusion entities instruction (42 U.S.C. § 1395w-27(g)(1)(G))
- The Health Insurance Portability and Accountability Act of 1996 (HIPAA) (Public Law 104-191) (45 CFR Part 160 and Part 164, Subparts A and E)
- OIG Compliance Program Guidance for the Healthcare Industry:  
<http://oig.hhs.gov/compliance/compliance-guidance/index.asp>