

GOVERNMENT PROGRAMS COMPLIANCE POLICY

Title: Government Programs Compliance Program Overview				Policy No: 001	
Effective date: 4/21/11					
Policy Applies to the Following Products with an "X":					
X	Medicare Part D	X	Medicare Advantage and Part D	X	Medicare Medicaid Plan (MMP)
Owners:					
Kim Green		Government Programs Compliance Officer		Government Program Compliance	
Approved:					
HCSC Board of Directors					
Purpose					
The purpose is to provide an overview of the mandatory compliance program requirements and articulate how HCSC complies with these requirements.					
Scope					
This policy applies to HCSC employees, who are involved in the administration or delivery of the Government Programs related to this policy including the chief executive and senior administrators, managers, governing body members, and first tier, downstream, and related entities (FDRs).					
Policy					
<u>Overview – Core Requirements and Corporate Resources</u>					
HCSC is committed to adopting and implementing an effective compliance program, which includes measures to correct program non-compliance as well as fraud, waste and abuse.					
The HCSC Government Programs Compliance Program Charter will include the following core requirements as defined in the CMS Managed Care Manual:					
<ul style="list-style-type: none"> I. Written Policies, Procedures, and Standards of Conduct II. Compliance Officer, Compliance Committee, and High-level Oversight III. Effective Training and Education IV. Effective Lines of Communication V. Well Publicized Disciplinary Standards VI. Effective System for Routine Monitoring and Identification of Compliance Risks VII. Procedures and System for Prompt Response to Compliance Issues 					
<u>The Compliance Program</u>					
The HCSC Corporate Integrity and Compliance Program Charter (the "Compliance Program") documents the HCSC Compliance Program. The Compliance Program contains a Government Programs section which documents the CMS mandatory compliance program requirements and the operations of those aspects of the Compliance Program which apply to Government Programs.					
The Compliance Program, including the Government Programs Section, the Code, and Government Programs Compliance policies, are reviewed and updated at least annually or as necessary to incorporate any changes in applicable laws, regulations and other requirements by the Sr. Director of Compliance Operations with the Government Programs Compliance Officer (GPCO) or their designee(s). The GPCO ensures that the results of the review and updates are presented to the Government Programs Compliance Committee (GPCC) and the Corporate Compliance Committee (CCC) for their review. The GPCC and the CCC will recommend any changes that they feel are appropriate for acceptance by the Governing Body of any Government Contract Holders.					

HCSC has certain corporate policies that articulate required behavior for HCSC and its employees. Examples of such policies would be the HCSC policies related to Non-retaliation and Compliance with the Law. To meet the government programs requirements, certain HCSC policies may be relied upon in addition to any applicable government programs-specific policies and procedures.

Corporate Resources

HCSC shall commit adequate resources to operate and maintain the program, as well as:

- Promote and enforce its Standards of Conduct
- Promote and enforce its Compliance Program
- Effectively train and educate its governing body members, employees, temporary staff and FDRs
- Effectively establish lines of communication within itself and between itself and its FDRs
- Oversee FDR compliance with Medicare C and D requirements
- Establish and implement an effective system for routine auditing and monitoring
- Identify and promptly respond to risks and findings.

The HCSC Chief Ethics and Compliance Officer is responsible for the adoption and implementation of the Compliance Program, including the Code. The Code is developed by the Ethics and Compliance Department with input from the GPCO or her/his designee(s). The GPCO reports directly to the HCSC Chief Ethics and Compliance Officer.

Government Contract Holders and FDRs

Government Contract Holders and FDRs may rely on the Compliance Program and its Standards of Conduct, titled "HCSC Code of Ethics and Conduct" ("The Code") for compliance expectations. FDRs may rely on their own Compliance Program that meets Medicare Program requirements.

In addition to the HCSC Government Programs Compliance Policies and Procedures, the Government Contract Holders rely on other internal oversight policies and those of their FDRs to establish and maintain an effective compliance program and prevent, detect, and correct Medicare Part C or Medicare Part D program noncompliance as well as fraud, waste and abuse. Internal functional areas that maintain Policies and Procedures relating to Government Programs include, but are not limited to:

- Government and Consumer Solutions Division
- Ethics and Compliance Department
- Audit Services
- Special Investigations Department
- Health Care Management
- Human Resources
- Finance
- Privacy
- Marketing

Definitions

The Code: HCSC Code of Ethics and Conduct.

Compliance Program: HCSC Corporate Integrity and Compliance Program Charter, including the Government Programs Section.

Downstream Entity: any party that enters into a written arrangement, acceptable to CMS, with persons or entities involved with the MA benefit or Part D benefit, below the level of the arrangement between an MAO or applicant or a Part D plan sponsor or applicant and a first tier entity. These written arrangements continue down to the level of the ultimate provider of both health and administrative services. (42 C.F.R. §, 423.501).

FDR: defined as First Tier, Downstream or Related Entity.

First Tier Entity: any party that enters into a written arrangement, acceptable to CMS, with an MAO or Part D plan sponsor or applicant to provide administrative services or health care services to a Medicare eligible individual under the MA program or Part D program. (See, 42 C.F.R. § 423.501).

Governing Body: that group of individuals at the highest level of governance of the sponsor, such as the Board of Directors or the Board of Trustees, who formulate policy and direct and control the Government Contract Holder in the best interest of the organization and its enrollees. Governing body does not include C-level management such as the Chief Executive Officer, Chief Operations Officer, Chief Financial Officer, etc., unless persons in those management positions also serve as directors or trustees or otherwise at the highest level of governance of the sponsor.

Government Contracts Holders: Health Care Service Corporation, a Mutual Legal Reserve Company (“HCSC”) and the following entities: HCSC Insurance Services Company, a wholly-owned subsidiary of HCSC (“HISC”); GHS Health Maintenance Organization, Inc. d/b/a BlueLincs HMO a wholly-owned subsidiary of HCSC (“BlueLincs HMO”); GHS Insurance Company (formerly known as GHS Property and Casualty Insurance Company), a wholly-owned subsidiary of HCSC (“GHS”); Illinois Blue Cross Blue Shield Insurance Company, a wholly-owned subsidiary of HCSC (“IBCBSIC”) or any other HCSC subsidiary or affiliate that holds a Government Programs contract. HCSC, HISC, BlueLincs HMO, GHS and IBCBSIC are each referred to as a “Government Contract Holder” and collectively as “Government Contract Holders.”

Government Programs: the operations of any Medicare Advantage, Medicare Part D, Medicare Medicaid Plan (MMP), or Medicaid contracts.

GPC: Government Programs Compliance.

GPCO: Government Programs Compliance Officer.

MAO: Medicare Advantage Organization

Medicare: the health insurance program for people:

- 65 or older,
- under 65 with certain disabilities, or
- of any age with End-Stage Renal Disease (ESRD) (permanent kidney failure requiring dialysis or a kidney transplant).

PDP: Prescription Drug Plan.

Related Entity: any entity that is related to an MAO or Part D sponsor by common ownership or control and:

- performs some of the MAO or Part D plan sponsor’s management functions under contract or delegation,
- furnishes services to Medicare enrollees under an oral or written agreement, or
- leases real property or sells materials to the MAO or Part D plan sponsor at a cost of more than \$2,500 during a contract period. (42 C.F.R. §423.501).

Governing Authorities

42 C.F.R. §§ 422.503(b)(4)(vi)

42 C.F.R. §§ 423.504(b)(4)(vi)

Prescription Drug Benefit Manual, Chapter 9 – Compliance Program Guidelines

Medicare Managed Care Manual, Chapter 21 – Compliance Guidelines

United States Department of Health and Human Services Centers for Medicare & Medicaid Services Contract in Partnership with State of Illinois Department of Healthcare and Family Services and Health Care Service Corporation (Illinois Medicare Medicaid Alignment Initiative Contract)

Review Date	Board Ratification Date	Author	Description of Changes
08/24/2020	12/08/2020	Angela Broadway	Updated Government Contracts Holders to include new subsidiary IBCBSIC. Changed job title to Sr. Director of Compliance Operations.
07/03/2019	12/03/2019	Angela Broadway	Removed Medicaid Plans – created new Medicaid specific GPC Policy. Removed verbiage around GPCO – created new Policy. Added section headings. Minor grammatical corrections.
06/22/2018	12/04/2018	Angela Broadway	Removed reference to Montana HELP program. Added reference to IL Blue Cross Community Health Plans and removed references to old IL Medicaid contracts. Updated name of Code of Ethics and Conduct.
06/13/2017	12/05/2017	Angela Broadway	Change in ownership, update name of IL Medicaid Plans and minor grammatical corrections.
08/25/2016	12/06/2016	Ren Herr	Included reference to Compliance Officers that might be dedicated to a single program who report to the GPCO and edited for clarity and consistency of formatting.
08/27/2015	12/08/2015	Dennis Klopfle	Deleted a few statements that were no longer pertinent. Also deleted the complete list of definitions and moved them to a procedure.
04/03/2015	07/23/2015	Dennis Klopfle	The only change was to the Owner Names.
06/27/2014	N/A	Deb Coleman	No changes recommended.
04/14/2014	05/06/2014	Deb Coleman	Policy language extracted & updated from the 2/26/2013 approved Policy & Procedure. Government Programs Compliance (GPC) will now be maintaining a separate policy and a separate procedure on each government requirement.
01/23/2013	02/26/2013	Dennis Klopfle	Revised the Compliance Officer information. Included all Medicare and Medicaid products. Changed header title. Included responsibilities of Enterprise Health Care Management. Changed “subsidiary” reference to “Government Contract Holders (as defined in the Health Care Service Corporation Corporate Integrity & Compliance Program Government Programs Section).”
02/02/2012	02/20/2012	Ren. Herr	Modified to reflect HCSC ownership and to include application to MA-PD.
10/11/2011	11/07/2011	Fran Free	Reviewed and revised to include comments from Legal and Government Contracts Compliance.
03/29/2011	04/21/2011	Fran Free	Develop an overarching P&P that explains HISC utilizes HCSC departmental P&Ps.