

GOVERNMENT PROGRAMS

Compliance Officer Newsletter

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June 2017

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Message from Kim Green

Welcome to the Government Programs Compliance (GPC) quarterly newsletter. Our goal is to provide you with pertinent information relating to the administration of the various government programs administered by HCSC.

HCSC is a Plan Sponsor that administers several state and federal Government Programs, including:

- Medicare Advantage
- Medicare Prescription Drug Plan
- Medicare-Medicaid Alignment Initiative (MMAI) and
- Medicaid

As a Plan Sponsor we have the responsibility to know and adhere to the requirements of all the contracts we administer. If we fail to meet those requirements, we are at risk for being subjected to various enforcement actions.

Please remember that you are required to report any suspicious behavior or potential wrongdoing related to any government contract. You can report this information to your manager or our Corporate Integrity Hotline number, which is listed below. All calls to our hotline can be made anonymously and without fear of intimidation or retaliation. As the Government Programs Compliance Officer, please know that you can always contact me directly at 312-653-5110.

Kim Green

HCSC Government Programs
Compliance Officer

Government Programs Hotline

combining with Corporate Integrity Hotline

For compliance questions
or concerns related to:

- Medicare Advantage
- Medicare Part D
- Medicare

1-877-211-2290

1-800-838-2552



2016 CMS PROGRAM AUDIT

BACKGROUND

Beginning in January of 2016, CMS audited five areas of HCSC’s Medicare Advantage and Prescription Drug Plan contracts. CMS periodically performs Program Audits on all Plan Sponsors who administer various Medicare Advantage and Prescription Drug Plan Contracts. Below is a partial timeline of HCSC audit activities.

January 25, 2016	HCSC received an official audit notice from CMS.
March 7 - 17, 2016	CMS audit occurred. HCSC received a preliminary Exit Conference report of findings.
September 9, 2016	CMS issued its final audit report
October 11, 2016	HCSC received a Civil Monetary Penalty of \$115,625 from CMS as a result of the audit finding

INDEPENDENT VALIDATION AUDIT

CMS required that HCSC hire an Independent Auditor to demonstrate that the conditions of noncompliance identified in the audit have been corrected and are not likely to recur.

- HCSC hired Blue Peak Advisors, LLC, to conduct the Independent Audit.
- BluePeak Independent Audit occurred in April 2017
- HCSC submitted BluePeak’s final Independent Audit Report to CMS on April 17, 2017.

2016 CMS Program Audit

Results

The chart below summarizes the overall results of the 2016 CMS Program audit.

Remediation status of the 2 outstanding issues will be reported to the CMS Regional Office.

Program Area	CMS Program Audit Issues Identified as Noncompliant	Issues Not Fully Remediated
Compliance Program Effectiveness	1	0
Formulary Administration	1	0
Part D Coverage Determinations, Appeals, Grievances	3	0
Part C Organization Determinations, Appeals, Grievances	16	2
Special Needs Plan—Model of Care	1	0
TOTAL	22	2

June 12, 2017

2016 Program Audit closure letter received from CMS

Corporate Integrity Hotline: 1-800-838-2552

NEXT STEPS

Post-Closure Audit Activities

- ➔ HCSC expects **there will be ongoing meetings with CMS** on the status of implementation of remediation efforts.
- ➔ **GPC and Audit Services will conduct targeted monitoring** or focused audits to:
 - ensure sustained remediation of findings and observations from the CMS audit final report
 - address other areas of improvement identified during audit activities
- ➔ Regardless of any ongoing post-audit activities, you should **always notify your manager and/or GPC if any program-related compliance issues are identified.**

If you work on any HCSC Government Program

- ➔ **Review any applicable regulations and guidance for your Government Program**
 - It's your responsibility to know the regulations related to your work!
- ➔ **Review 2017 CMS Audit Protocols to be "Audit Ready"**
 - Review 2017 CMS audit protocols. The CMS audit protocols can be found online at: <https://www.cms.gov/Medicare/Compliance-and-Audits/Part-C-and-Part-D-Compliance-and-Audits-ProgramAudits.html>
- ➔ **Starting in 2017, CMS added a NEW set of audit protocols for MMP**



**NEW MMP
AUDIT PROTOCOLS!**

Remember!!

- ➔ **Practice, Practice, Practice**
 - Conduct data and file reviews that mirror CMS reviews.
- ➔ **Root cause analysis**
 - When issues are identified, conduct a thorough root cause analysis to achieve a long-term solution.
 - GPD Program Oversight may serve as a resource if you would like assistance with conducting a root cause analysis.

CONTACT INFORMATION



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Hotline - Available 24/7
REPORT ANONYMOUSLY



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