

2013 Managed Care Conference Overseeing Your Delegated Entities & FDRS

Lori Oleson
Health Care Compliance Consultant

Joyce Hall, RN, CPHQ, CHC
Delegate Oversight Project Manager

Anne Crawford, RN, MS, FAHM
Medicare C & D Compliance Officer

Kyle Verley MA, MBA, CHC
Regulatory Compliance Manager

DISCLAIMER

Any views or opinions expressed in this presentation are solely those of the presenters and do not necessarily represent those of BlueCross BlueShield of Tennessee, Highmark Inc. or Prime Therapeutics. You should not assume or construe that this presentation represented the opinion or practice of these organizations.

Topics

- Background Information of Presenters
- Oversight – establishing and monitoring vendor-specific metrics, STARS, downstream entities, reporting, audits
- External Oversight Preparation - accreditation review, regulatory audit
- Communication – performance status, CAP monitoring
- Risk Assessment - HIPAA risk mitigation, prioritize resources
- General Questions/Discussion

Blue Cross Blue Shield Tennessee

- Non-Profit Health Plan
- Commercial, SCHIP, TennCare (Medicaid Waiver), FEP, Medicare Programs
- 2011 – over 3 million members served with over \$9.7 billion paid in claims
- Delegate Oversight Program recognized as best practice by Health Ethics Trust and no opportunities for improvement identified through multiple NCQA, URAC and CMS surveys
- Delegate Oversight program followed 84 delegates/vendors during 2012

Highmark Inc.

- Non-Profit Health Plan
- Has held contracts with CMS since 1995
- Currently holds 4 contracts
 - MA HMO in PA, MA PPO in PA & WV, & PDP
 - Current membership is approximately 395,000
- First tier entities (excluding providers) 1,540

* PBM	* Prospective Member Engagement
* Utilization Management	* Administrative Services
* Quality Improvement	* Enrollment Processing
* Brokers	* Credentialing
* Quality Improvement	

Prime Therapeutics

- Pharmacy Benefit Manager (PBM) collectively owned by 13 Blue Cross and Blue Shield plans
- Serving nearly 20 million people nationwide
- Drug spend managed in 2012: \$12.4 billion
- Core services include benefit design, pharmacy benefit consultation, administration, clinical programs, clinical analytics/outcomes, formulary development and management.
- Prime is a unique mix of acting as a first tier entity and managing first tier entities.

Vendor Risk Assessment

- Do you have approved written policies and procedures and standards of conduct for employees articulating your commitment to comply with all applicable CMS compliance requirements?
- Is there an internal audit, risk management or compliance department with responsibility for identifying and tracking resolution of outstanding CMS regulatory issues?
- Does your organization have a chief compliance officer, compliance committee, and/or comparable governing body?
- Does your organization have procedures and systems for promptly responding to compliance and fraud, waste or abuse (FWA) issues articulating requirements for the investigation of potential compliance problems, as identified in the course of self-evaluations and audits, and remediation to reduce the potential for recurrence and ensure ongoing compliance with CMS requirements?

Vendor Risk Assessment (Continued)

- Are audits performed to ensure compliance with any legal, regulatory or industry requirements?
- Does your organization have effective lines of communication; such as mechanism(s) that allows compliance and FWA issues to be reported (i.e., hotline, email, etc.) accessible to all employees, first-tier, downstream and related entities?
- Do you provide an anonymous reporting mechanism that permits anonymous confidential good faith reporting of potential compliance and FWA issues without fear of retaliation or intimidation?
- Do you have a process in place to report compliance and FWA issues to Sponsor (health plan)?
- Do you have disciplinary standards that are well-publicized that encourage good faith participation in the compliance program, articulate expectations for reporting compliance or FWA issues and assisting in their resolution, identify noncompliance or unethical behavior as well as provide for timely, consistent, and effective enforcement of the standards when noncompliance or unethical behavior is determined?
- Is there a records retention policy covering paper and electronic records, including email, in support of applicable CMS regulations, standards and contractual requirements? (ex: contract year plus ten years for Medicare Advantage and Part D.)

Vendor Risk Assessment (Continued)

- Does the organization have an effective/risk-based system for routine monitoring, auditing, and identification of compliance risks that includes your organization's first tier, downstream and related entities' compliance with CMS requirements?
- Do you establish, implement, provide and measure the effectiveness of annualized training and education, addressing compliance and FWA for employees involved in your Medicare line of business, chief executive and senior administrators or managers, governing body, as well as your first tier, downstream and related entities?
- Do you contract with off-shore entities?
- Do you review the OIG/GSA Exclusions database initially prior to hiring an employee or contracting with another entity and on a monthly basis? Is there a written procedure on how to complete the checks?
- Does your organization have access to any member PHI (Protected Health Information)?
- Does your organization have direct contact with members?

Vendor Risk Assessment (Continued)

- Does your organization make decisions related to contracted services independently, or under the direction of Sponsor (health plan)?
- Does your organization have any complex processes related to contracted services?
- Is your organization accredited by another entity? Are there unresolved findings from any regulatory audit?
- Have there been any past compliance issues within your organization that relate to the delegated or contracted activities?
- Does your organization use subcontractors to perform any function related to contracted services? Are processes in place to ensure these sub-contractors meet these requirements?
- Does your organization have processes in place to ensure security and integrity of identifiable personal information? Are these processes audited or tested by a third party?
- Who is responsible for the review and management of reported conflicts of interest?
- Does the vendor have the resources/capacity for an internal audit department?