

## Agenda



- Recent News and Enforcement Trends
- · Medicare Risk Adjustment Overview
- Risk Adjustment Compliance Standards
- Risk Adjustment Compliance Framework
- Analytical Techniques and Tools
- Methods for Conducting an MRA-related Internal Investigation

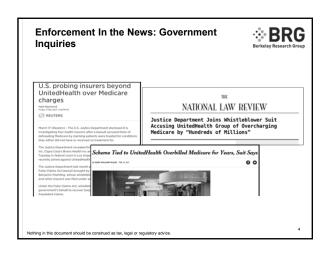
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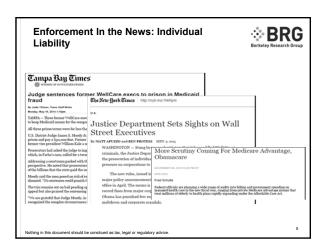


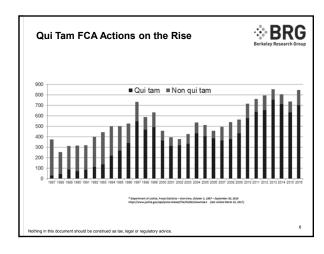
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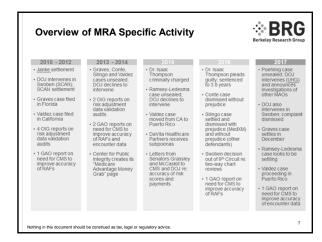
RECENT NEWS AND ENFORCEMENT TRENDS

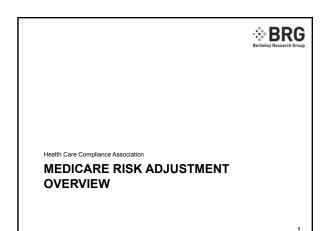
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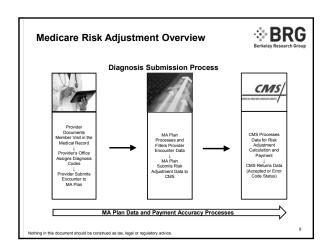












## Medicare Risk Adjustment Overview



Several HCCs		Some HCCs		No HCCs	
82 year-old male	0.597	82 year-old male	0.597	82 year-old male	0.597
Medicaid Eligible	0.166	Medicaid Eligible	0.166	Medicaid Eligible	0.166
Diabetes w/ Renal Disease (HCC 17)	0.508	Diabetes (HCC 19)	0.162	Diabetes - Not Coded	N/A
Rheumatoid Arthritis (HCC 40)	0.346	Rheumatoid Arthritis (HCC 40)	0.346	Rheumatoid Arthritis - Not Coded	N/A
Acute Renal Failure (HCC 134)	0.368	Acute Renal Failure - Not Coded	N/A	Acute Renal Failure - Not Coded	N/A
Hemiplegia (HCC 103)	0.437	Hemiplegia - Not Coded	N/A	Hemiplegia - Not Coded	N/A
Disease Interaction: HCC 17 + HCC 103	0.102	No Disease Interaction	N/A	No Disease Interaction	N/A
Risk Adjustment Factor	2.524	Risk Adjustment Factor	1.271	Risk Adjustment Factor	0.763
Monthly Premium	\$2,282	Monthly Premium	\$1,149	Monthly Premium	\$690
Annual Premium	\$27,382	Annual Premium	\$13,789	Annual Premium	\$8,278



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## **RISK ADJUSTMENT COMPLIANCE STANDARDS**

## Risk Adjustment Compliance Standards



## Submit Accurate Risk Adjustment Data.

- Submit Accurate Risk Adjustment Data.

  Submit Accurate Risk Adjustment data that is "accurate, complete and truthful" "(based on best knowledge, information and belief)." 42 C.F.R. 422.504(I).

  Be "continuously diligent regarding the accuracy and completeness of payment-related data [submitted] to CNIS for a payment year, whether during or after that payment year . . ." 79 F.R. 29844, 29920 (May 23, 2014).

- Report and Return Risk Adjustment Data Identified as Inaccurate.

  "If an MA organization has identified that it has received an overpayment, the MA organization must report and return that overpayment... no later than 60 days after the date on which it identified it received an overpayment...." 42 C.F.R. 422.326.
- Delete erroneous risk adjustment data "as soon as possible." Medicare Managed Care Manual ch. 7 § 40.

- Systematically and Proactively Verify the Accuracy of Risk Adjustment Data.

  Implement "an information collection and reporting system reasonably designed to yield accurate information." This includes ordinary "sample audits and spot checks . . . to verify whether (the system) is yielding accurate information." 64 Fed. Reg. 61893, 61900 (November 15, 1999).

  Exercise "reasonable diligence" in determining risk adjustment data inaccuracies. This includes maintaining "proactive compliance activities." 79 F.R. 29844, 29923 (May 23, 2014).

Risk Adjustment	t Compliance	Standard
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#### Investigate Potentially Inaccurate Risk Adjustment Data.

- investigate Potentially Inaccurate Risk Adjustment Day activity to "make a determination whether potential FWA/ Maste, and Abuse ("FWA") activity to "make a determination whether potential FWA/ has occurred. Sponsors must conclude investigations of potential FWA within a reasonable time period after the activity is discovered. Medicare Managed Care Manual ch. 21 § 50.7.3.

  Exercise "reasonable dilligence" in determining risk adjustment data inaccuracies. This includes investigating "credible information" indicating inaccuracies/overpayments. 79 F.R. 29844, 29923- 29924 (May 23, 2014).

Closely Manage Subcontractors Responsible for Generating Risk Adjustment Data.

Have systems in place to "monitor ... FDRs' compliance with Medicare program requirements." 
"CMS may hold the sponsor accountable for the failure of its FDRs to comply with Medicare program requirements." Medicare Managed Care Manual ch. 21 § 40.



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## **RISK ADJUSTMENT COMPLIANCE** FRAMEWORK & ANALYTICAL **TECHNIQUES**

## Risk Adjustment Compliance Standards



## Robust Auditing and Monitoring Program for Plan, Providers and Vendors

- Account for plan processes (e.g., data filtering logic; employed coders)
   Account for provider and vendor financial incentives (e.g., risk-sharing arrangements; ROI evaluations of vendors; Fair Market Value unit payments)
   Account for provider education gaps (e.g., FFS providers with significant errors)
- Assess audit protocols (e.g., target accuracy rates, CAPs) and types (e.g., by risk score, HCC or ICD-10 code)

### Robust Training and Education Process for Providers and Vendors

- Establish controls over provider and vendor selection and management
- Communicate clear expectations regarding documentation requirements and diagnosis coding
- · Assess EMR systems and capabilities

Risk Adjustment Compliance Standard
Well-Established and Publicized Mechanism for Rej
Inaccuracies and FWA
<ul> <li>Establish documented tone promoting disclosure of it</li> </ul>

# porting Potential Data

- issues (applicable to employees, network providers and vendors)
- Establish clear mechanisms promoting disclosure of issues

#### Dedicate Resources to Identifying and Investigating Potential Inaccuracies and FWA

- Ensure resources exist to recognize and promptly address reported instances of inaccuracies and FWA
- Implement a compliance monitoring platform to systematically benchmark
- providers along various compliance-oriented metrics

   Benchmark risk scores & HCC prevalence rates and compare changes in prevale outliers
- outliers (identify patterns of PCPs coding acute conditions as part of routine office visits (identify patterns of PCPs coding specialist conditions (e.g. cancer) with no supporting sp prescriptions indicating ongoing management or treatment Monitor concentration of diagnosis coding in "unspecified" codes

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**\*BRG** 



## Appropriately Tailored Risk Adjustment Data Collection Efforts

- · Pair processes designed to ensure complete data with processes to ensure (a) accurate data and (b) apt member care
- Evaluate RAPS and encounter data submission systems and filters

#### Well-Established Mechanisms for Using Risk Adjustment Data to Support Clinical Programs

- Establish/emphasize processes to connect members to primary care providers and clinical programs based on diagnoses reflected in risk adjustment data
- Assess clinical outcomes and impact of programs that capture complete and accurate risk adjustment data
- Consider HEDIS & STAR ratings overlap



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**INTERNAL INVESTIGATIONS OF MRA-RELATED ISSUES** 

Internal	Investiga	tions:
Topics f	or Discus	sion



- · Goals of Investigation
- Knowing When to Investigate
- Opening the Investigation
- Structuring and Planning
- Best Practices for Maintaining Privilege Protections
- Managing Documents and Witnesses
- Managing External Scrutiny
- Remediation
- · Reporting the Results

Name - Carlo de Carlo

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## **Contact Information**



- Stephen Sullivan, Partner, O'Melveny & Myers
  - ssullivan@omm.com
  - 213.430.6221
- Tri MacDonald, President, Berkeley Research Group
  - tmacdonald@thinkbrg.com
  - 202.480.2641

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