Welcome to the MHCA annual Fraud, Waste, and Abuse (FWA) & General Compliance Training presentation. As you may know, every year billions of dollars are improperly spent because of FWA. It affects all of us – personally and professionally. Due to the potential consequences and penalties associated with compliance violations, MHCA believes it is important for all of our providers to be familiar with how a compliance program operates, how compliance violations should be reported, and the major laws and regulations pertaining to FWA. For this reason, we require all providers, including those who are not eligible to treat Medicare Advantage patients, to participate in this training.

This year’s presentation is divided into two segments: “Combating Medicare Parts C & D Fraud, Waste, and Abuse” and “Medicare Parts C & D General Compliance Training.” Each segment will take approximately 20 minutes to complete, and you may leave and re-enter the presentation as necessary. After completing both segments of the training, you will see instructions on how to complete the Post-Assessment. Successfully completing this annual training for MHCA requires viewing both segments of this presentation, and scoring 70 percent or higher on the Post-Assessment. MHCA will be notified when you have “passed” the Post-Assessment.

Thank you for your cooperation!
Combating Medicare Parts C and D Fraud, Waste, and Abuse Web-Based Training Course

December 2015
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INTRODUCTION

The Combating Medicare Parts C and D Fraud, Waste, and Abuse Web-Based Training course is brought to you by the Medicare Learning Network®, a registered trademark of the U.S. Department of Health & Human Services (HHS)
INTRODUCTION PAGE 2

This Web-Based Training (WBT) course was current at the time it was published or uploaded onto the web. Medicare policy changes frequently so links to the source documents have been provided within the WBT for your reference.

This WBT course was prepared as a service to the public and is not intended to grant rights or impose obligations. This WBT may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage readers to review the specific statutes, regulations, and other interpretive materials for a full and accurate statement of their contents.

This training module will assist Medicare Parts C and D plan Sponsors employees, governing body members, and their first-tier, downstream, and related entities (FDRs) in satisfying the annual Fraud, Waste, and Abuse (FWA) training requirements in the regulations and sub-regulatory guidance at:

- 42 Code of Federal Regulations (CFR) Section 422.503(b)(4)(vi)(C);
- 42 CFR Section 423.504(b)(4)(vi)(C);
- CMS-4159-F, Medicare Program Contract Year 2015 Policy and Technical Changes in the Medicare Advantage and the Medicare Prescription Drug Benefit Programs; and
- Section 50.3.2 of the Compliance Program Guidelines (Chapter 9 of the “Medicare Prescription Drug Benefit Manual” and Chapter 21 of the “Medicare Managed Care Manual”).

Sponsors and their FDRs may use this module to satisfy FWA training requirements. Sponsors and their FDRs are responsible for providing additional specialized or refresher training on issues posing FWA risks based on the employee’s job function or business setting.

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Welcome to the Medicare Learning Network® (MLN) – Your free Medicare education and information resource!

The MLN is home for education, information, and resources for the health care professional community. The MLN provides access to the Centers for Medicare & Medicaid Services (CMS) Program information you need, when you need it, so you can focus more on providing care to your patients.

Serving as the umbrella for a variety of CMS education and communication activities, the MLN offers:

1. MLN Educational Products, including MLN Matters® Articles;
2. Web-Based Training (WBT) Courses (many offer Continuing Education credits);
3. MLN Connects® National Provider Calls;
4. MLN Connects® Provider Association Partnerships;
5. MLN Connects® Provider eNews; and
6. Provider electronic mailing lists.

The Medicare Learning Network®, MLN Connects®, and MLN Matters® are registered trademarks of the U.S. Department of Health & Human Services (HHS).

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Combating Medicare Parts C and D Fraud, Waste, and Abuse

Medicare Learning Network®

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Why Do I Need Training?

Every year billions of dollars are improperly spent because of FWA. It affects everyone – including you. This training will help you detect, correct, and prevent FWA. You are part of the solution.

Combating FWA is everyone’s responsibility! As an individual who provides health or administrative services for Medicare enrollees, every action you take potentially affects Medicare enrollees, the Medicare Program, or the Medicare Trust Fund.
INTRODUCTION PAGE 5

Training Requirements: Plan Employees, Governing Body Members, and First-Tier, Downstream, or Related Entity (FDR) Employees

Certain training requirements apply to people involved in Medicare Parts C and D. All employees of Medicare Advantage Organizations (MAOs) and Prescription Drug Plans (PDPs) (collectively referred to in this WBT course as “Sponsors”) must receive training for preventing, detecting, and correcting FWA.

FWA training must occur within 90 days of initial hire and at least annually thereafter.

Learn more about Medicare Part C
Medicare Part C, or Medicare Advantage (MA), is a health plan choice available to Medicare beneficiaries. MA is a program run by Medicare-approved private insurance companies. These companies arrange for, or directly provide, health care services to the beneficiaries who elect to enroll in an MA plan.

MA plans must cover all services that Medicare covers with the exception of hospice care. MA plans provide Part A and Part B benefits and may also include prescription drug coverage and other supplemental benefits.

Learn more about Medicare Part D
Medicare Part D, the Prescription Drug Benefit, provides prescription drug coverage to all beneficiaries enrolled in Part A and/or Part B who elect to enroll in a Medicare Prescription Drug Plan (PDP) or an MA Prescription Drug (MA-PD) plan. Insurance companies or other companies approved by Medicare provide prescription drug coverage to individuals who live in a plan’s service area.
FWA Training Requirements Exception

There is one exception to the FWA training and education requirement. FDRs will have met the FWA training and education requirements if they have met the FWA certification requirement through:

- Accreditation as a supplier of Durable Medical Equipment, Prosthetics, Orthotics, and Supplies; or
- Enrollment in Medicare Part A (hospital) or B (medical) Program.

If you are unsure if this exception applies to you, please contact your management team for more information.
INTRODUCTION PAGE 7

Course Content
This WBT course consists of two lessons:
1. What Is FWA?
2. Your Role in the Fight Against FWA

Anyone who provides health or administrative services to Medicare enrollees must satisfy general compliance and FWA training requirements. You may use this WBT course to satisfy the FWA requirements.

You do not have to complete this course in one session. You can complete the entire course in about 30 minutes.

Successfully completing the course requires completing all lessons and scoring 70 percent or higher on the Post-Assessment. After viewing the entire presentation, you’ll see instructions to complete the Post-Assessment. If you do not successfully score at least 70 percent on the Post-Assessment, you will be given the opportunity to review the course material and retake the Post-Assessment. Upon successful completion of the lessons and Post-Assessment, MHCA will receive confirmation that you have satisfied the general compliance and FWA training requirements.

Course Objectives
When you complete this course, you should be able to correctly:

- Recognize FWA in the Medicare Program;
- Identify the major laws and regulations pertaining to FWA;
- Recognize potential consequences and penalties associated with violations;
- Identify methods of preventing FWA;
- Identify how to report FWA; and
- Recognize how to correct FWA.
LESsON 1: WHAT IS FWA?

Lesson 1: Introduction and Learning Objectives
This lesson describes Fraud, Waste, and Abuse (FWA) and the laws that prohibit it. It should take about 10 minutes to complete. Upon completing the lesson, you should be able to correctly:

- Recognize FWA in the Medicare Program;
- Identify the major laws and regulations pertaining to FWA; and
- Recognize potential consequences and penalties associated with violations.

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Fraud

Fraud is knowingly and willfully executing, or attempting to execute, a scheme or artifice to defraud any health care benefit program, or to obtain, by means of false or fraudulent pretenses, representations, or promises, any of the money or property owned by, or under the custody or control of, any health care benefit program.

The Health Care Fraud Statute makes it a criminal offense to knowingly and willfully execute a scheme to defraud a health care benefit program. Health care fraud is punishable by imprisonment for up to 10 years. It is also subject to criminal fines of up to $250,000.

In other words, fraud is intentionally submitting false information to the Government or a Government contractor to get money or a benefit.
Waste and Abuse

**Waste** includes overusing services, or other practices that, directly or indirectly, result in unnecessary costs to the Medicare Program. Waste is generally not considered to be caused by criminally negligent actions but rather by the misuse of resources.

**Abuse** includes actions that may, directly or indirectly, result in unnecessary costs to the Medicare Program. Abuse involves payment for items or services when there is not legal entitlement to that payment and the provider has not knowingly and/or intentionally misrepresented facts to obtain payment.

For the definitions of fraud, waste, and abuse, refer to Chapter 21, Section 20 of the "Medicare Managed Care Manual" and Chapter 9 of the "Prescription Drug Benefit Manual" on the Centers for Medicare & Medicaid Services (CMS) website.
Examples of FWA

Examples of actions that may constitute Medicare fraud include:

- Knowingly billing for services not furnished or supplies not provided, including billing Medicare for appointments that the patient failed to keep;
- Billing for non-existent prescriptions; and
- Knowingly altering claim forms, medical records, or receipts to receive a higher payment.

Examples of actions that may constitute Medicare waste include:

- Conducting excessive office visits or writing excessive prescriptions;
- Prescribing more medications than necessary for the treatment of a specific condition; and
- Ordering excessive laboratory tests.

Examples of actions that may constitute Medicare abuse include:

- Billing for unnecessary medical services;
- Billing for brand name drugs when generics are dispensed;
- Charging excessively for services or supplies; and
- Misusing codes on a claim, such as upcoding or unbundling codes.

Differences Among Fraud, Waste, and Abuse

There are differences among fraud, waste, and abuse. One of the primary differences is intent and knowledge. Fraud requires intent to obtain payment and the knowledge that the actions are wrong. Waste and abuse may involve obtaining an improper payment or creating an unnecessary cost to the Medicare Program, but does not require the same intent and knowledge.
LESSON PAGE 5

Understanding FWA

To detect FWA, you need to know the law.

The following screens provide high-level information about the following laws:

- Civil False Claims Act, Health Care Fraud Statute, and Criminal Fraud;
- Anti-Kickback Statute;
- Stark Statute (Physician Self-Referral Law);
- Exclusion; and
- Health Insurance Portability and Accountability Act (HIPAA).

For details about the specific laws, such as safe harbor provisions, consult the applicable statute and regulations.
LESSON 1 PAGE 6

Civil False Claims Act (FCA)

The civil provisions of the FCA make a person liable to pay damages to the Government if he or she knowingly:

- Conspires to violate the FCA;
- Carries out other acts to obtain property from the Government by misrepresentation;
- Knowingly conceals or knowingly and improperly avoids or decreases an obligation to pay the Government;
- Makes or uses a false record or statement supporting a false claim; or
- Presents a false claim for payment or approval.

For more information, refer to 31 United States Code (U.S.C.) Sections 3729-3733 on the Internet.

EXAMPLE

A Medicare Part C plan in Florida:

- Hired an outside company to review medical records to find additional diagnosis codes that could be submitted to increase risk capitation payments from the Centers for Medicare & Medicaid Services (CMS);
- Was informed by the outside company that certain diagnosis codes previously submitted to Medicare were undocumented or unsupported;
- Failed to report the unsupported diagnosis codes to Medicare; and
- Agreed to pay $22.6 million to settle FCA allegations.

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LESSON 1 PAGE 7

Civil FCA (continued)

Whistleblowers

A whistleblower is a person who exposes information or activity that is deemed illegal, dishonest, or violates professional or clinical standards.

Protected: Persons who report false claims or bring legal actions to recover money paid on false claims are protected from retaliation.

Rewarded: Persons who bring a successful whistleblower lawsuit receive at least 15 percent but not more than 30 percent of the money collected.
LESSON 1 PAGE 8

Health Care Fraud Statute
The Health Care Fraud Statute states that “Whoever knowingly and willfully executes, or attempts to execute, a scheme to … defraud any health care benefit program … shall be fined … or imprisoned not more than 10 years, or both.”

Conviction under the statute does not require proof that the violator had knowledge of the law or specific intent to violate the law. For more information, refer to 18 U.S.C. Section 1346 on the Internet.

EXAMPLE
A Pennsylvania pharmacist:
- Submitted claims to a Medicare Part D plan for non-existent prescriptions and for drugs not dispensed;
- Pleaded guilty to health care fraud; and
- Received a 15-month prison sentence and was ordered to pay more than $166,000 in restitution to the plan.

The owners of two Florida Durable Medical Equipment (DME) companies:
- Submitted false claims of approximately $4 million to Medicare for products that were not authorized and not provided;
- Were convicted of making false claims, conspiracy, health care fraud, and wire fraud;
- Were sentenced to 54 months in prison; and
- Were ordered to pay more than $1.9 million in restitution.

HYPERLINK URL
Criminal Fraud

Persons who knowingly make a false claim may be subject to:

- Criminal fines up to $250,000;
- Imprisonment for up to 20 years; or
- Both.

If the violations resulted in death, the individual may be imprisoned for any term of years or for life.

LESSON 1 PAGE 10

Anti-Kickback Statute
The Anti-Kickback Statute prohibits knowingly and willfully soliciting, receiving, offering, or paying remuneration (including any kickback, bribe, or rebate) for referrals for services that are paid, in whole or in part, under a Federal health care program (including the Medicare Program).

For more information, refer to 42 U.S.C. Section 1320A-7(b) on the Internet.

EXAMPLE
A radiologist who owned and served as medical director of a diagnostic testing center in New Jersey:

- Obtained nearly $2 million in payments from Medicare and Medicaid for MRIs, CAT scans, ultrasounds, and other resulting tests;
- Paid doctors for referring patients;
- Pleaded guilty to violating the Anti-Kickback Statute; and
- Was sentenced to 46 months in prison.

The radiologist was among 17 people, including 15 physicians, who have been convicted in connection with this scheme.

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https://www.ssa.gov/OP_Home/ssact/title11/1128B.htm | Social Security Act (the Act), Section 1128B(b)
**Stark Statute (Physician Self-Referral Law)**

The Stark Statute prohibits a physician from making referrals for certain designated health services to an entity when the physician (or a member of his or her family) has:

- An ownership/investment interest; or
- A compensation arrangement (exceptions apply).

For more information, refer to [42 U.S.C. Section 1395nn](https://www.cms.gov/Medicare/Fraud-and-Abuse/PhysicianSelfReferral) on the Internet.

**Damages and Penalties**

Medicare claims tainted by an arrangement that does not comply with the Stark Statute are not payable. A penalty of up to **$15,000** may be imposed for each service provided. There may also be up to a **$100,000** fine for entering into an unlawful arrangement or scheme.

For more information, visit [https://www.cms.gov/Medicare/Fraud-and-Abuse/PhysicianSelfReferral](https://www.cms.gov/Medicare/Fraud-and-Abuse/PhysicianSelfReferral) on the CMS website and refer to the Act, Section 1877 on the Internet.

**EXAMPLE**

A physician paid the Government $203,000 to settle allegations that he violated the physician self-referral prohibition in the Stark Statute for routinely referring Medicare patients to an oxygen supply company he owned.

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LESSON 1 PAGE 12

Civil Monetary Penalties Law

The Office of Inspector General (OIG) may impose Civil penalties for a number of reasons, including:

- Arranging for services or items from an excluded individual or entity;
- Providing services or items while excluded;
- Failing to grant OIG timely access to records;
- Knowing of an overpayment and failing to report and return it;
- Making false claims; or
- Paying to influence referrals.

For more information, refer to the Act, Section 1128A(a) on the Internet.

EXAMPLE

A California pharmacy and its owner agreed to pay over $1.3 million to settle allegations they submitted claims to Medicare Part D for brand name prescription drugs that the pharmacy could not have dispensed based on inventory records.

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Exclusion

No Federal health care program payment may be made for any item or service furnished, ordered, or prescribed by an individual or entity excluded by the OIG. The OIG has authority to exclude individuals and entities from federally funded health care programs and maintains the List of Excluded Individuals and Entities (LEIE). You can access the LEIE at https://exclusions.oig.hhs.gov on the Internet.

The United States General Services Administration (GSA) administers the Excluded Parties List System (EPLS), which contains debarment actions taken by various Federal agencies, including the OIG. You may access the EPLS at https://www.sam.gov on the Internet.

If looking for excluded individuals or entities, make sure to check both the LEIE and the EPLS since the lists are not the same. For more information, refer to 42 U.S.C. Section 1320a-7 and 42 Code of Federal Regulations Section 1001.1901 on the Internet.

EXAMPLE

A pharmaceutical company pleaded guilty to two felony counts of criminal fraud related to failure to file required reports with the Food and Drug Administration concerning oversized morphine sulfate tablets. The executive of the pharmaceutical firm was excluded based on the company’s guilty plea. At the time the executive was excluded, he had not been convicted himself, but there was evidence he was involved in misconduct leading to the company’s conviction.

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LESSON 1: What Is FWA?

Combating Medicare Parts C and D Fraud, Waste, and Abuse

Medicare Learning Network®

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LESSON 1 PAGE 14

Health Insurance Portability and Accountability Act (HIPAA)

HIPAA created greater access to health care insurance, protection of privacy of health care data, and promoted standardization and efficiency in the health care industry.

HIPAA safeguards help prevent unauthorized access to protected health care information. As an individual with access to protected health care information, you must comply with HIPAA.

For more information, visit [http://www.hhs.gov/ocr/privacy](http://www.hhs.gov/ocr/privacy) on the Internet.

### EXAMPLE

A former hospital employee pleaded guilty to criminal HIPAA charges after obtaining protected health information with the intent to use it for personal gain. He was sentenced to 12 months and 1 day in prison.

### Damages and Penalties

Violations may result in Civil Monetary Penalties. In some cases, criminal penalties may apply.

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Lesson 1 Summary

There are differences among FWA. One of the primary differences is intent and knowledge. Fraud requires that the person have intent to obtain payment and the knowledge that their actions are wrong. Waste and abuse may involve obtaining an improper payment but do not require the same intent and knowledge.

Laws and regulations exist that prohibit FWA. Penalties for violating these laws may include:

- Civil Monetary Penalties;
- Civil prosecution;
- Criminal conviction/fines;
- Exclusion from participation in all Federal health care programs;
- Imprisonment; or
- Loss of provider license.
LESSON 1 PAGE 16

Lesson 1 Review
Now that you have completed Lesson 1, let’s do a quick knowledge check. The following questions do not contribute to your overall course score in the Post-Assessment.

Knowledge Check
1. Which of the following requires intent to obtain payment and the knowledge that the actions are wrong?
   - ○ A. Fraud
   - ○ B. Abuse
   - ○ C. Waste

2. Which of the following is NOT potentially a penalty for violation of a law or regulation prohibiting Fraud, Waste, and Abuse (FWA)?
   - ○ A. Civil Monetary Penalties
   - ○ B. Deportation
   - ○ C. Exclusion from participation in all Federal health care programs

1. Correct Answer: A
2. Correct Answer: B
LESSON 1 PAGE 17

You completed Lesson 1: What Is FWA?

Now that you have learned about FWA and the laws and regulations prohibiting it, let’s look closer at your role in the fight against FWA.
LESSON 2: YOUR ROLE IN THE FIGHT AGAINST FWA

Lesson 2: Introduction and Learning Objectives

This lesson explains the role you can play in fighting against Fraud, Waste, and Abuse (FWA), including your responsibilities for preventing, reporting, and correcting FWA. It should take about 10 minutes to complete. Upon completing the lesson, you should be able to correctly:

- Identify methods of preventing FWA;
- Identify how to report FWA; and
- Recognize how to correct FWA.

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LESSON 2 PAGE 2

Where Do I Fit In?

As a person who provides health or administrative services to a Medicare Part C or Part D enrollee, you are either an employee of a:

- Sponsor;
- First-tier entity (Examples: Pharmacy Benefit Management (PBM), hospital or health care facility, provider group, doctor office, clinical laboratory, customer service provider, claims processing and adjudication company, a company that handles enrollment, disenrollment, and membership functions, and contracted sales agent);
- Downstream entity (Examples: pharmacies, doctor office, firms providing agent/broker services, marketing firms, and call centers); or
- Related entity (Examples: Entity with common ownership or control of a Sponsor, health promotion provider, or SilverSneakers®).
LESSON 2 PAGE 3

Where Do I Fit In? (continued)

I am an employee of a Part C Plan Sponsor or an employee of a Part C Plan Sponsor’s first-tier or downstream entity

The Part C Plan Sponsor is a CMS Contractor. Part C Plan Sponsors may enter into contracts with FDRs. This stakeholder relationship shows examples of functions that relate to the Sponsor’s Medicare Part C contracts. First Tier and related entities of the Medicare Part C Plan Sponsor may contract with downstream entities to fulfill their contractual obligations to the Sponsor.

Examples of first tier entities may be independent practices, call centers, health services/hospital groups, fulfillment vendors, field marketing organizations, and credentialing organizations. If the first tier entity is an independent practice, then a provider could be a downstream entity. If the first tier entity is a health service/hospital group, then radiology, hospital, or mental health facilities may be the downstream entity. If the first tier entity is a field marketing organization, then agents may be the downstream entity. Downstream entities may contract with other downstream entities. Hospitals and mental health facilities may contract with providers.

I am an employee of a Part D Plan Sponsor or an employee of a Part D Plan Sponsor’s first-tier or downstream entity

The Part D Plan Sponsor is a CMS Contractor. Part D Plan Sponsors may enter into contracts with FDRs. This stakeholder relationship shows examples of functions that relate to the Sponsor’s Medicare Part D contracts. First Tier and related entities of the Part D Plan Sponsor may contract with downstream entities to fulfill their contractual obligations to the Sponsor.

Examples of first tier entities include call centers, PBMs, and field marketing organizations. If the first tier entity is a PBM, then the pharmacy, marketing firm, quality assurance firm, and claims processing firm could be downstream entities. If the first tier entity is a field marketing organization, then agents could be a downstream entity.
What Are Your Responsibilities?

You play a vital part in preventing, detecting, and reporting potential FWA, as well as Medicare non-compliance.

- **FIRST**, you must comply with all applicable statutory, regulatory, and other Medicare Part C or Part D requirements, including adopting and using an effective compliance program.
- **SECOND**, you have a duty to the Medicare Program to report any compliance concerns, and suspected or actual violations that you may be aware of.
- **THIRD**, you have a duty to follow your organization’s Code of Conduct that articulates your and your organization’s commitment to standards of conduct and ethical rules of behavior.
How Do You Prevent FWA?

- Look for suspicious activity;
- Conduct yourself in an ethical manner;
- Ensure accurate and timely data/billing;
- Ensure you coordinate with other payers;
- Keep up to date with FWA policies and procedures, standards of conduct, laws, regulations, and the Centers for Medicare & Medicaid Services (CMS) guidance; and
- Verify all information provided to you.
LESSON 2 PAGE 6

Stay Informed About Policies and Procedures

Familiarize yourself with your entity’s policies and procedures.

Every Sponsor and First-Tier, Downstream, or Related Entity (FDR) must have policies and procedures that address FWA. These procedures should help you detect, prevent, report, and correct FWA.

Standards of Conduct should describe the Sponsor’s expectations that:

1. All employees conduct themselves in an ethical manner;
2. Appropriate mechanisms are in place for anyone to report non-compliance and potential FWA; and
3. Reported issues will be addressed and corrected.

Standards of Conduct communicate to employees and FDRs that compliance is everyone’s responsibility, from the top of the organization to the bottom.

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**Report FWA**

Everyone must report suspected instances of FWA. Your Sponsor’s Code of Conduct should clearly state this obligation. Sponsors may not retaliate against you for making a good faith effort in reporting.

Do not be concerned about whether it is fraud, waste, or abuse. Just report any concerns to your compliance department or your Sponsor’s compliance department. Your Sponsor’s compliance department area will investigate and make the proper determination. Often, Sponsors have a Special Investigations Unit (SIU) dedicated to investigating FWA. They may also maintain an FWA Hotline.

Every Sponsor must have a mechanism for reporting potential FWA by employees and FDRs. Each Sponsor must accept anonymous reports and cannot retaliate against you for reporting. Review your organization’s materials for the ways to report FWA.

When in doubt, call your Compliance Department or FWA Hotline. **You can also call the MHCA Compliance Hotline toll free (844) 814-4025.**
Reporting FWA Outside Your Organization

If warranted, Sponsors and FDRs must report potentially fraudulent conduct to Government authorities, such as the Office of Inspector General, the Department of Justice, or CMS.

Individuals or entities who wish to voluntarily disclose self-discovered potential fraud to OIG may do so under the Self-Disclosure Protocol (SDP). Self-disclosure gives providers the opportunity to avoid the costs and disruptions associated with a Government-directed investigation and civil or administrative litigation.

Details to Include When Reporting FWA

When reporting suspected FWA, you should include:

- Contact information for the source of the information, suspects, and witnesses;
- Details of the alleged FWA;
- Identification of the specific Medicare rules allegedly violated; and
- The suspect’s history of compliance, education, training, and communication with your organization or other entities.

WHERE TO REPORT FWA

HHS Office of Inspector General:

- Phone: 1-800-HHS-TIPS (1-800-447-8477) or TTY 1-800-377-4950
- Fax: 1-800-223-8164
- Email: HHSTips@oig.hhs.gov
- Online: https://forms.oig.hhs.gov/hotlineoperations

For Medicare Parts C and D:

- National Benefit Integrity Medicare Drug Integrity Contractor (NBI MEDIC) at 1-877-7SafeRx (1-877-772-3379)

For all other Federal health care programs:

- CMS Hotline at 1-800-MEDICARE (1-800-633-4227) or TTY 1-877-486-2048


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Correction

Once fraud, waste, or abuse has been detected, it must be promptly corrected. Correcting the problem saves the Government money and ensures you are in compliance with CMS requirements.

Develop a plan to correct the issue. Consult your organization’s compliance officer to find out the process for the corrective action plan development. The actual plan is going to vary, depending on the specific circumstances. In general:

- Design the corrective action to correct the underlying problem that results in FWA program violations and to prevent future non-compliance;
- Tailor the corrective action to address the particular FWA, problem, or deficiency identified. Include timeframes for specific actions;
- Document corrective actions addressing non-compliance or FWA committed by a Sponsor’s employee or FDR’s employee and include consequences for failure to satisfactorily complete the corrective action; and
- Once started, continuously monitor corrective actions to ensure they are effective.

Corrective Action Examples

Corrective actions may include:

- Adopting new prepayment edits or document review requirements;
- Conducting mandated training;
- Providing educational materials;
- Revising policies or procedures;
- Sending warning letters;
- Taking disciplinary action, such as suspension of marketing, enrollment, or payment; or
- Terminating an employee or provider.

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LESSON 2 PAGE 10

Indicators of Potential FWA

Now that you know about your role in preventing, reporting, and correcting FWA, let’s review some key indicators to help you recognize the signs of someone committing FWA.

The following examples present issues that may be potential FWA. Each example provides questions to ask yourself about different areas, depending on your role as an employee of a Sponsor, pharmacy, or other entity involved in the delivery of Medicare Parts C and D benefits to enrollees.

Key Indicators: Potential Beneficiary Issues

- Does the prescription, medical record, or laboratory test look altered or possibly forged?
- Does the beneficiary’s medical history support the services requested?
- Have you filled numerous identical prescriptions for this beneficiary, possibly from different doctors?
- Is the person receiving the medical service the actual beneficiary (identity theft)?
- Is the prescription appropriate based on the beneficiary’s other prescriptions?

Key Indicators: Potential Provider Issues

- Are the provider’s prescriptions appropriate for the member’s health condition (medically necessary)?
- Does the provider bill the Sponsor for services not provided?
- Does the provider write prescriptions for diverse drugs or primarily for controlled substances?
- Is the provider performing medically unnecessary services for the member?
- Is the provider prescribing a higher quantity than medically necessary for the condition?
- Is the provider’s diagnosis for the member supported in the medical record?

Key Indicators: Potential Wholesaler Issues

- Is the wholesaler distributing fake, diluted, expired, or illegally imported drugs?
- Is the wholesaler diverting drugs meant for nursing homes, hospices, and Acquired Immune Deficiency Syndrome (AIDS) clinics and then marking up the prices and sending to other smaller wholesalers or pharmacies?
LESSON 2 PAGE 11

Key Indicators: Potential Pharmacy Issues

- Are drugs being diverted (drugs meant for nursing homes, hospice, and other entities being sent elsewhere)?
- Are the dispensed drugs expired, fake, diluted, or illegal?
- Are generic drugs provided when the prescription requires that brand drugs be dispensed?
- Are PBMs being billed for prescriptions that are not filled or picked up?
- Are proper provisions made if the entire prescription cannot be filled (no additional dispensing fees for split prescriptions)?
- Do you see prescriptions being altered (changing quantities or Dispense As Written)?

Key Indicators: Potential Manufacturer Issues

- Does the manufacturer promote off-label drug usage?
- Does the manufacturer provide samples, knowing that the samples will be billed to a Federal health care program?

Key Indicators: Potential Sponsor Issues

- Does the Sponsor encourage/support inappropriate risk adjustment submissions?
- Does the Sponsor lead the beneficiary to believe that the cost of benefits is one price, only for the beneficiary to find out that the actual cost is higher?
- Does the Sponsor offer cash inducements for beneficiaries to join the plan?
- Does the Sponsor use unlicensed agents?

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Lesson 2 Summary

- As a person who provides health or administrative services to a Medicare Parts C or D enrollee, you play a vital role in preventing FWA. Conduct yourself ethically, stay informed of your organization’s policies and procedures, and keep an eye out for key indicators of potential FWA.
- Report potential FWA. Every Sponsor must have a mechanism for reporting potential FWA. Each Sponsor must be able to accept anonymous reports and cannot retaliate against you for reporting.
- Promptly correct identified FWA with an effective corrective action plan.
LESSON 2 PAGE 13

Lesson 2 Review

Now that you have completed Lesson 2, let’s do a quick knowledge check. The following questions do not contribute to your overall course score in the Post-Assessment.

Knowledge Check

1. A person comes to your pharmacy to drop off a prescription for a beneficiary who is a “regular” customer. The prescription is for a controlled substance with a quantity of 160. This beneficiary normally receives a quantity of 60, not 160. You review the prescription and have concerns about possible forgery. What is your next step?
   ○ A. Fill the prescription for 160
   ○ B. Fill the prescription for 60
   ○ C. Call the prescriber to verify the quantity
   ○ D. Call the Sponsor’s compliance department
   ○ E. Call law enforcement

2. Your job is to submit a risk diagnosis to the Centers for Medicare & Medicaid Services (CMS) for the purpose of payment. As part of this job you verify, through a certain process, that the data is accurate. Your immediate supervisor tells you to ignore the Sponsor’s process and to adjust/add risk diagnosis codes for certain individuals. What should you do?
   ○ A. Do what your immediate supervisor asked you to do and adjust/add risk diagnosis codes
   ○ B. Report the incident to the compliance department (via compliance hotline or other mechanism)
   ○ C. Discuss your concerns with your immediate supervisor
   ○ D. Call law enforcement
LESSON 2 PAGE 14

3. You are in charge of payment of claims submitted by providers. You notice a certain diagnostic provider ("Doe Diagnostics") requested a substantial payment for a large number of members. Many of these claims are for a certain procedure. You review the same type of procedure for other diagnostic providers and realize that Doe Diagnostics' claims far exceed any other provider that you reviewed. What should you do?
   a. Call Doe Diagnostics and request additional information for the claims
   b. Consult with your immediate supervisor for next steps or contact the compliance department (via compliance hotline, Special Investigations Unit (SIU), or other mechanism)
   c. Reject the claims
   d. Pay the claims

4. You are performing a regular inventory of the controlled substances in the pharmacy. You discover a minor inventory discrepancy. What should you do?
   a. Call local law enforcement
   b. Perform another review
   c. Contact your compliance department (via compliance hotline or other mechanism)
   d. Discuss your concerns with your supervisor
   e. Follow your pharmacy's procedures

1. Correct Answer: C
2. Correct Answer: B
3. Correct Answer: B
4. Correct Answer: E
APPENDIX A: RESOURCES

Disclaimers
This Web-Based Training (WBT) course was current at the time it was published or uploaded onto the web. Medicare policy changes frequently so links to the source documents have been provided within the document for your reference.

This WBT course was prepared as a service to the public and is not intended to grant rights or impose obligations. This WBT course may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage readers to review the specific statutes, regulations, and other interpretive materials for a full and accurate statement of their contents.

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# Glossary


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### APPENDIX B: JOB AIDS

#### Job Aid A: Applicable Laws for Reference

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Job Aid B: Resources

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Job Aid C: Where to Report Fraud, Waste, and Abuse (FWA)

HHS Office of Inspector General:
Phone: 1-800-HHS-TIPS (1-800-447-8477) or TTY 1-800-377-4950
Fax: 1-800-223-8164
Email: HHSTips@oig.hhs.gov
Online: https://forms.oig.hhs.gov/hotlineoperations

For Medicare Parts C and D:
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For all other Federal health care programs:
CMS Hotline at 1-800-MEDICARE [1-800-633-4227] or TTY 1-877-486-2048

For questions regarding FWA in the Blue Choice and EPS networks, please contact Managed Health Care Administration’s Compliance Officer at (205) 968-8422, or toll free by calling the Compliance Hotline at (844) 814-4025.
How to contact MHCA

MHCA providers have a number of options for reporting suspected cases of FWA. Concerns may be reported as follows:

- To the Compliance Officer at (205) 968-8422
- To the MHCA Compliance Hotline for FWA at 1-844-814-4025
- In writing, to the MHCA Compliance Officer at:

  Compliance Officer
  Managed Health Care Administration, Inc.
  956 Montclair Road, Suite 200
  Birmingham, AL 35213

If in doubt, do not hesitate to ask!

Reports may be made anonymously.
You completed Lesson 2: Your Role in the Fight Against FWA

Now that you have learned how to fight FWA, let's take a look at compliance programs!
Medicare Parts C and D General Compliance Training
Web-Based Training Course

December 2015
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Medicare Parts C and D General Compliance Training
Medicare Learning Network®
The Medicare Parts C and D General Compliance Training course is brought to you by the Medicare Learning Network®, a registered trademark of the U.S. Department of Health & Human Services (HHS)
INTRODUCTION PAGE 2

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Completing this training module satisfies the Medicare Parts C and D plan Sponsors annual general compliance training requirements in the regulations and sub-regulatory guidance at:

- 42 Code of Federal Regulations (CFR) Section 422.503(b)(4)(vi);
- 42 CFR Section 423.504(b)(4)(vi);
- Section 50.3 of the Compliance Program Guidelines (Chapter 9 of the “Medicare Prescription Drug Benefit Manual” and Chapter 21 of the “Medicare Managed Care Manual”); and

While Sponsors are required to complete this training or use this module’s downloaded content to satisfy compliance training requirements, completing this training in and of itself does not ensure that a Sponsor has an “effective Compliance Program.” Sponsors are responsible for establishing and executing an effective compliance program according to the Centers for Medicare & Medicaid Services (CMS) regulations and program guidelines.

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Welcome to the Medicare Learning Network® (MLN) – Your free Medicare education and information resource!

The MLN is home for education, information, and resources for the health care professional community. The MLN provides access to the CMS Program information you need, when you need it, so you can focus more on providing care to your patients.

Serving as the umbrella for a variety of CMS education and communication activities, the MLN offers:

1. MLN Educational Products, including MLN Matters® Articles;
2. WBT Courses (many offer Continuing Education credits);
3. MLN Connects® National Provider Calls;
4. MLN Connects® Provider Association Partnerships;
5. MLN Connects® Provider eNews; and

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INTRODUCTION PAGE 4

Why Do I Need Training?

Every year billions of dollars are improperly spent because of Fraud, Waste, and Abuse (FWA). It affects everyone – including you. This training helps you detect, correct, and prevent FWA. You are part of the solution.

Compliance is everyone’s responsibility. As an individual who provides health or administrative services for Medicare enrollees, your every action potentially affects Medicare enrollees, the Medicare Program, or the Medicare Trust Fund.

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INTRODUCTION PAGE 5

Training Requirements: Plan Employees, Governing Body Members, and First-Tier, Downstream, or Related Entity (FDR) Employees

Certain training requirements apply to people involved in performing or delivering the Medicare Parts C and D benefits. All employees of Medicare Advantage Organizations (MAOs) and Prescription Drug Plans (PDPs) (collectively referred to in this WBT course as “Sponsors”) and the entities with which they contract to provide administrative or health care services for enrollees on behalf of the sponsor (referred to as “FDRs”) must receive training about compliance with CMS program rules.

You may also be required to complete FWA training within 90 days of your initial hire. Please contact your management team for more information.

Learn more about Medicare Part C

Medicare Part C, or Medicare Advantage (MA), is a health plan choice available to Medicare beneficiaries. MA is a program run by Medicare-approved private insurance companies. These companies arrange for, or directly provide, health care services to the beneficiaries who elect to enroll in an MA plan.

MA plans must cover all services that Medicare covers with the exception of hospice care. MA plans provide Part A and Part B benefits and may also include prescription drug coverage and other supplemental benefits.

Learn more about Medicare Part D

Medicare Part D, the Prescription Drug Benefit, provides prescription drug coverage to all beneficiaries enrolled in Part A and/or Part B who elect to enroll in a Medicare Prescription Drug Plan (PDP) or an MA Prescription Drug (MA-PD) plan. Insurance companies or other companies approved by Medicare provide prescription drug coverage to individuals who live in a plan’s service area.

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Course Content

This WBT course consists of general compliance program training and a post-assessment.

Anyone who provides health or administrative services to Medicare enrollees must satisfy general compliance and FWA training requirements. You must use this WBT course to satisfy general compliance training requirements.

You do not have to complete the course in one session. It should take approximately 20 minutes to complete this course.

Successfully completing the course requires completing the entire lesson and scoring 70 percent or higher on the Post-Assessment. After viewing the entire presentation, you’ll see instructions on how to complete the Post-Assessment. If you do not successfully score at least 70 percent on the Post-Assessment, you will be given the opportunity to review the course material and retake the Post-Assessment. Upon successful completion of the lesson and Post-Assessment, MHCA will receive confirmation that you have satisfied the general compliance and FWA training requirements.

Course Cues

This course uses cues at various times to provide additional information, including hyperlinks and acronyms.
INTRODUCTION PAGE 7

Course Objectives

When you complete this course, you should be able to correctly:

- Recognize how a compliance program operates; and
- Recognize how compliance program violations should be reported.
Introduction and Learning Objectives

This lesson outlines effective compliance programs. It should take about 15 minutes to complete. Upon completing the lesson, you should be able to correctly:

- Recognize how a compliance program operates; and
- Recognize how compliance program violations should be reported.
LESSON PAGE 2

Compliance Program Requirement

The Centers for Medicare & Medicaid Services (CMS) requires Sponsors to implement and maintain an effective compliance program for its Medicare Parts C and D plans. An effective compliance program should:

- Articulate and demonstrate an organization’s commitment to legal and ethical conduct;
- Provide guidance on how to handle compliance questions and concerns; and
- Provide guidance on how to identify and report compliance violations.
What Is an Effective Compliance Program?

An effective compliance program fosters a culture of compliance within an organization and, at a minimum:

- Prevents, detects, and corrects non-compliance;
- Is fully implemented and is tailored to an organization’s unique operations and circumstances;
- Has adequate resources;
- Promotes the organization’s Standards of Conduct; and
- Establishes clear lines of communication for reporting non-compliance.

An effective compliance program is essential to prevent, detect, and correct Medicare non-compliance as well as Fraud, Waste, and Abuse (FWA). It must, at a minimum, include the seven core compliance program requirements.

For more information, refer to:

- [“Medicare Managed Care Manual,” Chapter 21](https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/mc86c21.pdf) on the CMS website; and
LESSON PAGE 4

Seven Core Compliance Program Requirements

CMS requires that an effective compliance program must include seven core requirements:

1. **Written Policies, Procedures, and Standards of Conduct**
   
   These articulate the Sponsor’s commitment to comply with all applicable Federal and State standards and describe compliance expectations according to the Standards of Conduct.

2. **Compliance Officer, Compliance Committee, and High-Level Oversight**
   
   The Sponsor must designate a compliance officer and a compliance committee that will be accountable and responsible for the activities and status of the compliance program, including issues identified, investigated, and resolved by the compliance program.
   
   The Sponsor’s senior management and governing body must be engaged and exercise reasonable oversight of the Sponsor’s compliance program.

3. **Effective Training and Education**
   
   This covers the elements of the compliance plan as well as prevention, detection, and reporting of FWA. This training and education should be tailored to the different responsibilities and job functions of employees.

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Seven Core Compliance Program Requirements (continued)

4. **Effective Lines of Communication**
   
   Effective lines of communication must be accessible to all, ensure confidentiality, and provide methods for anonymous and good-faith reporting of compliance issues at Sponsor and First-Tier, Downstream, or Related Entity (FDR) levels.

5. **Well-Publicized Disciplinary Standards**
   
   Sponsor must enforce standards through well-publicized disciplinary guidelines.

6. **Effective System for Routine Monitoring, Auditing, and Identifying Compliance Risks**
   
   Conduct routine monitoring and auditing of Sponsor’s and FDR’s operations to evaluate compliance with CMS requirements as well as the overall effectiveness of the compliance program.
   
   **NOTE:** Sponsors must ensure that FDRs performing delegated administrative or health care service functions concerning the Sponsor’s Medicare Parts C and D program comply with Medicare Program requirements.

7. **Procedures and System for Prompt Response to Compliance Issues**
   
   The Sponsor must use effective measures to respond promptly to non-compliance and undertake appropriate corrective action.

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<td>First-Tier, Downstream, or Related Entity</td>
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LESSON PAGE 6

Compliance Training—Sponsors and their FDRs

CMS expects that all Sponsors will apply their training requirements and “effective lines of communication” to their FDRs. Having “effective lines of communication” means that employees of the Sponsor and the Sponsor's FDRs have several avenues to report compliance concerns.
LESSON PAGE 7

Ethics—Do the Right Thing!

As part of the Medicare Program, you must conduct yourself in an ethical and legal manner. It’s about doing the right thing!

- Act fairly and honestly;
- Adhere to high ethical standards in all you do;
- Comply with all applicable laws, regulations, and CMS requirements; and
- Report suspected violations.

How Do You Know What Is Expected of You?

Beyond following the general ethical guidelines on the previous page, how do you know what is expected of you in a specific situation? Standards of Conduct (or Code of Conduct) state compliance expectations and the principles and values by which an organization operates. Contents will vary as Standards of Conduct should be tailored to each individual organization’s culture and business operations. If you are not aware of your organization’s standards of conduct, ask your management where they can be located.

Everyone has a responsibility to report violations of Standards of Conduct and suspected non-compliance.

An organization’s Standards of Conduct and Policies and Procedures should identify this obligation and tell you how to report suspected non-compliance.
What Is Non-Compliance?

Non-compliance is conduct that does not conform to the law, Federal health care program requirements, or an organization’s ethical and business policies. CMS has identified the following Medicare Parts C and D high risk areas:

- Agent/broker misrepresentation;
- Appeals and grievance review (for example, coverage and organization determinations);
- Beneficiary notices;
- Conflicts of interest;
- Claims processing;
- Credentialing and provider networks;
- Documentation and Timeliness requirements;
- Ethics;
- FDR oversight and monitoring;
- Health Insurance Portability and Accountability Act (HIPAA);
- Marketing and enrollment;
- Pharmacy, formulary, and benefit administration; and
- Quality of care.

For more information, refer to the Compliance Program Guidelines in the “Medicare Prescription Drug Benefit Manual” and “Medicare Managed Care Manual” on the CMS website.

Know the Consequences of Non-Compliance

Failure to follow Medicare Program requirements and CMS guidance can lead to serious consequences including:

- Contract termination;
- Criminal penalties;
- Exclusion from participation in all Federal health care programs; or
- Civil monetary penalties.

Additionally, your organization must have disciplinary standards for non-compliant behavior. Those who engage in non-compliant behavior may be subject to any of the following:

- Mandatory training or re-training;
- Disciplinary action; or
- Termination.
**LESSON PAGE 9**

**NON-COMPLIANCE AFFECTS EVERYBODY**
Without programs to prevent, detect, and correct non-compliance, we all risk:

Harm to beneficiaries, such as:

- Delayed services
- Denial of benefits
- Difficulty in using providers of choice
- Other hurdles to care

Less money for everyone, due to:

- High insurance copayments
- Higher premiums
- Lower benefits for individuals and employers
- Lower Star ratings
- Lower profits
LESSON PAGE 10

How to Report Potential Non-Compliance

Employees of a Sponsor
- Call the Medicare Compliance Officer;
- Make a report through your organization’s website; or
- Call the Compliance Hotline.

First-Tier, Downstream, or Related Entity (FDR) Employees
- Talk to a Manager or Supervisor;
- Call your Ethics/Compliance Help Line; or
- Report to the Sponsor.

Beneficiaries
- Call the Sponsor’s Compliance Hotline or Customer Service;
- Make a report through the Sponsor’s website; or
- Call 1-800-Medicare.

Don’t Hesitate to Report Non-Compliance
There can be no retaliation against you for reporting suspected non-compliance in good faith.
Each Sponsor must offer reporting methods that are:
- Anonymous;
- Confidential; and
- Non-retaliatory.
LESSON PAGE 11

What Happens After Non-Compliance Is Detected?
After non-compliance is detected, it must be investigated immediately and promptly corrected. However, internal monitoring should continue to ensure:

- There is no recurrence of the same non-compliance;
- Ongoing compliance with CMS requirements;
- Efficient and effective internal controls; and
- Enrollees are protected.
LESSON PAGE 12

What Are Internal Monitoring and Audits?

- Internal monitoring activities are regular reviews that confirm ongoing compliance and ensure that corrective actions are undertaken and effective.
- Internal auditing is a formal review of compliance with a particular set of standards (for example, policies and procedures, laws, and regulations) used as base measures.
Lesson Summary
Organizations must create and maintain compliance programs that, at a minimum, meet the seven core requirements. An effective compliance program fosters a culture of compliance.

To help ensure compliance, behave ethically and follow your organization’s Standards of Conduct. Watch for common instances of non-compliance, and report suspected non-compliance.

Know the consequences of non-compliance, and help correct any non-compliance with a corrective action plan that includes ongoing monitoring and auditing.

Compliance Is Everyone’s Responsibility!
Prevent: Operate within your organization’s ethical expectations to prevent non-compliance!
Detect & Report: If you detect potential non-compliance, report it!
Correct: Correct non-compliance to protect beneficiaries and save money!
LESSON PAGE 14
Lesson Review
Now that you have completed the Compliance Program Training lesson, let’s do a quick knowledge check. The following questions do not contribute to your overall course score in the Post-Assessment.

Knowledge Check
1. You discover an unattended email address or fax machine in your office that receives beneficiary appeals requests. You suspect that no one is processing the appeals. What should you do?
   A. Contact law enforcement
   B. Nothing
   C. Contact your compliance department (via compliance hotline or other mechanism)
   D. Wait to confirm someone is processing the appeals before taking further action
   E. Contact your supervisor

2. A sales agent, employed by the Sponsor’s First-Tier or Downstream entity, submitted an application for processing and requested two things: 1) to back-date the enrollment date by one month, and 2) to waive all monthly premiums for the beneficiary. What should you do?
   A. Refuse to change the date or waive the premiums, but decide not to mention the request to a supervisor or the compliance department
   B. Make the requested changes because the sales agent determines the beneficiary’s start date and monthly premiums
   C. Tell the sales agent you will take care of it, but then process the application properly (without the requested revisions) – you will not file a report because you don’t want the sales agent to retaliate against you
   D. Process the application properly (without the requested revisions) – inform your supervisor and the compliance officer about the sales agent’s request
   E. Contact law enforcement and the Centers for Medicare & Medicaid Services (CMS) to report the sales agent’s behavior
LESSON PAGE 15

3. You work for a Sponsor. Last month, while reviewing a monthly report from the Centers for Medicare & Medicaid Services (CMS), you identified multiple enrollees for which the Sponsor is being paid, who are not enrolled in the plan. You spoke to your supervisor who said not to worry about it. This month, you have identified the same enrollees on the report again. What should you do?

Select the correct answer.

A. Decide not to worry about it as your supervisor instructed – you notified him last month and now it’s his responsibility
B. Although you have seen notices about the Sponsor’s non-retaliation policy, you are still nervous about reporting – to be safe, you submit a report through your compliance department’s anonymous tip line so you cannot be identified
C. Wait until the next month to see if the same enrollees appear on the report again, figuring it may take a few months for CMS to reconcile its records – if they are, then you will say something to your supervisor again
D. Contact law enforcement and CMS to report the discrepancy
E. Ask your supervisor about the discrepancy again

4. You are performing a regular inventory of the controlled substances in the pharmacy. You discover a minor inventory discrepancy. What should you do?

Select the correct answer.

A. Call local law enforcement
B. Perform another review
C. Contact your compliance department (via compliance hotline or other mechanism)
D. Discuss your concerns with your supervisor
E. Follow your pharmacy’s procedures

1. Correct Answer: C
2. Correct Answer: D
3. Correct Answer: B
4. Correct Answer: E
APPENDIX A: RESOURCES

RESOURCES PAGE 1 OF 1

Disclaimers
This Web-Based Training (WBT) course was current at the time it was published or uploaded onto the web. Medicare policy changes frequently so links to the source documents have been provided within the document for your reference.

This WBT course was prepared as a service to the public and is not intended to grant rights or impose obligations. This WBT course may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage readers to review the specific statutes, regulations, and other interpretive materials for a full and accurate statement of their contents.

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Glossary

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APPENDIX B: JOB AIDS

JOB AID A: SEVEN CORE COMPLIANCE PROGRAM REQUIREMENTS

Job Aid A: Seven Core Compliance Program Requirements

CMS requires that an effective compliance program must include seven core requirements:

1. **Written Policies, Procedures, and Standards of Conduct**
   These articulate the Sponsor’s commitment to comply with all applicable Federal and State standards and describe compliance expectations according to the Standards of Conduct.

2. **Compliance Officer, Compliance Committee, and High-Level Oversight**
   The Sponsor must designate a compliance officer and a compliance committee that will be accountable and responsible for the activities and status of the compliance program, including issues identified, investigated, and resolved by the compliance program.
   The Sponsor’s senior management and governing body must be engaged and exercise reasonable oversight of the Sponsor’s compliance program.

3. **Effective Training and Education**
   This covers the elements of the compliance plan as well as prevention, detection, and reporting of FWA. This training and education should be tailored to the different responsibilities and job functions of employees.

4. **Effective Lines of Communication**
   Effective lines of communication must be accessible to all, ensure confidentiality, and provide methods for anonymous and good-faith reporting of compliance issues at Sponsor and First-Tier, Downstream, or Related Entity (FDR) levels.

5. **Well-Publicized Disciplinary Standards**
   Sponsor must enforce standards through well-publicized disciplinary guidelines.

6. **Effective System for Routine Monitoring, Auditing, and Identifying Compliance Risks**
   Conduct routine monitoring and auditing of Sponsor’s and FDR’s operations to evaluate compliance with CMS requirements as well as the overall effectiveness of the compliance program.
   **NOTE:** Sponsors must ensure that FDRs performing delegated administrative or health care service functions concerning the Sponsor’s Medicare Parts C and D program comply with Medicare Program requirements.

7. **Procedures and System for Prompt Response to Compliance Issues**
   The Sponsor must use effective measures to respond promptly to non-compliance and undertake appropriate corrective action.

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**JOB AID B: RESOURCES**

## Job Aid B: Resources

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LESSON PAGE 16

You’ve completed the lesson!
Now that you have learned about compliance programs, and how to fight FWA, it’s time to take a post-assessment to see how much you’ve learned!

Please close this presentation and return to the Provider Secure Access page on the MHCA website. There you’ll find a link to the “2016 FWA and General Compliance Training Post-Assessment.” Be sure to enter your full name and your credential. This is the only way MHCA can confirm that you have successfully completed the quiz. You will also have the option of entering your own email address, so the post-assessment results will be emailed to you directly, as well as to MHCA.

Please remember that successfully completing this annual training requires completing all lessons in both segments of this presentation (“Combating Medicare Parts C and D Fraud, Waste, and Abuse” and “Medicare Parts C and D General Compliance Training”) and scoring 70 percent or higher on the Post-Assessment.