

## General Compliance Training

### 1. Medicare Parts C and D General Compliance Training

#### *1.1 Medicare Parts C and D General Compliance Training*

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June 21, 2021

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## ***1.2 Navigation Instructions***

### **Navigation Instructions**

- The "PREV" and "NEXT" buttons at the bottom of each page will take you backwards and forward through the course one page at a time.
  - Please note: Students are required to view each slide. Users can view the current slide and any slide they previously viewed but will be unable to skip and or jump ahead within the menu.
- Click the menu icon () to expand and or collapse the table of contents.

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## **1.4 Introduction**

### **Introduction**

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## 1.5 Introduction

### Introduction

This training assists Medicare Parts C and D plan Sponsors' employees, governing body members, and their first-tier, downstream, and related entities (FDRs) to satisfy their annual general compliance training requirements in the regulations and sub-regulatory guidance at:

- [42 Code of Federal Regulations \(CFR\) Section 422.503\(b\)\(4\)\(vi\)\(C\)](#)
- [42 CFR Section 423.504\(b\)\(4\)\(vi\)\(C\)](#)
- 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](#))
- The "Downloads" section of the [CMS Compliance Program Policy and Guidance webpage](#)

Completing this training in and of itself does not ensure a Sponsor has an "effective Compliance Program." Sponsors and their FDRs are responsible for establishing and executing an effective compliance program according to the CMS regulations and program guidelines.

## 1.6 Why Do I Need Training

### 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.

Compliance 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.

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## 1.7 Training Requirements

### Training Requirements

#### 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 course as "Sponsors") must receive training about compliance with CMS program rules.

You may need to complete FWA training within 90 days of your initial hire. More information on other [Medicare Parts C and D compliance trainings and answers to common questions](#) is available on the CMS website. Please contact your management team for more information.

##### Learn more about Medicare Part C

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

MA plans must cover all services Medicare covers with the exception of hospice care. They 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 Medicare beneficiaries enrolled in Part A and/or Part B who enroll in a Medicare Prescription Drug Plan (PDP) or an MA Prescription Drug (MA-PD) plan. Medicare-approved insurance and other companies provide prescription drug coverage to individuals living in a plan's service area.

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## ***1.8 Navigating and Completing This Course***

### **Navigating and Completing This Course**

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. If you do not successfully complete the course, you will be given the opportunity to review the course material and retake the Post-Assessment.

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## **1.9 Course Objectives**

### **Course Objectives**

After completing this course, you should correctly:

- Recognize how a compliance program operates
- Recognize how compliance program violations should be reported

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## **1.10 Compliance Program Requirement**

### **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 must:

- Articulate and demonstrate an organization's commitment to legal and ethical conduct
- Provide guidance on how to handle compliance questions and concerns
- Provide guidance on how to identify and report compliance violations

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## ***1.11 What Is an Effective Compliance Program?***

### **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
- 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.

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## 1.12 Seven Core Compliance Program Requirements

### Seven Core Compliance Program Requirements

CMS requires an effective compliance program to 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 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 preventing, detecting, and reporting FWA. Tailor this training and education to the different employees and their responsibilities and job functions.

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## 1.13 Seven Core Compliance Program Requirements

### Seven Core Compliance Program Requirements

CMS requires an effective compliance program to include seven core requirements:

#### 4. Effective Lines of Communication

Make effective lines of communication accessible to all, ensure confidentiality, and provide methods for anonymous and goodfaith compliance issues reporting 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 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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### ***1.14 Compliance Training: Sponsors and Their FDRs***

## **Compliance Training: Sponsors and Their FDRs**

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

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### ***1.15 Ethics: Do the Right Thing!***

## **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
- Report suspected violations

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## 1.16 How Do You Know What Is Expected of You?

### How Do You Know What Is Expected of You?

Now that you've read 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 the organization's compliance expectations and their operational principles and values. Organizational Standards of Conduct vary. The organization should tailor the Standards of Conduct content to their individual organization's culture and business operations. Ask management where to locate your organization's Standards of Conduct.

Reporting Standards of Conduct violations and suspected non-compliance is **everyone's** responsibility.

An organization's Standards of Conduct and Policies and Procedures should identify this obligation and tell you how to report suspected non-compliance.

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## 1.17 What Is 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 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
- 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 participating in all Federal health care programs
- 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
- Termination

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## ***1.18 Non-Compliance Affects Everybody***

### **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

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## 1.19 How to Report Potential Non-Compliance

### How to Report Potential Non-Compliance

#### Employees of a Sponsor

- Call the Medicare Compliance Officer
- Make a report through your organization's website
- Call the Compliance Hotline

#### First-Tier, Downstream, or Related Entity (FDR) Employees

- Talk to a Manager or Supervisor
- Call your Ethics/Compliance Help Line
- Report to the Sponsor

#### Beneficiaries

- Call the Sponsor's Compliance Hotline or Customer Service
- Make a report through the Sponsor's website
- Call 1-800-Medicare

#### Don't Hesitate to Report Non-Compliance

When you report suspected non-compliance in good faith, the Sponsor can't retaliate against you.

Each Sponsor must offer reporting methods that are:

- Anonymous
- Confidential
- Non-retaliatory

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## ***1.20 What Happens After Non-Compliance Is Detected?***

### **What Happens After Non-Compliance Is Detected?**

Non-compliance must be investigated immediately and corrected promptly.

Internal monitoring should ensure:

- No recurrence of the same non-compliance
- Ongoing CMS requirements compliance
- Efficient and effective internal controls
- Protected enrollees

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## 1.21 What Are Internal Monitoring and Audits?

### What Are Internal Monitoring and Audits?

**Internal monitoring** activities include regular reviews confirming ongoing compliance and taking effective corrective actions.

**Internal auditing** is a formal review of compliance with a particular set of standards (for example, policies, procedures, laws, and regulations) used as base measures.

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## 1.22 Lesson Summary

### 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:** Report detected potential non-compliance!

**Correct:** Correct non-compliance to protect beneficiaries and save money!

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## 1.23 Appendix A: Resources

### 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 course for your reference.

This course was prepared as a service to the public and is not intended to grant rights or impose obligations. This 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

For glossary terms, visit the [Centers for Medicare & Medicaid Services Glossary](#).

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## 1.24 Appendix B: Job Aids

### Appendix B: Job Aids

#### Job Aid A: Seven Core Compliance Program Requirements

The Centers for Medicare & Medicaid Services (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 to 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 fraud, waste, and abuse (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 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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## 1.25 Appendix B: Job Aids

### Appendix B: Job Aids

[Compliance Education Materials: Compliance 101](#)

[Health Care Fraud Prevention and Enforcement Action Team Provider Compliance Training](#)

[Office of Inspector General's \(OIG's\) Provider Self-Disclosure Protocol](#)

[Part C and Part D Compliance and Audits - Overview](#)

[Physician Self-Referral](#)

[Safe Harbor Regulations](#)

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## ***1.26 You Completed the Lesson***

### **You Completed the Lesson**

Now that you have learned about compliance, let's take a post-assessment to see how much you've learned!

[Click here](#) to start the Final Quick Review.

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