



2023 Medicare Parts C & D General Compliance Training

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, every action you take potentially affects Medicare enrollees, the Medicare program, or the Medicare trust fund.

Training Requirements

Certain training requirements apply to people involved in performing or delivering the Medicare Parts C and D benefits. All employees and board members of Medicare Advantage Organizations (MAOs) and Prescription Drug Plans (PDPs) must receive training about compliance with CMS program rules.

Acronyms	
CFR	Code of Federal Regulations
CMS	Center for Medicare & Medicaid Services
FDR	First-tier, Downstream, and Related Entity
FWA	Fraud, Waste, and Abuse
HHS	US Dept of Health & Human Services
MA	Medicare Advantage
MAO	Medicare Advantage Organization
MA-PD	MA Prescription Drug
OIG	Office of Inspector General
PDP	Prescription Drug Plan

Course Objectives



To understand the organization's commitment to ethical business behavior



To understand how a compliance program operates



To gain awareness of how compliance violations should be reported

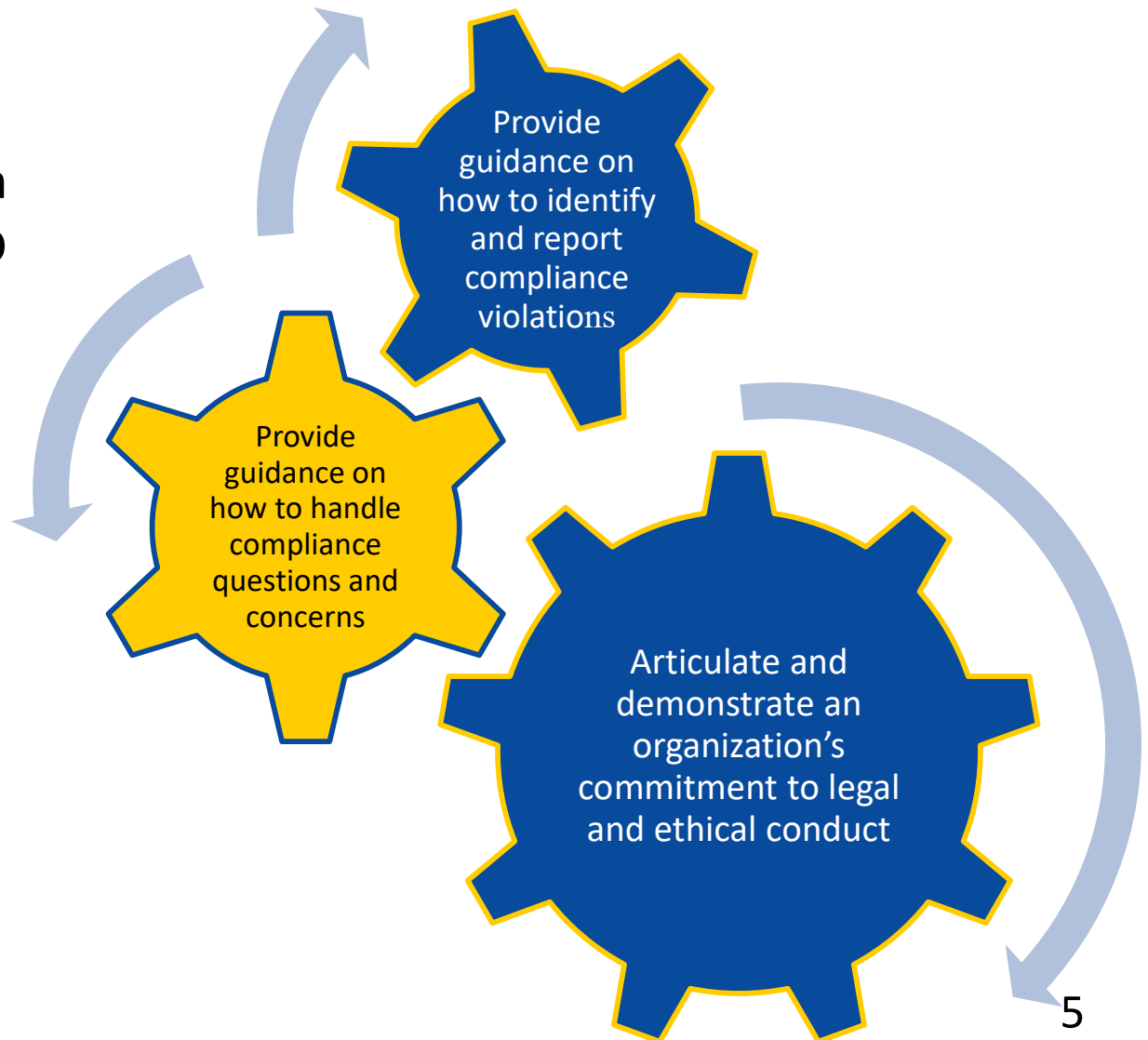


Expectations for Board Oversight

Compliance Program Requirement

CMS requires Sponsors to implement and maintain an effective compliance program for its Medicare Parts C and D plans.

An effective compliance program should:



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.

7 Core Compliance Program Requirements

An effective compliance program is essential to prevent, detect, and correct Medicare non-compliance as well as Fraud, Waste, and Abuse (FWA).

At a minimum, a compliance program must include the 7 core requirements:

1. Written Policies, Procedures and Standards of Conduct;
2. Compliance Officer, Compliance Committee and High-Level Oversight;
3. Effective Training and Education;
4. Effective Lines of Communication;
5. Well Publicized Disciplinary Standards;
6. Effective System for Routine Monitoring and Identification of Compliance Risks; and
7. Procedures and System for Prompt Response to Compliance Issues

42 C.F.R. §§ 422.503(b)(4)(vi) and 423.504(b)(4)(vi); Internet-Only Manual (“IOM”), Pub. 100-16, Medicare Managed Care Manual Chapter 21; IOM, Pub. 100-18, Medicare Prescription Drug Benefit Manual Chapter 9

Compliance Training: Sponsors & 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.

Ethics – Do the Right Thing!

Act Fairly and Honestly

Comply with all applicable laws,
regulations, company policies, and
CMS requirements

As a part of the Medicare program, it
is important that you conduct yourself
in an ethical and legal manner.
It's about doing the right thing!

Adhere to high ethical standards in
all that you do

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 state compliance expectations and the principles and values by which an organization operates.

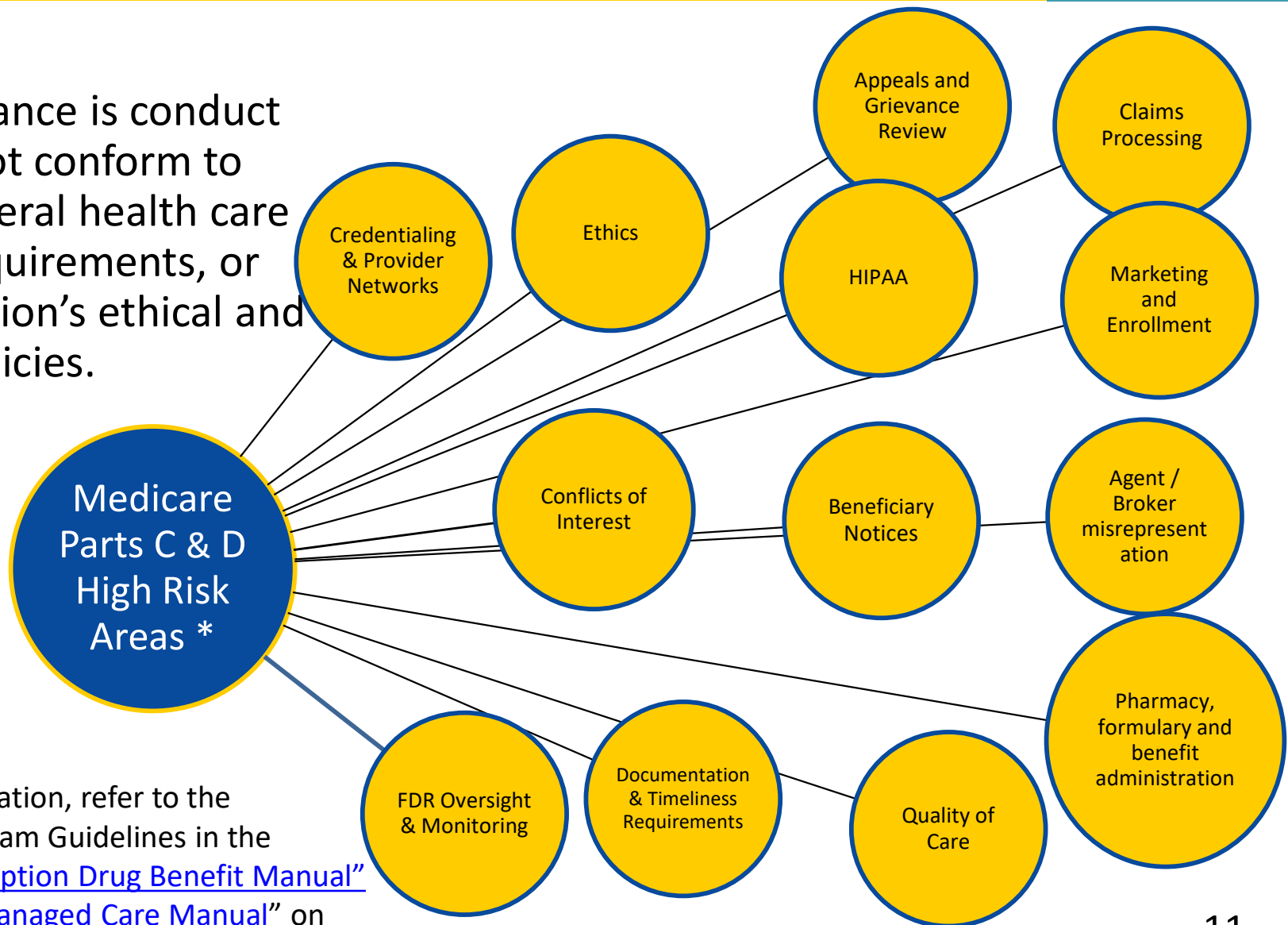
Reporting Standards of Conduct violations and suspected non-compliance is **everyone's** responsibility.

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

Our Code of Conduct can be found in the Compliance & Fraud section of the www.Kelseycareadvantage.com website.

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.



*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:

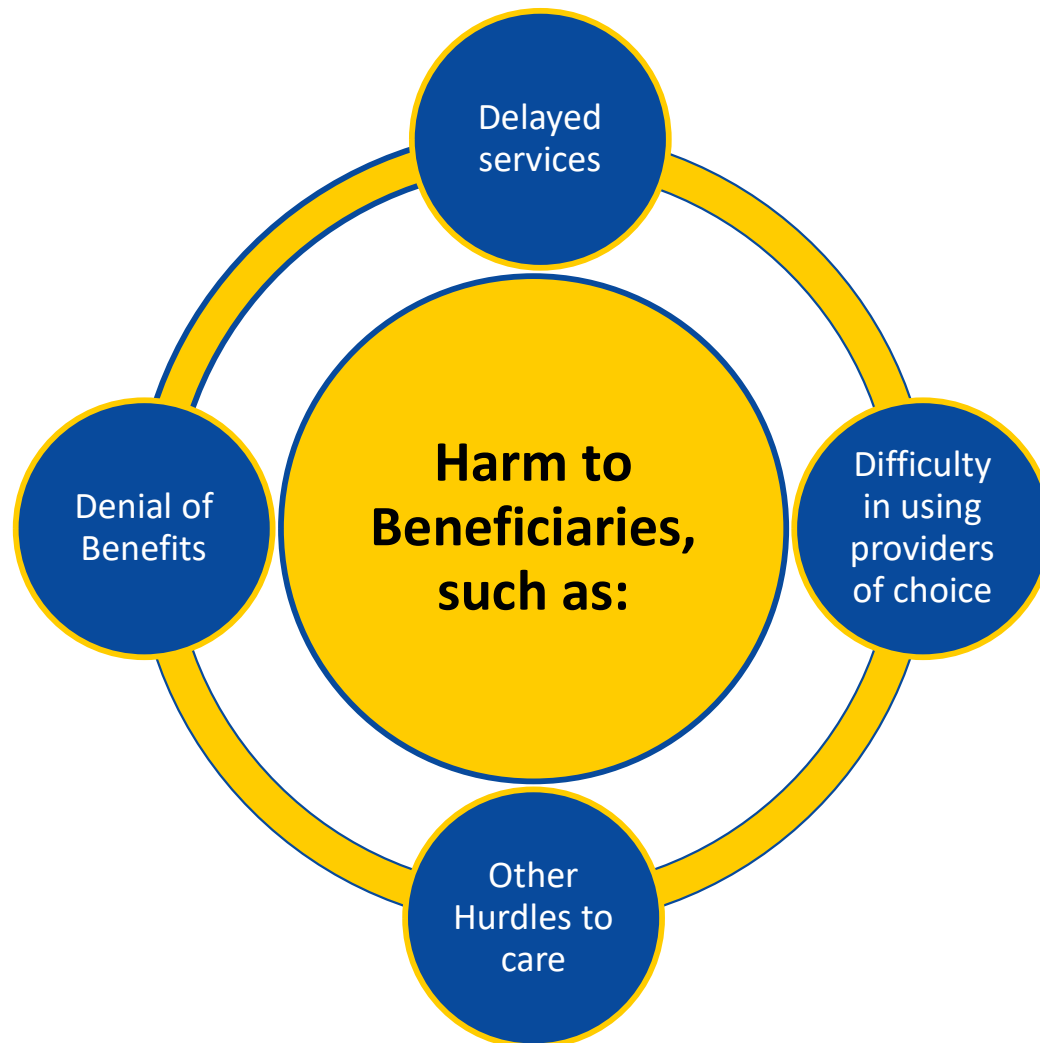
- Contract termination;
- Criminal penalties;
- Exclusion from participation in all Federal health care programs; or
- Civil monetary penalties.

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

NON-COMPLIANCE AFFECTS EVERYBODY

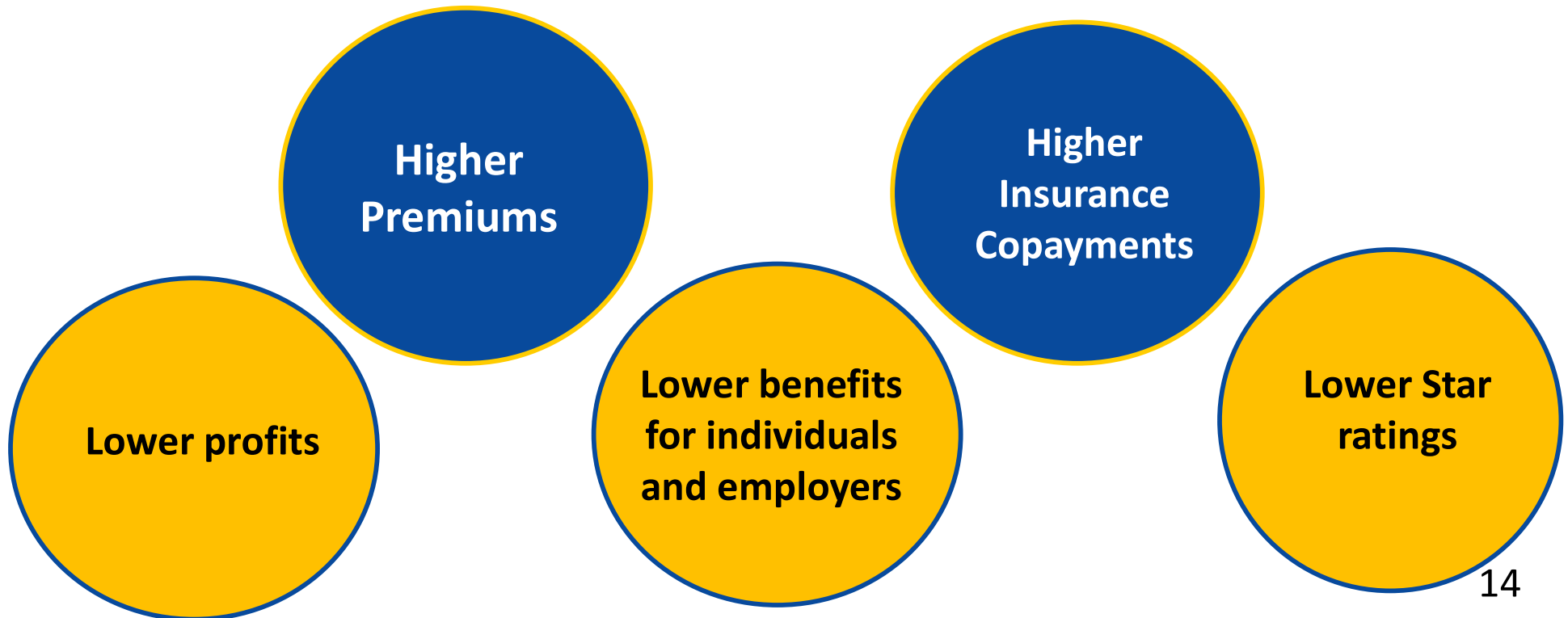
Without programs to prevent, detect, and correct non-compliance, we all risk:



NON-COMPLIANCE AFFECTS EVERYBODY

Without programs to prevent, detect, and correct non-compliance you risk:

Less money for everyone, due to:



Don't Hesitate to Report Non-Compliance

When you report suspected non-compliance in good faith you are protected, KCA can't retaliate against you.

We must offer reporting methods that are:



(KelseyCare Advantage has a strict non-retaliation policy)

How to Report Potential Non-Compliance

Employees/Board Members

- Call the Medicare Compliance Officer at 713-442-5453
- Make a report through the KCA Website/Online Reporting tool: <https://www.surveymonkey.com/r/TBLMG7G>
- Call the Compliance Hotline 713-442-9595
- Email the Compliance Hotline
MedicareFraudhotline@kelseycareadvantage.com

FDR Employees

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

Beneficiaries

- Call the KCA's compliance hotline or Member Services
- Make a report through the KCA website
- Call 1-800-Medicare

What Happens After Non-Compliance Is Detected?



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.

Know the Consequences of Non-Compliance

Our organization is required to have disciplinary standards in place for non-compliant behavior. Those who engage in non-compliant behavior may be subject to any of the following:



Compliance is **EVERYONE'S** Responsibility!

PREVENT

- Operate within your organization's ethical expectations to PREVENT noncompliance!



DETECT & REPORT

- If you DETECT potential noncompliance, REPORT it!

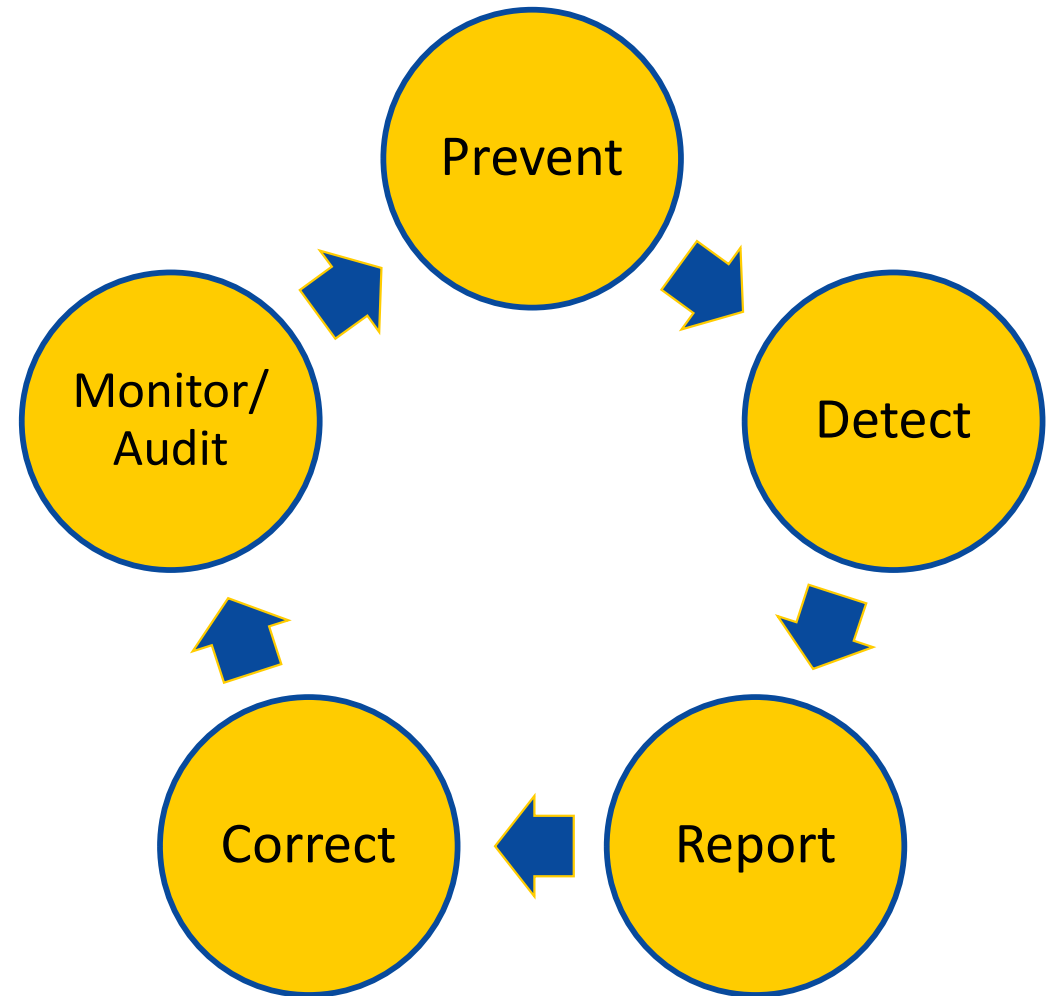


CORRECT

- CORRECT noncompliance to protect beneficiaries and to save money!

What Are Internal Monitoring and Audits?

- Internal monitoring activities are regular reviews that confirm ongoing compliance and taking effective corrective actions.
- 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.

Expectations for Board Oversight

Boards are encouraged to use widely recognized public compliance resources as baseline assessment tools for Boards and Management in determining what specific functions may be necessary to meet the requirements of an effective compliance program such as:

- [The Federal Sentencing Guidelines](#),
- [OIG's voluntary compliance program guidance documents](#)
- [OIG Corporate Integrity Agreements \(CIAs\)](#).

Expectations for Board Oversight (Cont'd)

- Make efforts to increase its knowledge of relevant and emerging regulatory risks
- Receive and review regular reports regarding the organization's risk mitigation and compliance efforts
- Ensure that management and the Board have strong processes for identifying risk areas and elevation of reporting of potential issues and problems to senior management
- Ensure that management consistently reviews and audits risk areas, as well as develops, implements, and monitors corrective action plans.
- Encourage accountability and compliance across the organization
- Ensure the Compliance program has the appropriate amount of resources

What Governs Compliance?

- **Social Security Act:**
 - Title 18
- **Code of Federal Regulations*:**
 - 42 CFR Parts 422 (Part C) and 423 (Part D)
- **CMS Guidance:**
 - Manuals
 - HPMS Memos
- **CMS Contracts:**
 - Private entities apply and contracts are renewed/non-renewed each year
- **Other Sources:**
 - OIG/DOJ (fraud, waste and abuse (FWA))
 - HHS (HIPAA privacy)
- **State Laws:**
 - Licensure
 - Financial Solvency
 - Sales Agents

** 42 C.F.R. §§ 422.503(b)(4)(vi) and 423.504(b)(4)(vi)*

Additional Resources

- For more information on laws governing the Medicare program and Medicare noncompliance, or for additional healthcare compliance resources please see:
 - Title XVIII of the Social Security Act
 - Medicare Regulations governing Parts C and D (42 C.F.R. §§ 422 and 423)
 - Civil False Claims Act (31 U.S.C. §§ 3729-3733)
 - Criminal False Claims Statute (18 U.S.C. §§ 287,1001)
 - Anti-Kickback Statute (42 U.S.C. § 1320a-7b(b))
 - Stark Statute (Physician Self-Referral Law) (42 U.S.C. § 1395nn)
 - Exclusion entities instruction (42 U.S.C. § 1395w-27(g)(1)(G))
 - The Health Insurance Portability and Accountability Act of 1996 (HIPAA) (Public Law 104-191) (45 CFR Part 160 and Part 164, Subparts A and E)
 - OIG Compliance Program Guidance for the Healthcare Industry:
<http://oig.hhs.gov/compliance/compliance-guidance/index.asp>

Attestation

Thank you for completing the *“2023 Medicare Parts C & D General Compliance Training.”*

Should you have any questions, please contact the Medicare Compliance Officer, Thomas Wilson.

He can be reach at: Thomas.Wilson@kelsey-seybol.com or directly by calling (904) 669-8710.

Please submit your completed attestation that accompanies this training to: Compliancelist@Kelsey-Seybold.com or mail:

KS Plan Administrators, LLC
Compliance Department
11511 Shadow Creek Parkway
Pearland, Texas 77584