



# Medicare Advantage and Part D Contract Compliance & Oversight Overview

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Center for Drug and Health Plan Choice (CPC)  
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## Session Overview

- CMS Compliance & Oversight Structure
- Oversight Strategy
- Oversight Activities
- Alignment of Audit Approach
- Compliance Plans/Programs
- What's on the Horizon?


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## CMS Compliance & Oversight Structure

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
CENTERS FOR MEDICARE & MEDICAID SERVICES

APPROVED LEADERSHIP

As of  
April 1, 2009  
\*Denotes Acting

CENTER FOR DRUG AND HEALTH PLAN CHOICE (CPC) Jonathan Blum, Director Timothy Hill, Deputy Director		BUSINESS OPERATIONS STAFF (BOS) Eugenia Mattison-Gibson, Director	
MEDICARE DRUG BENEFIT AND C & D DATA GROUP (MDBG) Cynthia Tuboi, Director Tracey McClatchee, Deputy Dir.	MEDICARE DRUG AND HEALTH PLAN CONTRACT ADMINISTRATION GROUP (MCCAG) Theresa DeCaro, Director Jany Malachuk, Deputy Dir.	MEDICARE ENROLLMENT APPEALS GROUP (MEAG) Anthony Cubells, Director Danielle Moon, Deputy Dir.	MEDICARE PLAN PAYMENT GROUP (MPPG) Tom Hutcherson, Director Cheri Rice, Deputy Dir.
PROGRAM COMPLIANCE AND OVERSIGHT GROUP (PCOG) Brenda Tranchida, Director Michelle Turano, Deputy Dir.			


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## CMS Compliance & Oversight Structure

### June 2008 Reorganization - Key Goals

- Enhanced focus on:
  - Compliance/oversight activities
  - Data collection and analysis
  - Risk assessment/management
  - Integrated MA/Part D activities
  - Consistency
  - Communication/collaboration
  - Transparency



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## Oversight Strategy

### Goals:

- Protect Beneficiaries
- Offer Value in Benefit Offerings
- Make Appropriate Payments
- Ensure Accountability with Program Rules



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## Oversight Strategy

### Specific Strategies:

- Data Driven – quantifiable performance metrics and monitoring measures
- Proactive – prevent, detect and respond (“find and fix”)
- Focused – targeted on risks



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## Oversight Activities

Specific Activities:

- Contracting
- Account Management and Day-to-Day Monitoring
- Data Monitoring, Performance Assessment and Surveillance
- Auditing
- Progressive Enforcement

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## Alignment of Audit Approach With Oversight Strategy

- Shift from routine audits to more targeted audits
- Known risks or identified concerns
- Outcomes (vs. policies/procedures)
- Targeted on individual performance issues or high risk areas with greatest beneficiary harm potential
- Includes comprehensive audits and random selection

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## Alignment of Audit Approach With Oversight Strategy

- Targeted program audits
  - Agent/broker (compensation, licensure, testing and training audits)
  - Compliance program effectiveness
  - Appeals and grievances
  - SNP enrollment eligibility audits
  - Part D LIS readiness audits

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## Compliance Plans/Programs

- “Compliance” refers to:
  - (1) all contract compliance requirements; and
  - (2) includes FWA compliance elements and requirements



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## Compliance Plans/Programs

- Effective, comprehensive compliance programs are key to meeting CMS requirements
- Includes requirement to implement programs to control and combat fraud, waste and abuse (FWA)



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## Compliance Plans/Programs

- Metrics, effective internal controls, monitoring, reporting and risk assessment
- Oversight of internal operations and any delegated entities, contractors, etc.
- Pay close attention to attestations & certifications submitted to CMS – misrepresentation is basis for enforcement actions, including termination



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## What's On the Horizon?

- Oversight - more rigorous, proactive, data-driven, targeted to known risks
- Audits - more timely, targeted on known risks, outcome-based, integrated into a host of methods for oversight
- Compliance plans/programs - targeted reviews of all programs to ensure proper oversight and outcomes

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## What's On the Horizon?

- Compliance training and educational initiatives targeted to Chief Compliance Officers and staffs
- Focus on internal controls (operations, delegated entities)
- Pay attention to areas that have potential to adversely affect beneficiaries (e.g., issuing timely and correct ANOCs/EOCs, oversight of delegated entities, agent/broker marketing, etc.)

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## What's On the Horizon?

- Improved coordination & exchange of information with the States to better support our respective oversight and enforcement roles
- OIG work plan and GAO focus – appeals and grievances, agent/broker compensation requirements, compliance programs (expect similar heightened focus from CMS)

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## Questions?

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