


**Delegate Oversight:
Structure and Process from
a Payer Perspective**

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Introduction 


- Susan J Anderson, Distribution Compliance Officer
 - Distribution (Sales) Compliance Officer for UnitedHealthcare Medicare and Retirement
 - My scope includes oversight of the sales activities of all Medicare products
 - Joined the Compliance Team in January 2010

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Perspective 


- Delegate Oversight from a sales perspective
 - Last Annual Election Period (AEP) we had 24,000 agents licensed, certified and appointed to sell
 - We have 6 telesales vendors contracted with us to help us sell Medicare products
- ** Have you identified your key business partners/delegated entities:*

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Delegate Oversight: Context 


- Medicare Advantage Organizations (MAOs) often delegate functions both to related parties (intercompany) and to third parties
- Delegate relationships can pose challenges from a compliance and business performance standpoint
- MAOs retain fundamental **accountability** for the performance of their delegates but are challenged to "get into" the activities of our delegated entities
- This challenge is magnified in sales because many agents and vendors are not exclusive to United and the relationship is "sensitive."

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Delegate Oversight: Context 


- Why do we care?
 - Good business
 - MAOs retain accountability for the action of our delegates;
 - Delegating responsibility can mean increased liability

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How we have addressed our Oversight of Delegated Entities 


- # 1) Identified our key delegated entities -
 - **Tip: Identify entities based on some criteria – Spend, Relationship, Risk**
- #2) Educated our business regarding liability/accountability of our business partners
- #3) Set an expectation of oversight with our business partners
 - **Tip: Your level of Oversight may vary among delegated entities**
 - **Tip: Be clear around expectations**
- #4) Standardized our tools so that you have a level playing field among delegated entities

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How we have addressed our Oversight of Delegated Entities 


- #5) Ensure your contracts address the delegated entity issues.
 - For example, our agent and agency agreements contain provisions related to accountability and cooperation
- #6) Set an expectation of compliance as a cultural priority within the organization (not just meeting the requirements of the law...but exceeding the expectations of our stakeholders)
 - *Tip: Come up with a tag line so that people remember*
- #7) Accountability of Oversight rests with the business with support from the Distribution Compliance Program

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Tools to help with Delegated Entity Oversight 

- Standardized Contracts with key contractual provisions
 - MAO responsibility; Gov't access to records; Accountability ; and downstream obligations
- Focused and Standardized resources – to help set expectations
 - Delegated entity Toolkit -
 - Vendor Oversight Committee structure
 - Dashboard Reporting
- Monitoring/Audit Programs with reporting back to the delegated entities and respective compliance committees

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Delegated Entity Toolkit 


- A "kit" that is a resource guide for our agents/vendors around compliance expectations.
- The Toolkit contains:
 - Contains Code of Conduct;
 - 7 elements of a compliance program;
 - an oversight committee structure with template agenda and minutes; and
 - Required monitoring and auditing
 - Is intended to be routinely updated

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Selected Committee Activities 


- Review vendor contracts for compliance with internal policies and procedures; work with business leads and vendors to understand compliance obligations
- Convene quarterly vendor compliance oversight and review meetings
- Reporting, metrics, dashboards: focus on outcomes

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Impact on Results 

- Evolving process
- Reporting of key indicators via dashboards/scorecards very useful in bringing attention to issues
- Ongoing dialogue within multiple forums drives resolutions of problems
- Single point of accountability: compliance officer and committee
- Clear structure for percolating/escalating issues

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Compliance and Business Benefits 

- Earlier identification of risk: potential for improved resolution of issues and reduced compliance risks
- Clearer expectations with business partners
- Better relationship management including communication
- Better results
- Better for members

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Questions or Comments?

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