



# Part 1: Medicare Parts C & D Compliance Training



*Developed by the  
Centers for Medicare &  
Medicaid Services*

# Why Do / Need Training?

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.

# Background

- CMS requires Medicare Advantage, Medicare Advantage-Prescription Drug, and Prescription Drug Plan Sponsors (“Sponsors”) to implement an effective compliance program.
- An effective compliance program should:

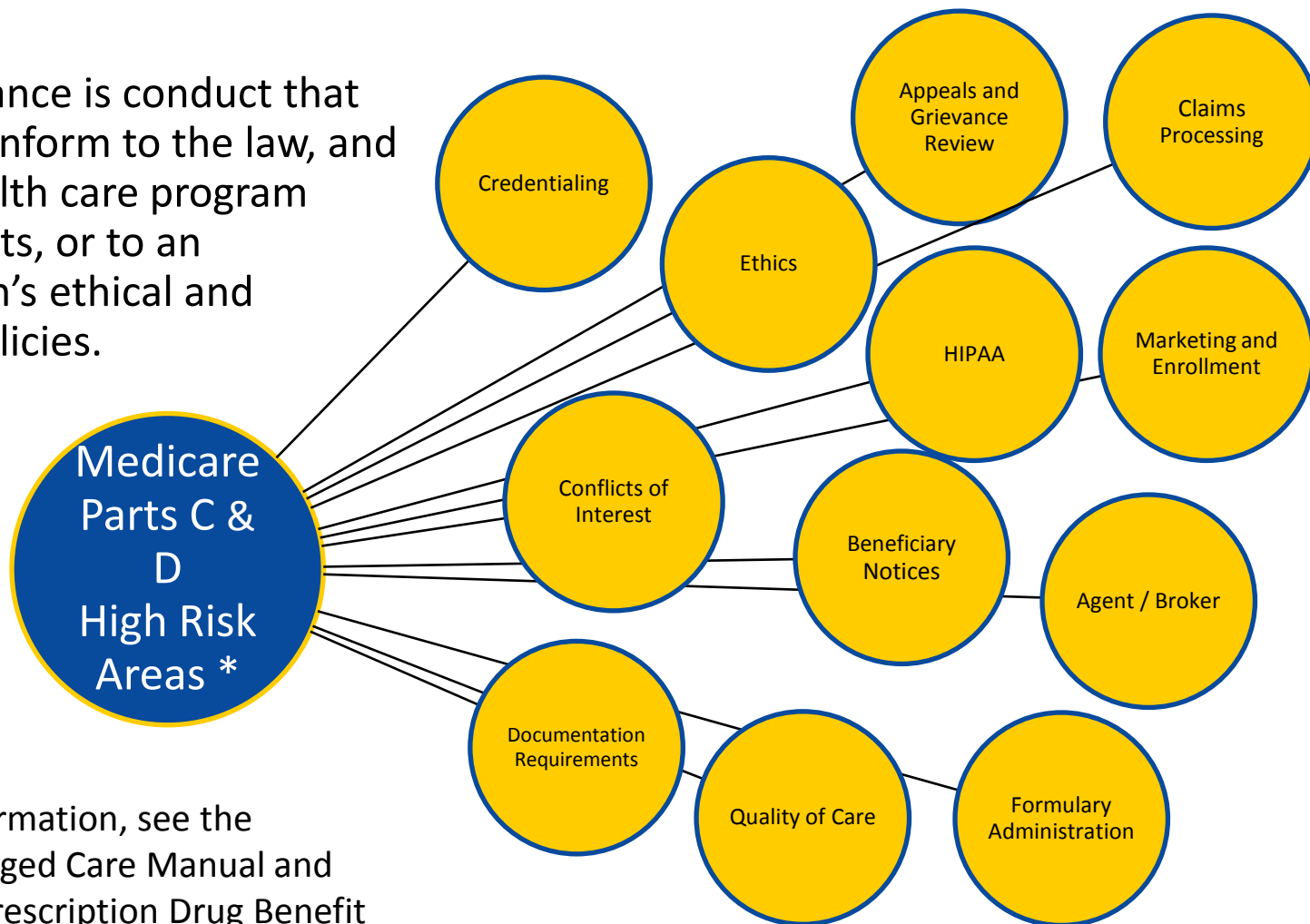


# Compliance Training

- CMS expects that all Sponsors will apply their training requirements and “effective lines of communication” to the entities with which they partner.
- Having “effective lines of communication” means that employees of the organization and the partnering entities have several avenues through which to report compliance concerns.

# What Is Noncompliance?

Noncompliance is conduct that does not conform to the law, and Federal health care program requirements, or to an organization's ethical and business policies.



\* For more information, see the Medicare Managed Care Manual and the Medicare Prescription Drug Benefit Manual on <http://www.cms.gov>

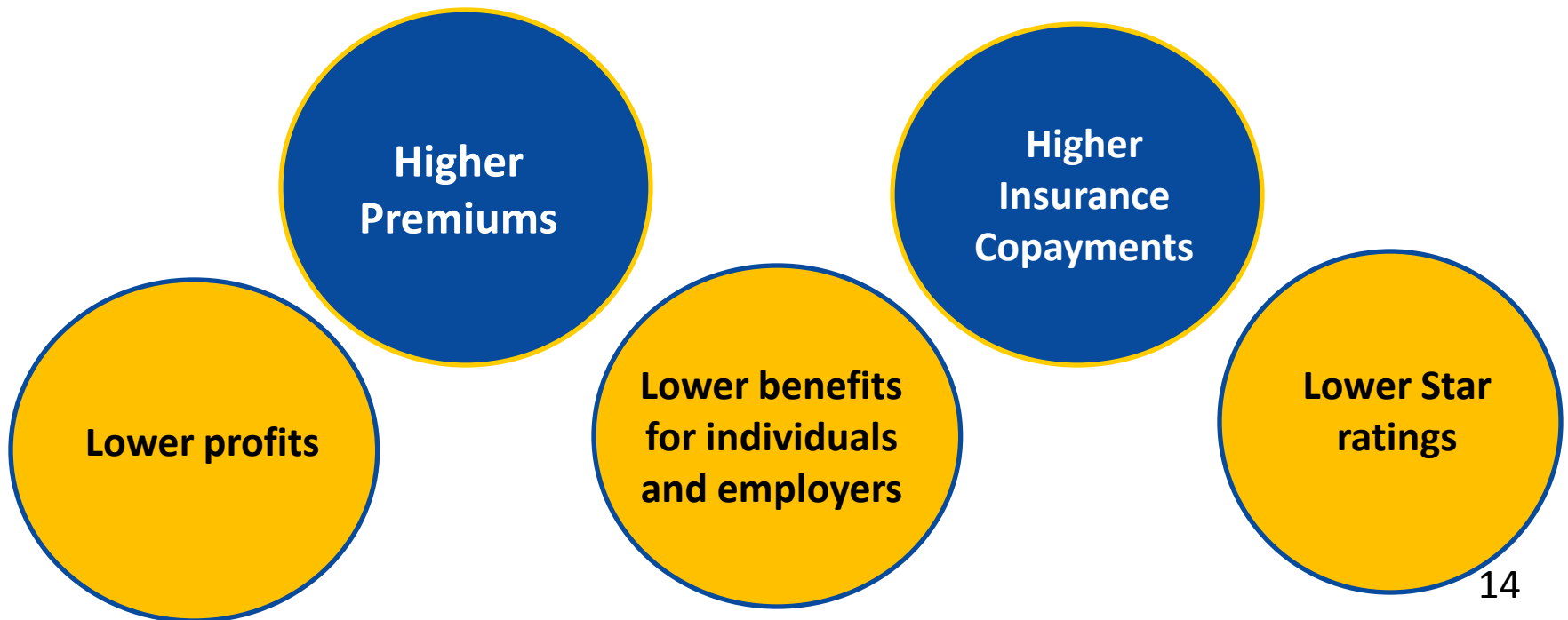
# Noncompliance Harms Enrollees



# Noncompliance Costs Money

Non Compliance affects EVERYBODY!

Without programs to prevent, detect, and correct noncompliance you risk:



# I'm Afraid to Report Noncompliance

There can be **NO** retaliation against you for reporting suspected noncompliance in good faith.

Each Sponsor must offer reporting methods that are:





# How Can I Report Potential Noncompliance?

- Talk to a Manager or Supervisor
- Call the Medicare Compliance Officer (Barb Wedekind)
- Contact the CEO (Dave Carpenter)

# Know the Consequences of Noncompliance

Your 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!



# Part 2: Medicare Parts C and D Fraud, Waste, and Abuse Training



*Developed by the Centers  
for Medicare & Medicaid  
Services*

# Why Do I Need Training?

Every year *millions* of dollars are improperly spent because of fraud, waste, and abuse. It affects everyone.

Including **YOU**.

This training will help you detect, correct, and prevent fraud, waste, and abuse.

**YOU** are part of the solution.

# How Do I Prevent Fraud, Waste, and Abuse?

- Make sure you are up to date with laws, regulations, policies (through this training).
- Ensure data/billing is both accurate and timely.
- Verify information provided to you.
- Be on the lookout for suspicious activity.

# Understanding Fraud, Waste and Abuse

In order to detect fraud, waste, and abuse  
you need to know the **Law**

# Criminal FRAUD

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.

18 United States Code §1347



# Waste and Abuse

**Waste:** overutilization of 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 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.

# Report Fraud, Waste, and Abuse

Do not be concerned about whether it is fraud, waste, or abuse. Just report any concerns to your manager, who will investigate and follow up with the appropriate individuals in the organization responsible for compliance standards.

# Indicators of Potential Fraud, Waste, and Abuse

Now that you know what fraud, waste, and abuse are, you need to be able to recognize the signs of someone committing fraud, waste, or abuse.

# Key Indicators: Potential Beneficiary Issues

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

# Key Indicators: Potential Provider Issues

- Does the provider write for diverse drugs or primarily only for controlled substances?
- Are the provider's prescriptions appropriate for the member's health condition (medically necessary)?
- Is the provider writing for a higher quantity than medically necessary for the condition?
- Is the provider performing unnecessary services for the member?

# Key Indicators: Potential Provider Issues

- Is the provider's diagnosis for the member supported in the medical record?
- Does the provider bill the sponsor for services not provided?

# Key Indicators: Potential Pharmacy Issues

- Are the dispensed drugs expired, fake, diluted, or illegal?
- Do you see prescriptions being altered (changing quantities or Dispense As Written)?
- Are proper provisions made if the entire prescription cannot be filled (no additional dispensing fees for split prescriptions)?
- Are generics provided when the prescription requires that brand be dispensed?

# Key Indicators: Potential Pharmacy Issues

- Are pharmacy benefits managers being billed for prescriptions that are not filled or picked up?
- Are drugs being diverted (drugs meant for nursing homes, hospice, etc. being sent elsewhere)?



# Reporting Fraud, Waste, and Abuse

Everyone is required to report suspected instances of fraud, waste, and Abuse.

Sponsors may not retaliate against you for making a good faith effort in reporting.

# Reporting Fraud, Waste, and Abuse

Every health care organization participating in a Medicare Advantage and prescription drug plan is required to have a mechanism in place in which potential fraud, waste, or abuse may be reported by employees. Each organization must be able to accept anonymous reports and cannot retaliate against you for reporting. Review your organization's materials for the ways to report fraud, waste, and abuse.

When in doubt, see your manager!

# 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.

# How Do I Correct Issues?

Once issues have been identified, a plan to correct the issue needs to be developed. Consult your manager to find out the process for the corrective action plan development.

The actual plan is going to vary, depending on the specific circumstances.



# CONGRATULATIONS!

You have completed the Centers for Medicare & Medicaid Services Parts C & D Compliance Training