

## Medicare Parts C and D General Compliance Training Web-Based Training

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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 WBT for your reference.

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

Completing this training module satisfies the Medicare Parts C and D plan Sponsors 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);
- 42 CFR Section 423.504(b)(4)(vi);
- Section 50.3 of the Compliance Program Guidelines (Chapter 9 of the “Medicare Prescription Drug Benefit Manual” and Chapter 21 of the “Medicare Managed Care Manual”); and
- June 17, 2015, Health Plan Management System (HPMS) memo: Update – Reducing the Burden of the Compliance Program Training Requirements. (Keep up-to-date with the most recent memos on the CMS Compliance Program Policy and Guidance website.)

While Sponsors are required to complete this training or use this module’s downloaded content to satisfy compliance training requirements, completing this training in and of itself does not ensure that a Sponsor has an “effective Compliance Program.” Sponsors are responsible for establishing and executing an effective compliance program according to the Centers for Medicare & Medicaid Services (CMS) regulations and program guidelines.

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The MLN is home for education, information, and resources for the health care professional community. The MLN provides access to the CMS Program information you need, when you need it, so you can focus more on providing care to your patients.

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6. Provider Electronic Mailing Lists.

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### 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, your every action potentially affects Medicare enrollees, the Medicare Program, or the Medicare Trust Fund.

## Training Requirements: Plan Employees, Governing Body Members, and First-Tier, Downstream, or Related Entity (FDR) Employees

Certain training requirements apply to people involved in performing or delivering the Medicare Parts C and D benefits. All employees of Medicare Advantage Organizations (MAOs) and Prescription Drug Plans (PDPs) (collectively referred to in this WBT course as "Sponsors") and the entities with which they contract to provide administrative or health care services for enrollees on behalf of the sponsor (referred to as "FDRs") must receive training about compliance with CMS program rules.

You may also be required to complete FWA training within 90 days of your initial hire. Please contact your management team for more information.

- **Learn more about Medicare Part C**

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

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

## Course Content

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; however, you must complete at least the Introduction before exiting the course. Do not click the "X" button in the upper right-hand corner of the window as this will cause you to exit the WBT course without properly saving your progress. 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. After successfully completing the Post-Assessment, you'll get instructions to print your certificate.

### Course Cues

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This course uses cues at various times to provide additional information. The cues are hyperlinks, buttons, acronyms, pop-up windows, and printing cues. For more information on course cues, click the "HELP" button in the upper right corner.

### Screen Resolution

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If you need to adjust your screen resolution, access instructions through the "HELP" button in the upper right corner and go to the "Screen Resolution" section.

## Course Objectives

When you complete this course, you should be able to correctly:

- Recognize how a compliance program operates; and

- Recognize how compliance program violations should be reported.

Click on the “MAIN MENU” button to return to the WBT Main Menu. Then, select “Lesson: Compliance Program Training.”

## Introduction and Learning Objectives

This lesson outlines effective compliance programs. It should take about 15 minutes to complete. Upon completing the lesson, you should be able to correctly:

- Recognize how a compliance program operates; and
- Recognize how compliance program violations should be reported.

## 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 should:

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

## 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.

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.

For more information, refer to:

- [42 Code of Federal Regulations \(CFR\) Section 422.503\(b\)\(4\)\(vi\)](#) on the Internet;
- [42 CFR Section 423.504\(b\)\(4\)\(vi\)](#) on the Internet;
- “[Medicare Managed Care Manual](#),” Chapter 21 on the CMS website; and
- “[Medicare Prescription Drug Benefit Manual](#),” Chapter 9 on the CMS website.

## Seven Core Compliance Program Requirements

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 that will 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 FWA. This training and education should be tailored to the different responsibilities and job functions of employees.

## Seven Core Compliance Program Requirements (continued)

### 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 that 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.

## Compliance Training—Sponsors and 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!

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; and
- 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 (or Code of Conduct) state compliance expectations and the principles and values by which an organization operates. Contents will vary as Standards of Conduct should be tailored to each individual organization's culture and business operations. If you are not aware of your organization's Standards of Conduct, ask your management where they can be located.

**Everyone** has a responsibility to report violations of Standards of Conduct and suspected non-compliance.

An organization's Standards of Conduct and Policies and Procedures should identify this obligation and tell you how to report suspected 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 has 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; and
- 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 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:

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

### **How to Report Potential Non-Compliance**

#### **Employees of a Sponsor**

- Call the Medicare Compliance Officer;
- Make a report through your organization’s website; or
- Call the Compliance Hotline.

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

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

## Beneficiaries

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

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

There can be no retaliation against you for reporting suspected non-compliance in good faith.

Each Sponsor must offer reporting methods that are:

- Anonymous;
- Confidential; and
- Non-retaliatory.

## What Happens After Non-Compliance Is Detected?

After non-compliance is detected, it must be investigated immediately and corrected promptly.

However, internal monitoring should continue to ensure:

- No recurrence of the same non-compliance;
- Ongoing compliance with CMS requirements;
- Efficient and effective internal controls; and
- Enrollees are protected.

## What Are Internal Monitoring and Audits?

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



## Compliance Is Everyone's Responsibility!

**Prevent:** Operate within your organization's ethical expectations to prevent non-compliance!

**Detect & Report:** If you detect potential non-compliance, report it!

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

## Lesson Review

Now that you have completed the Compliance Program Training lesson, let's do a quick knowledge check. The following questions do not contribute to your overall course score in the Post-Assessment.

## Knowledge Check

You discover an unattended email address or fax machine in your office that receives beneficiary appeals requests. You suspect that no one is processing the appeals. What should you do?

Select the correct answer.

- A. Contact law enforcement
- B. Nothing
- C. Contact your compliance department (via compliance hotline or other mechanism) (CORRECT)
- D. Wait to confirm someone is processing the appeals before taking further action
- E. Contact your supervisor

## Knowledge Check

A sales agent, employed by the Sponsor's First-Tier or Downstream entity, submitted an application for processing and requested two things: 1) to back-date the enrollment date by one month, and 2) to waive all monthly premiums for the beneficiary. What should you do?

Select the correct answer.

- A. Refuse to change the date or waive the premiums, but decide not to mention the request to a supervisor or the compliance department
- B. Make the requested changes because the sales agent determines the beneficiary's start date and monthly premiums
- C. Tell the sales agent you will take care of it, but then process the application properly (without the requested revisions) – you will not file a report because you don't want the sales agent to retaliate against you
- D. Process the application properly (without the requested revisions) – inform your supervisor and the compliance officer about the sales agent's request (CORRECT)
- E. Contact law enforcement and the Centers for Medicare & Medicaid Services (CMS) to report the sales agent's behavior

## Knowledge Check

You work for a Sponsor. Last month, while reviewing a monthly report from the Centers for Medicare & Medicaid Services (CMS), you identified multiple individuals who are not enrolled in the plan but for whom the Sponsor is being paid. You spoke to your supervisor who said not to worry about it. This month, you have identified the same enrollees on the report again. What should you do?

Select the correct answer.

- A. Decide not to worry about it as your supervisor instructed – you notified him last month and now it's his responsibility
- B. Although you have seen notices about the Sponsor's non-retaliation policy, you are still nervous about reporting – to be safe you submit a report through your compliance department's anonymous tip line so you cannot be identified (CORRECT)
- C. Wait until the next month to see if the same enrollees appear on the report again, figuring it may take a few months for CMS to reconcile its records – if they are, then you will say something to your supervisor again

- D. Contact law enforcement and CMS to report the discrepancy
- E. Ask your supervisor about the discrepancy again

## Knowledge Check

You are performing a regular inventory of the controlled substances in the pharmacy. You discover a minor inventory discrepancy. What should you do?

Select the correct answer.

- A. Call local law enforcement
- B. Perform another review
- C. Contact your compliance department (via compliance hotline or other mechanism)
- D. Discuss your concerns with your supervisor
- E. Follow your pharmacy's procedures (CORRECT)

## You've completed the lesson!

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

Click the "MAIN MENU" button to return to the Web-Based Training (WBT) Main Menu. Then select "Post-Assessment" to begin the Post-Assessment.

### Statutory and Regulatory Provisions

Under section 1140 of the Social Security Act (the Act), there are restrictions regarding the use of certain words, letters, emblems and symbols in connection with advertisements, solicitations or other productions. Specifically, the words "Social Security," "Social Security Account," "Social Security System," "Social Security Administration," "Medicare," "Health Care Financing Administration," "Department of Health and Human Services," "Health and Human Services," "Supplemental Security Income Program," or "Medicaid" may not be used in a manner that gives (or could give) the impression that the solicitation, advertisement or other production is endorsed, authorized, affiliated with or approved by the Centers for Medicare and Medicaid Services or by the Department of Health and Human Services.

Similarly, letters such as "SSA," "HCFA," [1] "DHHS," "HHS," "SSI," or other combinations or variations also may not be used to imply approval or involvement by the Department of Health and Human Services or CMS. The same rules apply to the use of symbols and emblems associated with the Department of Health and Human Services or with the Centers for Medicare and Medicaid Services, such as the design of the social security card, the Medicare card, or envelopes or stationary used by either entity. State agencies or political subdivisions of state agencies are exempt from these restrictions.

Government publications are not subject to copyright law.[2] However, section 1140(a)(2)(B) of the Act prohibits the reproduction, reprinting or distribution of items consisting of forms, applications or other publications of the Social Security Administration or the Department of Health and Human Services for a fee unless specific, written authorization is obtained as prescribed by regulations published by the Commissioner of Social Security or the Secretary of the Department of Health and Human Services.[3] Violations of Section 1140 are punishable by a civil money penalty of \$5,000 for each piece of advertisement, solicitation or other production, and up to \$25,000 for each instance where a broadcast or telecast is used as the means of transmission for the solicitation or advertisement. See 42 C.F.R. § 1003.102(b)(7). Section 1140 is enforced by the Office of the Inspector General. It should be noted that the use of a disclaimer to inform the public that a given solicitation or advertisement is not endorsed or approved of by any governmental entity does not waive the requirements of section 1140.

### Analysis

CMS information may be used in an advertisement or solicitation if certain words, letters, emblems and symbols are not used in a manner that could conceivably give the impression that the advertisement has been approved, authorized or sanctioned by either the Department of Health and Human Services or CMS. The information CMS makes public on its web site can be incorporated into another web site for without prior authorization if the commercial entity does not charge a fee for reproductions of forms, applications or other government publications. If an individual wishes to copy a CMS publication, form or application verbatim in order to sell it to the public, CMS may refuse to grant written authorization for reproduction. However, it would be permissible for an individual to retrieve information from CMS' website, incorporate or synthesize that information into his own publication, and sell the publication to the public. Arguably, CMS' website constitutes a "publication" that cannot simply be copied by an individual who wishes to sell the information.

[1]We would also expect that the initials "CMS" would be included in this list in light of the agency's new name.

[2]17 U.S.C. § 105.

[3]The Department has yet to publish regulations pursuant to subsection 1140(a)(2)(B); however, we believe that CMS has the authority to disapprove reproduction of its publications.