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FDR Compliance Newsletter

April 2015 – Issue 5

2015 Audit Protocols

Program audits

The Centers for Medicare & Medicaid Services (CMS) performs regular program audits on plan sponsors like Aetna, that offer Medicare Part C and D plans. These audits ensure that we deliver benefits according to the terms of our contract. They also confirm that we evaluate compliance with core program requirements.

Audit protocols

CMS released the 2015 Audit Protocols to clearly outline the audit process. These protocols help us monitor, audit and oversee our Medicare operations. They may also help you do the same for the services you provide on our behalf.

The protocols don't describe how CMS does the audit step-by-step. Instead, they include descriptions of:

- The audit purpose and process
- Data preparation and submission
- Sample selection
- Elements that CMS reviews

Performance measures

The 2015 Audit Protocols measure performance in the following areas:

- Part D Formulary and Benefit Administration
- Part D Coverage Determinations, Appeals, and Grievances

In this issue

Quick links

- **Medicare Managed Care Manual**
- **Medicare Prescription Drug Benefit Manual**
- **Office of Inspector General (OIG) exclusion list**
- **General Services Administration exclusion list**
- **Aetna's Code of Conduct**
- **CMS' General Compliance and Fraud Waste and Abuse Training**
  - NOTE: CMS hasn't updated their training since 2013. Employees and downstream entities can still complete this training to satisfy the Medicare compliance program training requirements.

*Aetna maintains a comprehensive Medicare Compliance Program. It includes communication with Aetna Medicare FDRs. Dedicated to Aetna's Medicare Compliance Program is John Wells, Medicare Compliance Officer. He's based in Maryland. You can send questions or concerns for John and/or his Medicare compliance subject matter experts to **MedicareFDR@aetna.com**.*

- Part C Organization Determinations, Appeals and Grievances
- Special Need Plans – Model of Care (SNP-MOC)
- Part C and Part D Compliance Program Effectiveness

CMS will launch more protocols on provider network adequacy and medication therapy management. They haven't released the pilot protocols yet.

You can download the 2015 Audit Protocols on the **CMS website**, or go directly to **HPMS Memo - 2015 Program Audit Protocols and Process Updates**.

Policy updates

Medicare compliance policies

We update our Medicare compliance policies at least once a year. Go to **Medicare compliance policies** to view, print or save them. They include:

- Creation and Maintenance of Medicare Compliance
- Risk Assessment Auditing, Monitoring and Issue Management
- Effective Lines of Communication
- Medicare Compliance Training Policies and Procedures

Distribution

If your organization has a comparable **Code of Conduct** and compliance policies, make sure you distribute them to your employees and Downstream Entities:

- Within 90 days of hire/contracting
- Annually
- When you make updates

If you don't have your own, you can send Aetna's **Code of Conduct** and compliance policies to your employees and Downstream Entities.

Our oversight program

We're responsible for fulfilling the terms and conditions of our contract with CMS and meeting the Medicare program requirements. Part of that responsibility is making sure we have adequate oversight of our First Tier, Downstream and Related Entities (FDRs).

Training packages

We give our training packages to our First Tiers upon contracting and annually. These training packages include important information about our FDR oversight program. They also include details about the Medicare Compliance Program requirements. In the training package, you'll find:

- Aetna's Code of Conduct
- Compliance policies
- CMS's Part C and D Fraud Waste and Abuse and General Compliance Training

You should get your annual training package in April.

Attestations

Each year, all of our FDRs must attest to their organization's compliance with the Medicare Compliance Program requirements. This is an extra method we use to educate our First Tiers. Attestations allow FDRs to do a self-assessment of their compliance with the requirements.

The method and timing of collection of the attestations varies. It depends on the First Tier type, but the requirements are the same. For more details, refer to the July 2014 edition of the ***FDR Compliance Newsletter***. Here we provided a summary of the annual First Tier compliance attestation collection.

Audits

In addition to the annual attestations, each year we select a sample of First Tiers to audit. During the audits, we collect and review documentation to evidence your compliance. These audits include an assessment of one or both of the following:

- First Tier's compliance program
- First Tier's operational or contractual performance

Report to Aetna actual or potential fraud, waste and abuse OR non-compliance:

FDRs can have their own internal processes for reporting. But, you must use one of the methods below to report back instances that impact Aetna's Medicare business.

By phone:
1-888-891-8910
(7 days a week, 24 hours a day)

Online:
https://aetna.alertline.com

By mail:
Corporate Compliance
P.O. Box 370205
West Hartford, CT 06137-0205

Contracting with Downstream Entities

CMS requires that our contracts with FDRs include specific terms and conditions. Some of these include a requirement that FDRs:

- Comply with state and federal requirements including Medicare laws, regulations and instructions
- Help with and give information to CMS and/or its designee as part of an audit or inspection
- Maintain records for a minimum of 10 years

If your organization subcontracts the work you provide for our Medicare business to Downstream Entities, you need to ensure your contract with them also includes all the required terms and conditions.

Model amendment

You can download CMS's **model contract amendment**. We encourage you to use it for new and existing contracts with Downstream Entities. Your organization may develop your own contract language. But be sure to include all the requirements outlined in Chapter 11 of the **Medicare Managed Care Manual**.

Prior to contracting

Before you contract with a Downstream Entity, be sure to consider the following:

- Does the entity do work offshore?
- Is the entity on the OIG or GSA list?
- What training will I need to provide the entity?
- How will I oversee the entity?

After contracting

After contracting, it is required that you ensure adequate oversight of the Downstream Entity. This includes:

- Providing required training on the Medicare Compliance Program requirements
- Implementing an oversight strategy to monitor the entity's compliance

Medicare compliance program requirement

You can review the Medicare Compliance Program requirements below.

General compliance and fraud, waste and abuse (FWA) training

CMS's FWA and general compliance training or your own equivalent training should be provided to your employees and Downstream Entities who are

assigned to work on Aetna Medicare Plans. This must occur:

- Within 90 days of hire or contracting
- Annually thereafter

Code of Conduct/compliance policies

You are required to share either Aetna's Code of Conduct (COC) and compliance policies or your own equivalent COC and compliance policies with your employees and downstream entities. This must occur:

- Within 90 days of hire or contracting
- Each year afterwards
- Whenever updates are made

Reporting mechanisms

You're required to train your employees on how to report suspected or detected non-compliance and potential FWA for investigation. You're also required to report incidents to us if they impact our Medicare business.

Exclusion lists screening

Your organization is required to ensure that none of your employees or downstream entities that work on our Medicare business are on the OIG or GSA exclusions lists. Be sure to check these lists prior to hire or contracting, and monthly thereafter.

Offshore operations

Your organization isn't allowed to engage in offshore operations without the express consent of an authorized Aetna representative. Also, you're required to report these activities to CMS.

Downstream oversight

You're responsible for communicating all Medicare compliance program requirements and expectations to your downstream entities. Also, your organization is required to implement a strong oversight program to ensure that your downstream entities comply with all laws, rules, regulations and the Medicare compliance program requirements.

Record retention

You're required to retain your employees' training records for 10 years. The records should include key data elements such as time, attendance, topic, certificates of completion and test scores as applicable.

Need more information?

For more details you can review our **FDR Guide**. For questions about how to submit an attestation, contact your Aetna Relationship Manager or email **MedicareFDR@aetna.com**.

What is an FDR

First Tiers, Downstream and Related

First Tier Entity is any party that enters into a written arrangement, acceptable to CMS, with a Medicare Advantage Organization or Part D plan sponsor or Applicant to provide administrative services or healthcare services to a Medicare eligible individual under the Medicare Advantage program or Part D program.

Downstream Entity is any party that enters into a written arrangement, acceptable to CMS, with persons or entities involved with the Medicare Advantage benefit or Part D benefit, below the level of the arrangement between a Medicare Advantage Organization or applicant or a Part D plan sponsor or applicant and a first tier entity. These written arrangements continue down to the level of the ultimate provider of both health and administrative services.

Related Entity means any entity that is related to a Medicare Advantage Organization or Part D sponsor by common ownership or control and:

Performs some of the Medicare Advantage Organization or Part D plan Sponsor's management functions under contract or delegation; or

Furnishes services to Medicare enrollees under an oral or written agreement; or

Leases real property or sells materials to the Medicare Advantage Organization or Part D plan Sponsor at a cost of more than $2,500 during a contract period.