

“Hear Ye! Hear Ye! Here come the regulators – managed care organizations getting audit ready!”

Managed Care Compliance Conference
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Speakers

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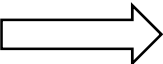
Today's Goals

- Discuss value add advantages and associated process for auditing and monitoring programs
- Lessons learned on “how to” provide value to vendors in complex managed care environments
- Discuss best practices on “how to” develop control measures to manage, audit, monitor and reports risk related outcomes

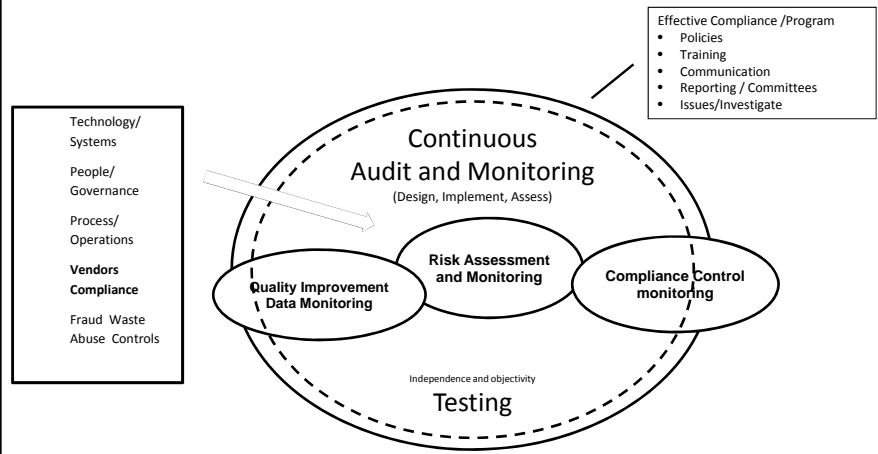
Navigating Regulatory Environments



Compliance Paradigm Shift

- FROM
 - Ad Hoc
 - Limited/Centralized Oversight
 - Informal or No Policies & Procedures
 - Inspect, Detect, React
 - Unknown Risk
- 
- TO
 - Planned, Continuous Activity
 - Oversight by everyone
 - Formal, Written Policies and Procedures
 - Risk Mitigation and Prevention
 - Anticipate, Facilitate, Sustain
 - Audit and Monitoring

Evaluation of Program Methodology

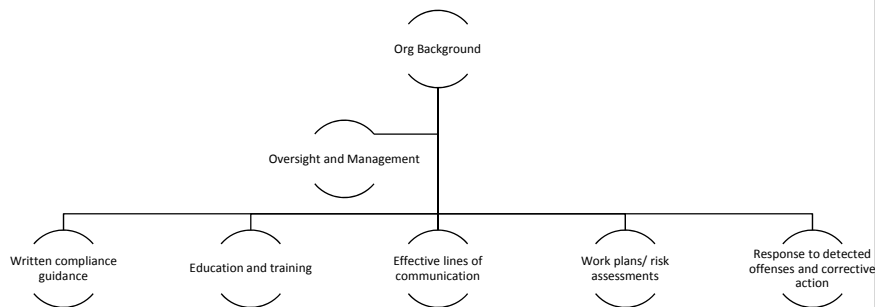


Compliance Program Creation

- **Medicare (Part C and D Participation)**
 - Medicare Advantage
 - Medicare Medicaid Plans
 - Institutional Special Needs Plans
 - Dual Special Needs Plans (dual eligible)
 - Prescription Drug Plan /Drug Rebate Programs
- **Medicaid (State Contract)**
 - Health Services (Population)
 - Technology /Telehealth
 - Reporting
- **Federally Funded “MarketPlace”**
 - Exchange/ Health Marketplace Products
 - (State and Federal)
- **Accrediting bodies**
- **CMS Fraud Waste Abuse**
- **US Sentencing Commission**
- **Vendors**



Hear Ye! Auditors are here!



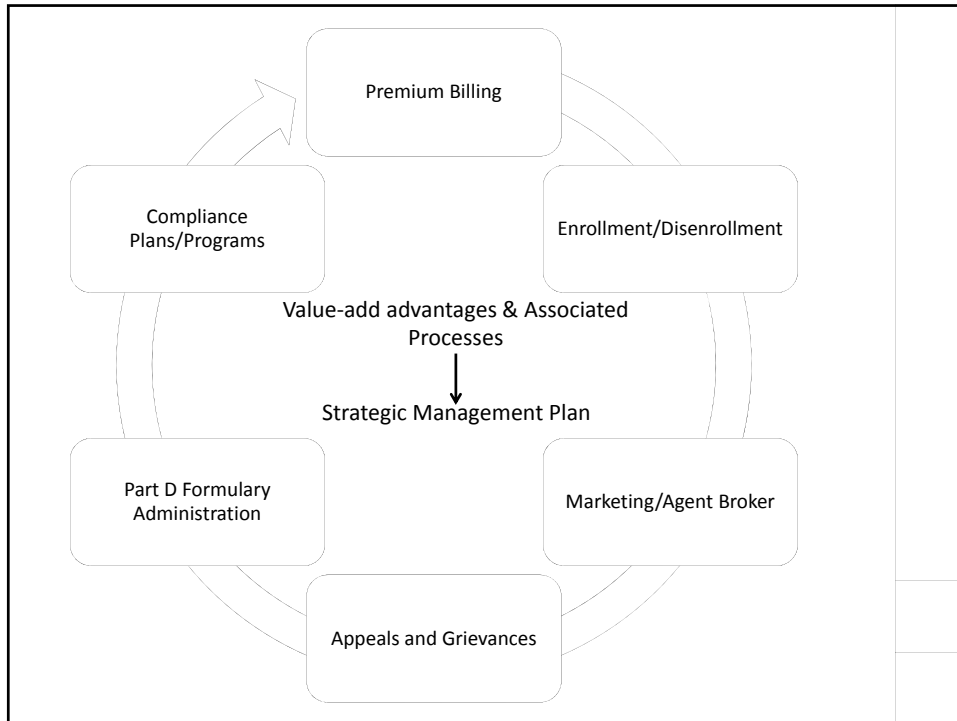
Vendor management

- Be aware of program vulnerabilities and various opportunities for FWA
- Holds vendors accountable for outcomes
- Establish clear goals, create new procurement and contracting strategies
- Establish and promote a MCOs awareness of applicable program regulations
- Regulate its internal processes and train staff and vendors to conform to and abide by applicable state and federal regulations



Vendor Auditing and Monitoring Focus

- Compliance Program Effectiveness
- Regulatory Adherence
- Conflict of Interest
- Policy and Procedures
- Payment Processing and Reimbursement Practices
- Quality Control Assessments
- Contractor and Vendor Arrangements
- Business Unit and Program Audits
- Exclusion screenings
- Regulatory Specific Audits
 - i.e. Kickbacks/Gifts/Bribes/Business Referrals



Monitoring, Tracking & Trending of Risks

- Define organizational monitoring responsibilities
- Regularly review reports/updates on work plan
- Update leadership of current compliance / performance risks
- Risks Assessments and Corrective Action Plans
- Business Partners/Vendor compliance / performance
- Changing regulatory requirements
- Compliance responsibilities & surveillance

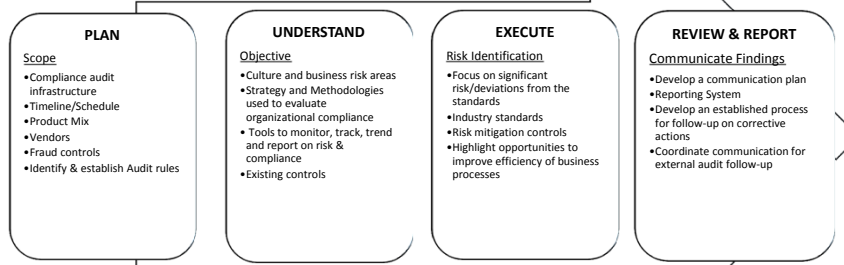
Case Study #1 - Tennessee

- 1994, transitioned fee-for-service to 12 MCOs
- Many challenges with Medicaid managed care
- Many unprepared for the financial requirements
- Within 10 years, many MCOs became insolvent due to a lack of experience and capital.
- Failed to meet quality standards because the plans were unprepared to monitor and report utilization.
- 2015, transitioned to three statewide MCOs

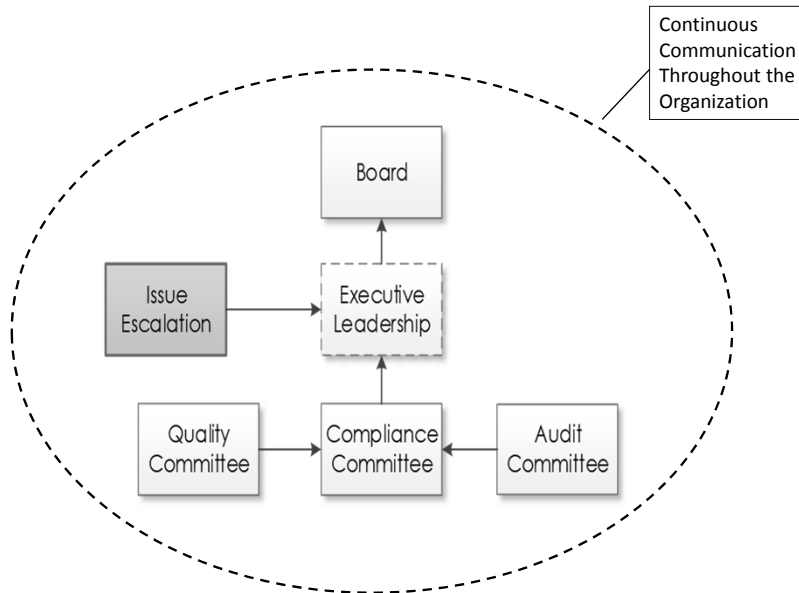
Tennessee Lessons Learned

- Gradual implementation to prepare vendor transformation
- Collaborate with vendors by sharing data infrastructure per contract terms
- Continue to innovate by looking for best practices
- Monitor contract terms and outcomes
- Enforce accountability for non-compliance
- Develop and update First Tier Downstream compliance plan and attestation

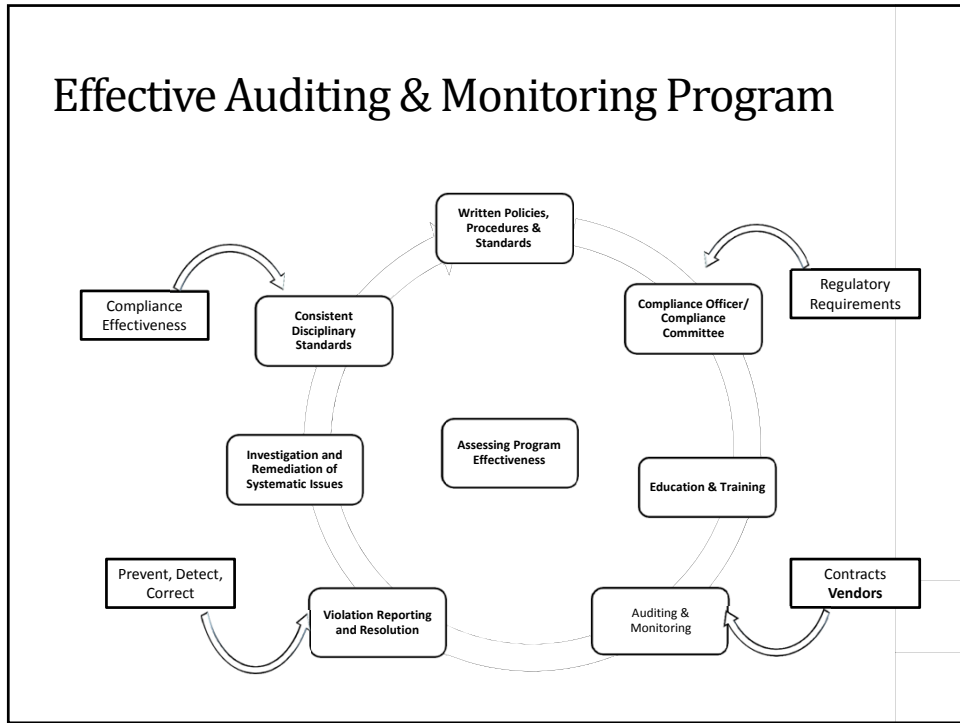
Control Measures: Goals/Objectives/Processes



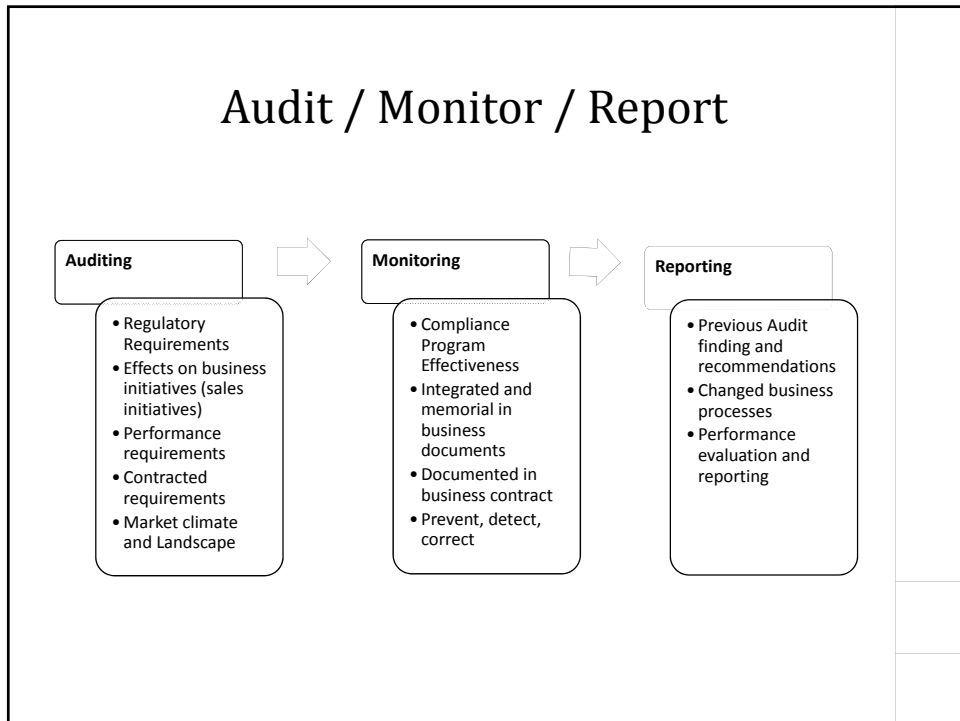
Defined Communication Channels



Effective Auditing & Monitoring Program



Audit / Monitor / Report



Best Practices

- **Leadership & Partnership**
 - Stakeholder/ governance/ vendors
 - Day-to-day oversight, monitoring, collaboration, and coordination on end-to-end business operations, and clinical process
- **Approach**
 - Auditing (pre-contract, annual evaluation, adhoc audits)
 - Monitoring (ongoing)
 - Communication & Reporting
- **Risk Focused Methodology**
 - Performance, quality, and operational improvement, Compliance monitoring / Reporting/ Annual Report
 - Regulatory adherence
 - Reporting systems - tools, dashboards, forms, communication plan and compliance validation
 - Administrating, managing, communicating and reporting corrective action plans (CAP)
 - Enforcement of penalties

Audit Ready



Source: <https://ctmfile.com/story/setting-up-and-maintaining-a-world-class-ethics-compliance-programme>



References

- James Cottos, (2011) *Managed Care Outlook*, "Are You Prepared to Pass a CMS Managed Care Audit?" (Feb 15)
- <https://nashp.org/wp-content/uploads/2016/04/MCO-Brief.pdf>