

Creating an Effective Vendor Management and Oversight Program

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Today's Agenda

1. Scope of Vendor Management Program
2. Vendor Management Program Basics
3. Best Practices
4. Questions and Answers

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Scope of Vendor Management Program

I. Define Scope

First Tier, Downstream and Related/ Delegated Entities
(MCCAs)


Business Associates
(HIPAA)

General Vendors/ Suppliers


Regulatory Compliance

Operational/ Contract Compliance


Contract



Engagement



Execution



Relationship

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Vendor Management Program Basics

Effective vendor management drives compliance and conformity to delegated services or processes while controlling exposure to vendor-related risk.

Function	Description
Foundation	Building blocks of a Vendor Oversight Program
Oversight and Monitoring	Process of ensuring federal, state, and contractual requirements are met.
Audit	Audit Readiness, FTE Universe
Reporting Results	Communicating performance

Foundation

Oversight

Monitoring

Audit

Reporting

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Foundation

Seven Elements of Compliance of an Effective Compliance Plan

Key Requirements and Standards

Federal Regulations	State Law	Contractual Obligations
<ul style="list-style-type: none"> HHS/CMS CCIO HIPAA 	<ul style="list-style-type: none"> DOI House Bills 	<ul style="list-style-type: none"> SLA's Right to Audit

Contracts are a Strategic Asset

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Oversight and Monitoring

	Objective	Description
Oversight	Operations	• Process
	Compliance/legal	• Requirement
	Contractual	• Specific contractual requirements and business requirements
Monitoring	Oversight Committees	• Existing programs
	Financial	• Financial Results
	Operational	• Departmental
	Compliance	• Compliance Controls
	Audit	• Audit activities and Corrective Action Plans


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Audits

"Getting to know you. Getting to know all about you..."

Audit Readiness

- CMS
- State
- Internal Audit



First Tier Entity (FTE)

- First-Tier Entity Auditing and Monitoring (FTEAM)
- Employee and Compliance Team (ECT)
- Internal Auditing (IA)
- Internal Monitoring (IM)
- Fraud, Waste and Abuse Monitoring (FWAM)

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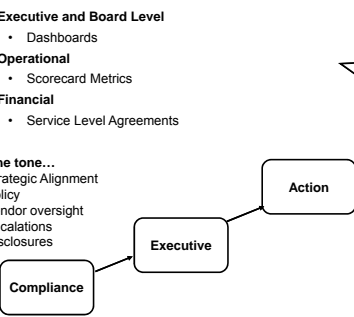
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Reporting

- **Executive and Board Level**
 - Dashboards
- **Operational**
 - Scorecard Metrics
- **Financial**
 - Service Level Agreements

Sets the tone...

- Strategic Alignment
- Policy
- Vendor oversight
- Escalations
- Disclosures



Vendor Management

Drives Vendor....

- Performance
- Compliance
- Business
- Audits

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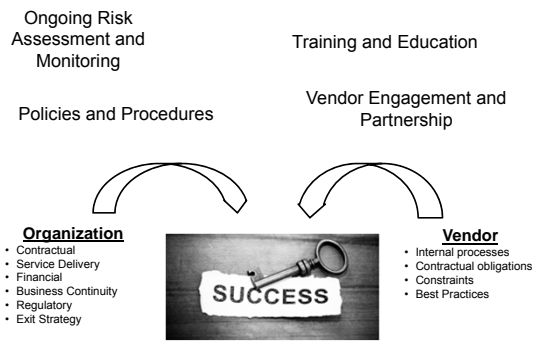
Best Practices

Ongoing Risk Assessment and Monitoring

Training and Education

Policies and Procedures

Vendor Engagement and Partnership



Organization

- Contractual
- Service Delivery
- Financial
- Business Continuity
- Regulatory
- Exit Strategy

Vendor

- Internal processes
- Contractual obligations
- Constraints
- Best Practices

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Key Takeaways

- ✓ Define the program
- ✓ Understand how vendors are being managed at your organization
- ✓ Know your program
- ✓ Know your contract
- ✓ Communicate
- ✓ Regularly assess and monitor the effectiveness of vendor program

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