

Medicare Advantage & Part D Compliance Training

2009



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HEALTH SERVICES



NEW WEST MEDICARE
... Medicare Simplified

The CMS Mandate

- The Centers for Medicare and Medicaid Services (CMS) requires all Medicare Advantage and Part D (Prescription Drug) health plans to ensure their participating providers complete Fraud, Waste and Abuse (FWA) training no later than December 31, 2009 and annually thereafter.

New West Health Services is offering this presentation to help providers fulfill the training requirement.



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Regulatory Requirements

- New regulations at 42 CFR Parts 422.503 and 423.504 require plan sponsors to:
 - Develop effective training that incorporates measures to detect, prevent, and correct fraud, waste, and abuse
 - Apply training requirements to all first tier and downstream and related entities.
 - Produce attestations from the training as proof of compliance
 - Retain copies of training logs

Regulatory Requirements (cont'd)

- You may have similar relationships with other plan sponsors. You may attend this training or the training offered by another plan sponsor. With either option:
 - The training must comply with the requirements of 42CFR Parts 422.503 and 423.504;
 - You must submit an attestation to New West Health Services as proof of the training before December 31, 2009.

Health Care Fraud

Health Care Fraud: Intentionally, or knowingly and willfully attempting to execute a scheme to falsely obtain money from any health care benefit program.

Medicare Fraud: Purposely billing Medicare for services that were never provided or received.

Abuse in the Health Care System

Abuse: Improper behaviors or billing practices that create unnecessary costs.

Fraud is distinguished from abuse in that, in the case of fraudulent acts, there is clear evidence that the acts were committed knowingly, willfully, and intentionally or with reckless disregard.

Waste in the Health Care System

Waste: Health care spending that can be eliminated without reducing the quality of care

Quality waste: Overuse, underuse and ineffective use

Inefficiency waste: Redundancy, delays, and unnecessary process complexity

CBO estimate – Waste = \$700 billion annually

Where Does FWA Occur?

Fraud or abuse may be committed by any individual or entity involved in the Health Care system. Some examples are:

- Medicare Advantage Organizations and Part D sponsors
- Pharmacies
- Pharmacy Benefit Managers
- Providers
- Hospitals (and other facilities)
- Beneficiaries
- Medical Equipment Suppliers

Potential Risks

Potential risks include, but are not limited to:

- Failure to provide medically necessary services
- Marketing schemes
- Prescription drug switching
- Falsifying information in order to justify coverage
- Script mills
- Unnecessary treatments
- Billing for services not rendered
- Double billing
- Altering medical claims to receive higher reimbursement
- Limiting access to needed services
- Prescription splitting
- Inappropriate billing practices (billing brand for generic)
- Dispensing expired or adulterated prescription drugs
- Beneficiary ID card sharing (identity theft)
- Doctor shopping
- Prescription forgery and altering
- Unbundling, upcoding



Related Health Care Laws

The ***False Claims Act*** prohibits:

- Knowingly presenting, or causing to be presented, a false or fraudulent claim for money or property to a government agency
- Knowingly using, or causing to be used, a false record or statement to obtain payment for a false or fraudulent claim
- Conspiring to defraud the government by getting a false claim allowed or paid

Violators may be liable to the United States Government for a civil penalty of not less than \$5,000 and not more than \$10,000, plus 3 times the amount of the damages which the Government sustains because of the act of the person.

Related Health Care Laws (cont'd)

The ***Anti-Kickback Statute*** makes it a criminal offense to knowingly and willfully offer, pay, solicit, or receive any remuneration to induce or reward referrals of items or services reimbursable by a Federal health care program.

Remuneration: includes anything of value, directly or indirectly, overtly or covertly, in cash or in kind.

Where remuneration is paid purposefully to induce or reward referrals of items or services payable by a Federal health care program, the anti-kickback statute is violated.

The statute ascribes criminal liability to parties on both sides of an impermissible “kickback” transaction.

Related Health Care Laws (cont'd)

The *Physician Self-Referral Prohibition Statute* (“Stark Law”) prohibits:

- Physicians from referring Medicare patients for certain designated health services (DHS) to an entity with which the physician or a member of the physician’s immediate family has a financial relationship – unless an exception applies.
- An entity from presenting or causing to be presented a claim to anyone for a DHS furnished as a result of a prohibited referral

Combating Fraud is a Collaborative Effort

Government agencies work together to detect, correct and prevent FWA:

- Department of Justice (DOJ), including the Federal Bureau of Investigation (FBI)
- Office of the Inspector General (OIG) of the department of Health and Human Services (HHS)
- Quality Improvement Organizations (QIOs)

Best Practices for Preventing FWA

- Develop a compliance program
- Implement appropriate policies and procedures to prevent FWA
- Monitor claims for accuracy – ensure coding reflects services provided
- Monitor medical records - ensure documentation supports services rendered
- Perform regular internal audits
- Check the OIG exclusion list for all new employees
- Maintain open lines of communication with colleagues and staff members
- Ask about potential compliance issues in exit interviews
- Take action if you identify a problem

Remember you are ultimately responsible for claims bearing your name, regardless of whether you submitted the claim.

OIG Exclusion List

- <http://exclusions.oig.hhs.gov/search.html>
- <http://epls.arnet.gov/>

Reporting Fraud, Waste, and Abuse

Confidential methods of reporting FWA:

- Office of the Inspector General
 - By Phone: **1-800-HHS-TIPS (1-800-447-8477)**
 - By TTY/TDD: **1-800-377-4950**
 - By Email: HHSTips@oig.hhs.gov

- Centers for Medicare and Medicaid Services (CMS)
 - By Phone: **1-800-MEDICARE (1-800-633-4227)**
 - By TTY/TDD: **1-877-486-2048**

- New West Health Services
 - By Phone: Compliance Hotline **1-888-222-1437**

Callers are encouraged to provide information on how they can be contacted for additional information, but they may remain anonymous if they choose.

Fraud, Waste, and Abuse Resources

The following Federal government websites are sources of information regarding FWA:

- Department of Health and Human Services office of Inspector General: <http://oig.hhs.gov/fraud.asp>
- Centers for Medicare and Medicaid Services (CMS): <http://www.cms.hhs.gov/MDFraudAbuseGenInfo/>
- CMS information about Physician Self Referral Law: www.cms.hhs.gov/PhysicianSelfReferral

Attestation of Training Completion

Thank You!

Please complete the training Attestation and return to New West Health Services before December 31, 2009.



18

