



Medicare Parts C and D
General Compliance Training

Introduction

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Course Purpose

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 for you in 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 accurate statement of their contents.

Satisfaction of Training Requirements

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 of the CMS Compliance Program Policy and Guidance website).

Effective Compliance Program

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.

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.

Serving as the umbrella for a variety of CMS education and communication activities, the MLN offers:

[MLN Education Products](#), including [MLN Matters® Articles](#)

[WBT Courses](#) (many offer Continuing Education credits)

[MLN Connects® National Provider Calls](#)

[MLN Connects® Provider Association Partnerships](#)

[MLN Connects® Provider eNews](#)

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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**. 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

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 the 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 and Objectives

This WBT course consists of general compliance program training, a post-assessment, and a course evaluation. 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.

It should take you approximately 20 minutes to complete this course. Successfully completing the course require 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.

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.

Compliance Training

Compliance Program Requirements

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

Effective Compliance Program

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

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.

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.

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.

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.

Well-Publicized Disciplinary Standards

Sponsors must enforce standards through well-publicized disciplinary guidelines.

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 function concerning the Sponsor's Medicare Parts C and D program comply with Medicare Program requirements.

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 the 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.

<https://www.cms.gov/Medicare/Prescription-Drug-Coverage/PrescriptionDrugCovContra/Downloads/Chapter9.pdf>

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 co-payments
- 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 you 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 promptly corrected.

However, internal monitoring should continue to ensure:

- There is 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!