

Medicare Audit Experience

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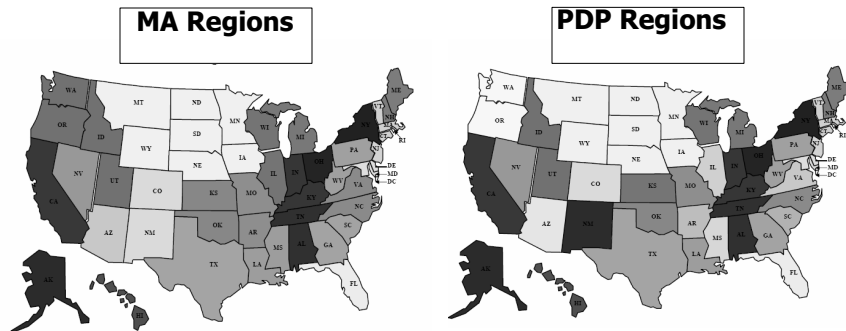
Northern Plains Alliance

- >Blue Cross Blue Shield Northern Plains Alliance
 - MedicareBlue Rx (CMS Region 25) – Standalone Medicare Prescription Drug Plan (PDP).
 - MedicareBlue PPO (CMS Region 19) – Medicare Advantage Regional PPO with Part D (MA-PD).



MA and PDP Regions

>CMS established **26 MA regions** and **34 PDP regions** in accordance with the MMA.



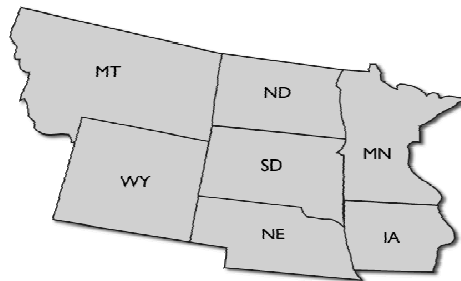
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Northern Plains Alliance

> Six Blue Cross Blue Shield plans* serving the seven states for Part D Prescription Drug Plan (Region 19 and Region 25).

Iowa
Minnesota
Nebraska
North Dakota
South Dakota
Montana
Wyoming



*Independent licensees of the Blue Cross and Blue Shield Association

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Today's Focus

- > CMS Strategy and Oversight for Medicare Advantage (MA) and Part D
- > Plan Experience with CMS Audits
- > Lessons Learned and Information Sharing

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Current CMS Strategy for MA and Part D

- > Who's going to lead CMS?
- > Healthcare Reform Impact?
- > 2010 CMS Audit Plan Pending.
- > Mandates standardizing processes.
- > Greater overall role from government in the form of oversight (and competition?).

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Current CMS Strategy for MA and Part D

- > Continued data requests and reporting.
- > Increased monitoring efforts and review by CMS.
- > More plan data made available for public review.
- > Focused audits – Member and Financial Impact.
- > Use of OIG Work Plan.
- > Limiting information shared with Plans (i.e., audit guides shared but no MOEs or worksheets).

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CMS Oversight for MA and Part D

- > Moved some Part D audit responsibility to the Regional Offices (RO) to align with existing MA audit duties.
- > Using Central Office (CO) and contracted resources to support audit activities.
- > Focusing on conducting desk reviews, however onsite visits continue.
- > Using existing reporting and plan performance metrics to determine who and what is audited.

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Focus of CMS Oversight Activities

- > Enrollment and Disenrollment
- > Appeals and Grievances
- > Sales and Marketing
- > Access and Availability

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Non-Traditional CMS Oversight Activities

- > Monitoring Part C and Part D Reporting for outliers.
- > Sales and Marketing Surveillance Console.
- > Use of Acumen for tracking data and auditing certain functions.
- > 2010 Readiness Attestation
 - Increasing the number of attestations required by Plans.
- > Reacting to Plan self reporting more aggressively.
- > Entities outside CMS are contacting Plans for information.

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Monitoring Plan Status – Star Ratings

- | | |
|-------------------------------|-------------------------------|
| > Medicare Advantage | > Part D |
| – HEDIS | – PDE Data |
| – HOS | – 4Rx |
| – CAHPS | – CTM |
| – SNP S&P Measures | – CAHPS |
| – Call Center
Surveillance | – IRE Timeliness |
| | – Call Center
Surveillance |

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Audit Experience

- > One of the first Sponsors to have PDP enrollment and disenrollment audit
- > MEDIC Part D Compliance Program audit
- > Part D Access and Availability
- > MA Quality and Access and Availability
- > Part D and MA Financial Audits
- > PDE Data Validation Audit

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Audit Experience

- > Don't assume you will have prior notice of an audit.
- > Once notified, we had 7-10 days to return universe requests, policies and procedures and supporting documentation.
- > Sample selections were turned around quickly.
- > We had three weeks to put our sample files together.
 - This was long compared to some Plans we talked to.
- > CMS onsite visit was short, but included Central Office (CO) staff.

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Audit Experience

- File/Document review was completed offsite.
- Interviews were conducted with key staff.
- For audits conducted by CMS staff:
 - CMS interviewed key staff responsible for activities identified
 - Exit conference occurred after file review and interviews completed
 - Response from CMS within 45 days
 - Plan had 10 days to dispute CMS findings
 - Plan had 30 days to respond to report
- For audits conducted by CMS contractors timelines varied.

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Lessons Learned

- > Follow instructions in entrance letter carefully. Be sure you understand the scope.
- > Know what is in your data and documentation:
 - If you are not sure about what to send, ask for confirmation prior to submitting data and documentation.
- > If you have zero data universes you will have to attest to the validity of that information.
- > Prepare all interview staff (i.e., expectations, mock questions, etc). Don't forget your delegated entities.
- > Provide clear and ongoing communication to all staff and delegated entities involved in the audit.

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Lessons Learned

- > Be prepared to help the auditors:
 - Provide a history of your plan.
 - Know the guidelines being reviewed and how it works within your plan so that you can explain it if necessary.
 - Inquire if they have audited other plans on the same elements.
 - Challenge scope creep.
- > Audit protocols for CMS and contractors are still being developed.
- > Document all interactions with the auditors.

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Is Your Plan Ready?

- > How many plans have been audited?
- > Are plans in the process of fine tuning their operations?
- > How quickly can you react to changes?
- > Did you attest to 2010 readiness?

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Is Your Plan At Risk?

- > Low Part D and MA performance ratings/scorecards
- > Large enrollment and/or large % increase in enrollment
- > Past audit findings on HPMS – see <http://www.cms.hhs.gov/MCRAAdvPartDENrolData/>
- > Number of Complaint Tracking Module (CTM) cases
- > Timeliness of Reconciliation
- > Submission of Reporting and Attestations
- > Self Disclosure of Compliance Issues
- > OIG Focused Findings or Initiatives - see 2010 OIG Work Plan
- > You haven't been audited yet; especially on enrollment, appeals and grievances, or sales and marketing

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Summary

- > Prepare in advance:
 - Document your compliance program elements and activities.
 - Work the audit guides with the functional areas.
 - > Do you have policies and procedures?
 - Conduct regular mock audits to prepare interviewees.
 - Have established self-monitoring of critical functions.
 - Monitor reports, attestations, and performance measures.

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Summary

- > Talk to other plans
- > Prepare leadership and your subject matter experts
- > Work closely with Operations
- > Strive for a “no surprises” audit.
- > Establish open communication with your Regional Office

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Questions

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