

Health Care Compliance Association

How Blue Cross Blue Shield of Michigan is dealing with HCR Compliance

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Blue Cross Blue Shield of Michigan and Blue Care Network are nonprofit corporations and independent licensees of the Blue Cross and Blue Shield Association.

Key takeaways

- 1 The program for health reform compliance has evolved from our Medicare Advantage program
- 2 Work is already underway to formalize this program and meet short-term and long-term compliance requirements
- 3 One of the key success factors and challenges will be embedding a culture of compliance similar to Medicare Advantage throughout the organization



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Similar core tenants

- Everyone's responsibility
- Beneficiary protection is a core priority
- Clear visibility across enterprise

Embedded in existing organizational structure

- Reports to government programs
- Accountable to audit and compliance board committees

Staffing will be determined over time

- Some dedicated staff currently, brought from Medicare Advantage
- Reassess over time



Work is already underway

Executive alignment

- Clear messages from top executives on importance of compliance and individual responsibility

Near-term planning

- Documenting good faith efforts
- Identified key risks in near term
- Developed 2011 monitoring plan

Long-term planning

- Developed strategic charter to ensure holistic view of the compliance management system
- Aggressive timelines

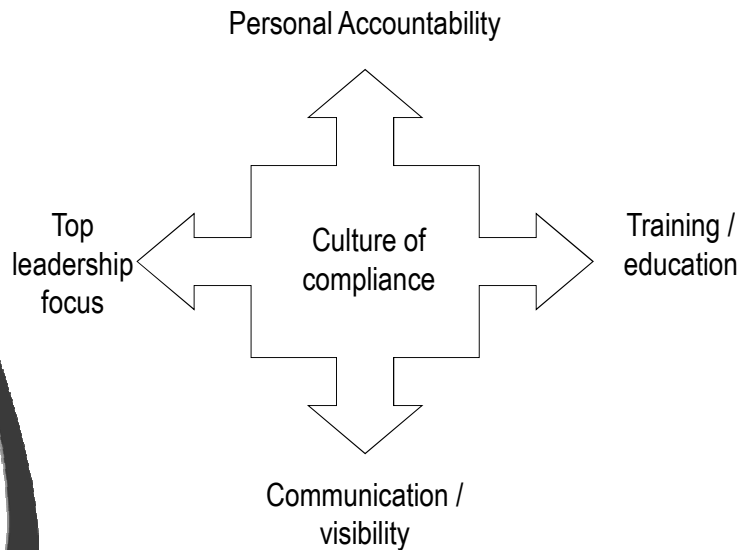


HCR Compliance Charter

- Approved by top management
- Critical success factors
 - Leadership support
 - Cross Section Initiative Team
 - Acceptance
 - Culture of compliance
- Charter goals
 - Document "good faith" efforts for regulatory requirements
 - Develop annual compliance monitoring plan
 - Develop an enterprise compliance model
 - Develop a system of to capture and track compliance information
 - Develop a score card
- Communication Strategy
 - Interim reports to senior leadership, corporate compliance committees and audit committees.
 - Monthly briefings to Executive Management
 - Weekly meetings with work team



Establishing a culture of compliance



Bottom line

- Devote resources now
- Aggressively develop HCR compliance plan
- Engage Top management, the Corporate Compliance Committee and Audit Committees
- We take Compliance very seriously at BCBSM

