

Government Programs Hot Topics

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Northern Plains Alliance

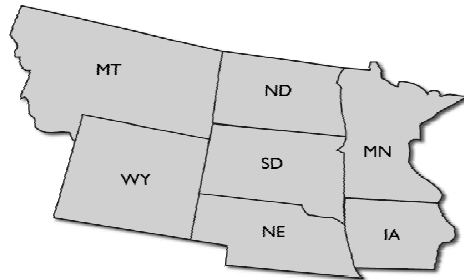
- >Blue Cross Blue Shield Northern Plains Alliance
 - MedicareBlue Rx (CMS Region 25) – Standalone Medicare Prescription Drug Plan (PDP)
 - MedicareBlue PPO (CMS Region 19) – Medicare Advantage Regional PPO with Part D (MA-PD)



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

- > Medicare Advantage and Part D Compliance Program "Effectiveness" Audits
- > Part C and Part D Data Validation and Financial Audits
- > Medicare and Medicaid Recovery Audit Contractors (RACs) and Risk Adjustment Data Validation (RADV) audits
- > What's next?

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Medicare Advantage and Part D Compliance Programs

- > Mandatory Compliance Plans
- > Regulations updated to include “effectiveness” language
- > 7 Required compliance elements – all have interdependencies
- > Must be pro-active and prevent compliance related issues
- > Plans must respond to violations identified

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Compliance Program Effectiveness Audits

- > Plans selected via CMS risk assessment process
- > All plans receiving a program/operations audit will have compliance plan effectiveness audit
- > Documentation important but must provide validation
- > Evaluating effectiveness of compliance plan
- > Include fraud, waste and abuse processes

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Recent Audit Experience

- > No advanced notice of audit or time frames
- > Document and universe requests were new
- > Very short turn around times and strict time lines for document production
- > No data accepted after time frame expired

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Recent Audit Experience

- > Plan was required to make all systems and staff available at one site location
- > 25 auditors on-site for one week; 10 for compliance plan
- > Auditors required wireless access, printers, shredders, multiple conference rooms, their own keys to lock doors, and more

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Recent Audit Experience

- > Very little communication occurred during the audit week between audit lead and plan staff
- > End of day document requests
- > Exit conference was short and vague
- > Expectation to get deficiencies corrected prior to audit letter

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Other Medicare and Medicaid Hot Topics

- > Part C and Part D Data Validation Audits
- > Financial Audits
- > Recovery Audit Contractor (RAC) Activities and RADV Audits (Medicaid Included)

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Part C and Part D Data Validation Audits

- > First Part C and Part D Data Validation Audits will be completed Spring of 2011 (2010 data)
- > Plans must hire external auditor that meets certain criteria and has completed training
- > CMS reduced elements but review is comprehensive
- > Plan results will be made public

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Part C and Part D Financial Audits

- > Comprehensive Review by CMS Contractors
- > Contractors allow to set thresholds and limits
- > Reviews are combination of desk reviews and on-site
- > Includes reconciliation of past years
- > CMS follows up on all findings

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CMS Program Integrity - Medicare and Medicaid

- > Renewed focus on reducing improper payments
- > Medicare and Medicaid Recovery Audit Contractors (RACs)
 - States must pay RACs for overpayments
 - Medicare RACs must ensure MA and Drug Plans have anti-fraud programs
 - Part D RACs will examine claims for exceeding allowable costs

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Risk Adjustment Data Validation Audits (RADV)

- > National MA validation audits occur annually
- > Evaluate payment error rates related to risk adjustment for payment recovery
- > CMS developing methodology for MA Plan audits (comments were due January 21, 2011)

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What's Next?

- > MA and Part D Technical Rule
 - More with less
- > Medicaid Expansion
 - Do Plans have Medicaid Compliance structures on place
- > Increased Enforcement
- > More emphasis on Fraud and Abuse

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Questions

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