Value Added Compliance Program Effectiveness Review: A Health Plan’s Journey

Kelly Nueske, Executive Consultant
Pinnacle Healthcare Consulting
Carolyn Barton, Chief Compliance & Ethics Officer
Group Health Cooperative
January 31, 2017

Setting Scope & Objectives

- What are you trying to accomplish?
  - Ready for a CMS Part C and D Compliance Program Effectiveness (CPE) Program Area audit?
  - Interested in determining how effective Compliance Program structure and processes are supporting health plan operations?
  - Interested in finding out if the Compliance Program is integrated into operations?

CMS Approach

- Desk Review
  - Policies, procedures & Code of Conduct
  - Reporting to governing body and senior management
  - Compliance Officer and appropriate resources
  - Developed and provided training materials
  - Communication strategy: vertical and horizontal
  - Risk assessment, monitoring and auditing processes
  - OIG/GSA exclusion list monitoring
  - Investigation and corrective action plan processes
  - FDR oversight
- Testing
  - Provide data universes that primarily focus on monitoring, auditing and compliance resources
  - Six or more tracer samples to test effectiveness
- Self Assessment Questionnaire
CMS Approach Modified: Part 1

Documentation Review

- Code of Conduct
- Policies & Procedures
- General Compliance
- Privacy
- Data Security
- Compliance Department Work Plan
- Compliance Annual Audit Plan
- Risk Assessment Process
- Audit Report & Corrective Action Plan
- T ools
- Health Plan Organizational Chart
- Compliance Webpage
- Compliance Department Communication
- Samples

Monitoring Results
- Committee structure, charts, minutes
- Board Compliance Committee minutes
- Investigation and outcome log (including from hotline)
- New Employee Compliance Training Materials
- Existing Employee Compliance Training Materials
- Governance Compliance Training Materials
- Employee Handbook
- Compliance Department Job Descriptions and Organization Chart

CMS Approach Modified: Part 1

Documentation Review Objectives:

- Identify conflicting messages (Code versus other written materials)
- Policies consistent with current regulatory requirements
- Risk based approach to managing the program
- Accountability and follow up instilled in the monitoring and auditing process
- Communication strategies engaging and focused on risks
- Reporting structure of compliance resources and committees meet organization needs and support independence/objectivity
- Training materials focus on the "Important stuff", things employees and governance needs to know to be an active participant in the compliance program
- Clarity in roles and responsibilities

CMS Approach Modified: Part 2

- Many, many interviews (approximately 40)
- Board and Committee members
- C-Suite members
- Senior management
- Mid-Level management
- Front line employees, supervisors and managers
- Include some individuals that participate on compliance committees, work in high risk functional areas, and areas that may not view compliance relevant to their work.
- Interviews are confidential with specific comments not shared with management. This approach encourages candor.
- Explain the focus is not to "test" their knowledge but rather determine the effectiveness of compliance program tools and resources
CMS Approach Modified:
Interviews
Interviews focus is on their opinions and determining how much they know about the compliance program.
• Board and/or Committee Members
  • Understanding of an effective compliance program
  • Describe culture of compliance
  • Knowledge of compliance resources (CCO, PO, SO)
  • Compliance Program updates
  • Compliance Program training
  • Risk awareness
  • Program strengths
  • Program opportunities

CMS Approach Modified:
Interviews
• Senior Management
  • Knowledge of compliance program structure and process
  • Describe culture of compliance/leadership engagement
  • Knowledge of compliance resources (Names, Code and Policies)
  • Compliance Program training
  • Risk awareness
  • Program strengths
  • Program opportunities

CMS Approach Modified:
Interviews
• Mid-level Management and Staff
  • Compliance Program training content
  • Knowledge of compliance resources (Names, Code and Policies)
  • Describe culture of compliance/leadership engagement
  • Committee effectiveness and focus
  • Compliance communications
  • Monitoring processes
  • Regulatory update process
  • Program strengths
  • Program opportunities
CMS Approach Modified: Interviews

- Compliance Department Resources
  - Risk assessment and work plan development process
  - Policy development/revisions and dissemination
  - Describe culture of compliance/leadership engagement
  - Committee effectiveness and focus
  - Compliance communications and awareness campaigns
  - Monitoring oversight
  - Corrective action plan process and oversight
  - Regulatory update process
  - Training methods
  - Program strengths
  - Program opportunities

Create Momentum for a Review

- Do your customer contracts require assessment of compliance program effectiveness?
- Where are you in the compliance work plan development cycle?
- How closely do you work with your internal audit function or executive?
- How does your boss feel about conducting a review?
- When was the last time your organization conducted a similar review?
- Have you discussed a review at a compliance committee meeting?

How Key Leadership Was Engaged

- Met with audit executive and collaborated on requirements
- Included in the annual internal audit work plan approved by governing body
- Talk about it with all stakeholders including compliance champions and others
- Implemented a Know Your Compliance Program Placemat for senior leaders and board members to prepare them for the review
- Include reference to the review in the compliance program annual work plan that is discussed and approved by the governing body
- CMS Medicare Part C & D contract requires it
Expected Review Outcomes

- Identification of strengths and opportunities of the compliance program
- Independent assessment of effectiveness
- Highly visible process and transparency of results
- Expert recommendations for improvement
- Satisfaction of CMS Part C & D requirement

Value Added by Review

- Education on the importance of compliance program effectiveness
- Engagement by governance amplified key messages and set the stage
- Increased visibility to single points of failure
- Drove the case for more IT resources and support for operations
- Ownership & accountability highlighted in report meetings with executives

Value Added by Review

- Insights underscored platform for change
- Strengths were concrete and helpful, gratifying to validate
- Interviewees were incredibly candid with consultant
- Led to more effective compliance committees
- Clarified the role of compliance in certain decision making situations *(see handout for details)*
- Prepared us for a subsequent CMS Operational Review & Technical Assistance Visit
Compliance Program
Effectiveness Review Update

Management is providing excellent support and encouragement for the review and improvement of compliance program effectiveness.

- Final draft report was received November 5, 2015.
- Review overall was helpful, timely and full of great recommendations.
- Meetings with executive leaders to review recommendations on December 3, 2015.

Next Step:
- Develop and assure a plan to address recommendations is implemented or incorporated into 2016 work plan.

Approaching Remediation

- Drove annual work plan content
- Captured discussions with consultant while reviewing report for documenting critical next steps in each operating division
- Empathized with operational leaders knowing the challenges they faced
- Met with CEO and small executive team to prioritize program work and process to gain improvements
- Involved key stakeholder groups to share the results, work plan and answer questions
- Planned a re-review

Enduring Value of a Review

- Key stakeholder groups all understand the following about compliance programs and effectiveness:
  - What a compliance program is
  - What compliance program effectiveness looks like
  - Who is accountable for which pieces
  - Why it needs to be embedded in operations
  - Who is authorized to make decisions regarding compliance matters and compliance program matters
  - Why it focuses on outcomes and performance