Vendor Compliance Oversight

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Learning Objectives

- Recognize the value of vendor compliance oversight for your organization
- Understand the importance of a streamlined and standardized process for onboarding, risk profiling, and ongoing monitoring
- Understand several criteria used in the determination, oversight, and monitoring of first tier, downstream, and related entities (FDRs)
- Identify ways to ensure continual vendor monitoring and oversight
- Improve vendor compliance with federal laws and regulations
- Foster collaboration across your organization for effective vendor oversight

What is Vendor Oversight?

1. Dual Accountability
2. Auditing & Monitoring
3. Policies & Procedures
4. Effective Communication
5. Compliance & Regulatory Requirements
6. Self Assessment of the program
Why is Vendor Oversight Important?

- Regulatory Requirement
- Creates open & honest communication
- Protects our Members
- Protects US
- Helps prevent, mitigate, and remediate risks and identified gaps before they become disclosures
- Sets an expectation
- THE RIGHT THING TO DO!

Pre-Delegation Audits

- Pre-delegation oversight is a formal process by which the Health Plan, prior to entering into a written contractual agreement with an external entity, evaluates the entity’s ability to perform certain functions on its behalf
- Test out the following:
  - Policies & procedures
  - Exclusion lists
  - Required training
  - Key Performance Indicators & Service Level Agreements
  - Adherence to the seven elements

Risk Profiling & Assessments

- Establish Vendor Risk profile – The goal is to provide an objective understanding of risk by assigning numerical values to variables representing different types of threats
- Risk Factors:
  - Type of access to Protected Health Information
  - Direct member contact
  - Type of engagement
  - Time since last audit
  - Monitoring Survey results
  - Privacy incidents
  - Business Relationship Complexity
  - Prior Audit/Reviewing Findings
Compliance Reference Guides

• Introduction
• What is an FDR?
• Training Requirements
• Code of Conduct / Compliance Program Policies
• Reporting Compliance / FWA Concerns
• Monitoring and Auditing
• Privacy and Security
• Business Continuity and Disaster Recovery
• Records and Information Management
• Communication
• Frequently Asked Questions (FAQs)
• References

Continuous and Ongoing Monitoring

• Continuous oversight conducted by both the business areas and Compliance
  – Includes monitoring vendor management controls
  – Performance Standards and Key Performance Indicators (KPIs)
  – Annual Monitoring Survey, Compliance and Security Attestation/Assessments
  – Vendor Audits and Compliance Reviews
• Follow-up on corrective action plans and remediation

Compliance Program Effectiveness Audits

• FDR focused audits
  – Ensure FDRs are adhering to the seven elements of an effective compliance program as outlined in Chapter 21 of the Medicare Managed Care Manuals
• Do your policies & procedures address all requirements from Chapters 9 & 21?
  – Have they been reviewed, revised and approved within the past 12 months?
• Do you confirm monthly that your employees are not on the exclusion list?
• Have your employees completed their annual required training?
• Any FWA / Compliance Concerns?
FDR Determination Criteria

- Any party that enters into a written agreement, acceptable to CMS, with a MAO or Part D sponsor to provide administrative or health care services to a Medicare eligible individual under the MA or Part D program
- FDR Determination Subcommittee
  - Access to PHI?
  - Performing a core function?
  - Direct member impact?
  - Decision making authority?
  - Risk to commit health care FWA?
  - Offshore work?

Communications & Committees

- Regulatory requirement to ensure effective lines of communication and a system for prompt response to compliance issues
- Vendor Newsletter
- HPMS Memos
- Delegation Oversight Committee
- Privacy Hotline & Mailbox
- Quarterly Business Review Meetings

Questions

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