



Policy & Procedure

Company:	Moda Health	Department Name: Compliance	Legal and Regulatory Affairs - Compliance
Subject:	Medicare Advantage – Medicare Compliance Program		
Adopt Date:	1/1/12	Review Revision Date:	8/3/18; 10/21/2019, 11/1/2020
Reference Number:		Next Annual Review:	11/1/2021
Division:	Medicare Compliance		

State (select all boxes applicable to this policy)

Dental Medical Pharmacy

Type of Business (check all boxes applicable to this policy)

Commercial Group Commercial Individual Exchange Business EOCCO OHP Medicare

Self-funded Other

I. Policy

To ensure proper administration of its Medicare Part C and Part D plans, and in accordance with CMS requirements, Moda Health has adopted and implemented an effective compliance program, which includes measures to prevent, detect and correct Part C or D program noncompliance as well as fraud, waste and abuse.

II. Definitions

Audit is a formal review of compliance with a particular set of standards (e.g., policies and procedures, laws and regulations) used as base measures.

First Tier Entity is any party that enters into a written arrangement, acceptable to CMS, with an MAO or Part D plan sponsor or applicant to provide administrative services or health care services to a Medicare eligible individual under the MA program or Part D program.

Downstream Entity: any party that enters into a written arrangement, acceptable to CMS, with persons or entities involved with the MA benefit or Part D benefit, below the level of the arrangement between an MAO or applicant or a Part D plan sponsor or applicant and a first tier entity. These written

arrangements continue down to the level of the ultimate provider of both health and administrative services.

Related Entity: any entity that is related to an MAO or Part D sponsor by common ownership or control and

1. Performs some of the MAO or Part D plan sponsor's management functions under contract or delegation;
2. Furnishes services to Medicare enrollees under an oral or written agreement; or
3. Leases real property or sells materials to the MAO or Part D plan sponsor at a cost of more than \$2,500 during a contract period.

III. Procedure

A. **Overview:** The Moda Health Compliance Program, as outlined in the Moda Health Medicare Compliance Plan, includes the following core requirements:

- Written policies, procedures and Code of Conduct;
- Compliance Officer, Corporate Compliance Committee and oversight by Senior Leadership and the Moda Health Board of Directors;
- Effective training and education;
- Effective lines of communication;
- Well publicized disciplinary standards;
- Effective system for routine monitoring and identification of compliance risks; and
- Procedures and system for prompt response to compliance issues.

B. **Written Policies and Procedures:** The Moda Health Medicare Compliance Plan, incorporated into this policy, contains written procedures and standards of conduct that:

- Articulate Moda Health's commitment to comply with all applicable Federal and State standards;
- Describe compliance expectations as embodied in the Code of Conduct;
- Implement the operation of the compliance program;
- Provide guidance to employees and others on dealing with suspected, detected or reported compliance issues;
- Identify how to communicate compliance issues to appropriate compliance personnel;
- Describe how suspected, detected or reported compliance issues are investigated and resolved by Moda Health; and
- Include a policy of non-intimidation and non-retaliation for good faith participation in the compliance program, including, but not limited to, reporting potential issues, investigating issues, conducting self-evaluations, audits and remedial actions, and reporting to appropriate officials.

C. **Code of Conduct:** The Moda Health Code of Conduct establishes the principles and values by which Moda Health operates, and it is expected that all employees, agents, third parties and FDRs with whom Moda Health does business will fully comply with the provisions of the Code of

Conduct. The Code of Conduct is reviewed annually, and revised as needed, subject to approval by the Board of Director.

- D. **Compliance Officer and Corporate Compliance Committee:** Moda Health has a Medicare Compliance Officer and a Corporate Compliance Committee comprised of individuals with decision-making authority who review compliance issues. The Medicare Compliance Officer is a Moda Health employee in charge of the day-to-day operations of the compliance program. He/she must be an employee of the sponsor, parent organization or corporate affiliate. The Medicare Compliance Officer and the Corporate Compliance Committee shall report to the Board of Directors and Senior Leadership regarding the activities and status of the compliance program, including issues identified, investigated, and resolved by the compliance.
- E. **Training and Education:** As set forth in the Moda Health policy on Medicare Advantage Compliance and FWA Training, Moda Health shall ensure that its employees, Board of Directors, and FDRs receive effective training on general compliance and fraud, waste and abuse. In addition to this training, employees may receive training specific to the requirements of their position.
- F. **Communications and Reporting:** Each Moda Health employee and contractor has an obligation to promptly report any suspected or known violation of a Moda Health policy and/or applicable State or Federal law. Moda employees, members, agents, contractors, and other parties may report suspected compliance violations may report compliance issues directly to the Compliance Officer at 503-952-5075 or by email at medicarecompliance@modahealth.com. In addition, anonymous reports may be made through EthicsPoint at 1-866-294-5591 or www.ethicspoint.com.
- G. **Disciplinary Standards:** Employees and contractors may be subject to discipline or sanctions in the event of any non-compliance or failure to report known non-compliance. Sanctions will be appropriate to the circumstances of a violation, and will take into consideration the impact the violation has on the organization, whether the violation was intentional or accidental, and whether Federal or State laws specify a sanction for the particular violation. Sanctions may include verbal warning, written warning, suspension from certain job functions, and termination of employment or contractual relationship.
- H. **Auditing and Monitoring:** Moda Health has a system for routine monitoring and identification of compliance risks. This system includes internal monitoring and audits of operational areas, as well as auditing and monitoring of FDRs, to ensure compliance with CMS requirements and to assess the overall effectiveness of the compliance program.
- I. **Response to Compliance Issues:** In response to any perceived or identified issue of non-compliance, the Medicare Compliance Officer or his or her designee shall conduct a timely, reasonable inquiry into that conduct. If non-compliance is confirmed, the Medicare Compliance Officer or designee shall work with the impacted operational area to prepare a root cause analysis to determine what caused or allowed the deficiency to occur. In addition, the Medicare Compliance Officer and operational area shall develop an effective corrective action plan designed to correct the underlying problem that resulted in program violations, with such plan designed to prevent future noncompliance.

The Medicare Compliance Officer shall timely report identified non-compliance issues to the Region X CMS Account Manager assigned to Moda Health, when determined appropriate, outlining both the nature and scope of the issue, and the corrective action measures initiated by Moda Health. In addition, the Medicare Compliance Officer shall voluntarily self-report potential fraud or misconduct

related to the Medicare program to CMS or its designee. If the non-compliance involves fraud, waste and abuse, and the Medicare Compliance Officer determines that Moda Health does not have the resources to investigate the potential fraud or abuse in a timely manner, the matter shall be referred to the National Benefit Integrity Medicare Drug Integrity Contractor (NBI MEDIC) within 30 days of the date the potential fraud or abuse is identified.

IV. Compliance Program Effectiveness

To ensure proper administration of its Medicare Parts C and D plans, and in accordance with CMS requirements , each year (or more frequently as directed by CMS or Moda Health Senior Leadership), Moda Health shall audit the effectiveness of its Medicare Compliance Program. Such audit shall be conducted by an external auditor, or an internal auditor not within the Compliance department, and the findings of the audit shall be reported to the Board of Directors, Senior Leadership, and to the Corporate Compliance Committee.

V. Affected Departments

All Moda Health employees with involvement in the Medicare Advantage and Part D programs; all first tier, downstream and related entities (as defined by CMS) involved in the administration or delivery of Medicare Part C or D.

VI. Revision Activity

New P & P/ Change/ Revision and Rationale	Final Review/ Approval	Approval date	Effective Date of Policy/Change
Minor grammar update.	Annual approval	8/3/18	8/3/18
No updates	Annual review	10/21/2019	N/A
Minor edits	Annual review	11/1/2020	N/A

VI. References

Medicare Managed Care Manual, Chapter 21 Medicare Prescription Drug Benefit Manual, Chapter 9
 Moda Health Code of Conduct
 Moda Health Medicare Compliance Plan