


An Overview of
Community LIFE
Compliance and Fraud, Waste, and
Abuse Program



General Staff Training for PACE
Employees and Contractors
Updated September, 2010

Purpose:

- ❑ **Describe the Community LIFE code of Ethics**
- ❑ **Describe Community LIFE's Fraud, Waste and Abuse Compliance Program**
- ❑ **Explain our role as a Medicare Part D (prescription drug) plan sponsor**
- ❑ **Provide guidance on where to go and who to call to address compliance concerns**

Definitions

- ❑ Compliance – adherence to laws, regulations, or rules of conduct.
- ❑ Fraud – intentional deception to receive undeserved reimbursement.
- ❑ Waste – extravagant, careless or needless expenditures.
- ❑ Abuse – unsound fiscal, business, or medical practices which result in unnecessary costs.

Compliance

- ❑ Community LIFE is committed to lawful and ethical behavior and requires all employees, contractors, and agents to comply.
- ❑ Overall our compliance program is intended to help us with implementing internal controls and monitoring that help to detect and prevent improper activities related to FWA.
- ❑ It also helps us as a provider adhere to state and federal laws and regulations.

Important Federal Laws

- ❑ The False Claims Act (FCA) prohibits knowingly presenting (or causing to be presented) to the federal government a false or fraudulent claim for payment or approval. Additionally, it prohibits knowingly making or using a false record or statement to get a false or fraudulent claim paid by the federal government.
- ❑ The Anti-Kickback Statute (AKS) prohibits the payment of a kickback or other remuneration in return for referring or recommending a service paid for by Medicare or Medicaid.

Important Laws and Regulations

- ❑ 42 CFR 460, Programs of All-Inclusive Care for the Elderly
- ❑ 42 CFR 423, Voluntary Medicare Prescription Drug Benefit
- ❑ PA Code Title 6, Dept. of Aging, Ch.11, Adult Day Centers
- ❑ PA Code Title 28, Dept. Of Health, Ch.611, Homecare Agencies and Homecare Registries
- ❑ HIPAA
- ❑ Food, Drug, and Cosmetic Act
- ❑ Civil Rights Laws
- ❑ 29 CFR 1910 (OSHA)
- ❑ Federal False Claims Acts (USC Title 31 Ch. 37)
- ❑ Anti-Kickback Statutes (USC Ch 7 Ch. 7)
- ❑ FTC's Red Flag Rule – Identity theft and medical Identity Theft

Code of Ethics

1. The provision of quality services in a caring, respectful manner.
2. Compliance with applicable laws and regulations.
3. Honest, respectful, and fair interactions with others.
4. Truthfulness in communication and reporting, and diligence in verifying facts and data.

Code of Ethics, Cont

5. Avoidance of conflicts of interest which could impact the decision-making of officers, directors, and managers.
6. Avoidance of conduct which causes unwarranted loss of credibility to Community LIFE.
7. Utilizing the company's resources in an economical, secure manner.

Examples of Fraud

- ❑ Enrolling and receiving payment for fictitious persons
- ❑ Altering Prescription, Diagnostic, or other data to increase payments or subsidies
- ❑ Reporting brand-name drugs as dispensed when a generic was dispensed
- ❑ Billing Community LIFE for services not rendered

Examples of Waste

- ❑ Poor recordkeeping and mistakes which result in additional costs to Medicare
- ❑ Improper provision of services, drug prescribing or other practices resulting in poor quality and higher costs to federal health programs
- ❑ Failing to differentiate between Part A, B, and D drugs

Examples of Abuse (of programs)

- ❑ Failing to report rebates or discounts on prescription drugs
- ❑ Drug-seeking behavior by beneficiaries or their family members
- ❑ Issuing prescription refills when not medically necessary

Where to Find C-LIFE Compliance Policy

- ❑ Policy 1002 Corporate Ethics and Compliance Policy Statement
- ❑ Policy 1003 Compliance and FWA Plan
- ❑ Policy 1004 False Claims Act
- ❑ Policy 1005 Reporting and Non-Retaliation
- ❑ Policy 1006 Conflict of Interest
- ❑ Policy 1006A Vendor Relationship Policy
- ❑ Policy 1022 Identity Theft Prevention Program Policy for Health Care Providers

What is a Compliance Program?

□ Prevention

- Sets rules of conduct
- Educates about rules of conduct

□ Detection

- Audits and monitors to detect problems
- Encourages employees to report concerns

□ Correction

- Imposes discipline when appropriate
- Corrects problems

Medicare Part D

- ❑ Community LIFE is a Part D plan sponsor, and most of the prescription drugs we provide our participants are now paid for under Medicare Part D, the Medicare prescription drug benefit
- ❑ All Part D plans are required to have a comprehensive program to prevent, detect and correct fraud, waste and abuse (FWA)
- ❑ The Medicare prescription drug benefit is under a lot of scrutiny as well as Medicare and Medicaid as a whole; we continue to see significant attention by CMS to fraud, waste and abuse ongoing.

Who is responsible for compliance?

- ❑ The *Compliance Officer* is responsible for Community LIFE's compliance program, including the Part D FWA Program.
- ❑ The Board of Directors is responsible for approving and overseeing our compliance program and the Part D FWA Program, and receives reports from the Compliance Officer about ongoing compliance activities.
- ❑ ***All employees and contractors*** are responsible for conducting themselves in an ethical manner and in accordance with our compliance program, and for reporting any suspected fraud, waste and abuse.

Reporting and Investigation:

- You can report compliance concerns by:
 1. Reporting to your **supervisor**
 2. Contact the **Compliance Officer** –
412-436-1344
 3. Call the **Compliance Hotline**, which will accept both identified and anonymous reports **1-877-785-0006**

**YOU DO NOT NEED PERMISSION TO USE #2
OR #3!!!!**

Reporting and Investigations (continued):

- ❑ You will NOT be punished or retaliated against for reporting compliance concerns, including concerns of suspected FWA in Part D.
- ❑ You are prohibited from retaliating against anyone in response to such reports.
- ❑ If you believe you have been disciplined or retaliated against for reporting a compliance concern, you should contact the Compliance Officer.

Reporting and Investigations (continued):

- ❑ The Compliance Officer is responsible for overseeing internal investigations (investigations that we perform).
- ❑ When the government or a government contractor such as a Medicare Drug Integrity Contractor (MEDIC) conducts an investigation, it is the policy of Community LIFE to cooperate in that investigation.
 - However, you are not obligated to consent to an interview, and you may ask that someone else be present during any interview
 - Contact the Compliance Officer immediately if you are contacted by a law enforcement officer or government agent about Community LIFE's business, or if you receive an OIG or Grand Jury subpoena or summons

Monitoring and Auditing:

- ❑ **Community LIFE** engages in regular internal monitoring of our Part D plan, including monitoring for potential FWA.
- ❑ **Community LIFE** monitors pharmacies, pharmacy benefit managers and other third parties that assist with our Part D plan.
- ❑ We review prescription drug event (PDE) and cost data that is submitted to CMS.
- ❑ We also need to monitor participants and prescribers to identify any possible FWA.

Disciplinary Guidelines

- ❑ **Compliance with our FWA Program and other compliance-related policies, and participation in training programs, is a condition of employment at Community LIFE.**
- ❑ **Serious or repeated misconduct, including failure to report violations, may result in termination of employment**
- ❑ **Compliance with the FWA Program and other compliance policies is a factor included in employee evaluations**