

MEDICARE 101 PART C COMPLIANCE

PREPARING for a CMS MEDICARE ADVANTAGE AUDIT

CMS Regional Plan Managers:
Julie Mason, Greg Snyder and Ayanna Busby

CMS REGION IX COMPLIANCE TRAINING

- 25+ New Medicare Advantage Organizations in Region 9 Since 2005
- 2007 First Round of New MAO Audits
- Compliance Training at CMS San Francisco March of 2008

Session Overview

- Audit Process and Schedule
- Universe Pitfalls and Best Practice
- Documentation Pitfalls and Best Practices

Overview of Audit Process

- Step 1: CMS selects MAOs to audit for the year.
- Step 2: RO and MAO staff discuss date of audit (at least 3 months in future).

Overview of Process (cont.)

- **Samples reviewed in RO**
- **Step 3: 12 weeks before audit, RO requests list of delegated entities.**
- **Samples reviewed at MAO**
- **Step 3: 9 weeks before audit, RO requests list of delegated entities.**

Overview of Process (cont.)

- Step 4: 10 weeks before audit, MAO sends list of delegated entities.
- Step 5: 9 weeks before audit, CMS sends site visit confirmation letter.
- Step 4: 7 weeks before audit, MAO sends list of delegated entities.
- Step 5: 6 weeks before audit, CMS sends site visit confirmation letter.

Overview of Process (cont.)

- **Step 6: 7 weeks before audit, MAO sends universes and other pre-site visit documentation to CMS.**
- **Step 7: 6 weeks before audit, CMS notifies MAO of selected cases for review.**
- **Step 6: 4 weeks before audit, MAO sends universes and other pre-site visit documentation to CMS.**
- **Step 7: 3 weeks before audit, CMS notifies MAO of selected cases for review.**

Overview of Process (cont.)

- Step 8: 3 weeks before audit, MAO sends complete case files to CMS for review.
- Step 9: 1 week before audit, CMS and MAO finalize agenda.
- Step 8: 1 week before audit, CMS and MAO finalize agenda.

Overview of Process (cont.)

- Step 10: On-site review—discuss results of previously reviewed cases, gather additional information as necessary.
- Step 9: Review case files onsite and discuss with MAO. Gather additional information as necessary.

Overview of Process (cont.)

- Step 10 (Step 9 if cases reviewed onsite): Within 14 days after exit conference, MAO submits any additional information requested during audit.
- Step 11: 45 days after exit conference, CMS issues audit report via HPMS.

Overview of Process (cont.)

- Step 12: 10 days after issuance of CMS report, MAO submits documentation, if disputing any findings.
- Step 13: 10 days after receipt of dispute of findings (if any), CMS sends response.

Overview of Process (cont.)

- Step 14: 45 days after CMS audit report issued, MAO submits CAP via HPMS.
- Step 15: 30 days after CAP submission, CMS responds via HPMS.

Overview of Process (cont.)

- Further steps: CMS and MAO each have 30 days for subsequent submissions and responses until all CAP elements are accepted and released by CMS.

Overview of Process (cont.)

- Dates cannot slip on either end.
- Both sides need adequate time to prepare/review.
- CMS' audits of MAOs now audited against SOP by Chief Financial Officer.

What is a Universe?

- Universes are defined in Enclosure IV, “Universe Request.....”
- 27 universes from the following areas: organization determinations, appeals, enrollments, claims, credentialing and contracts
- CMS will randomly choose “cases” to audit for compliance.

Universe Pitfalls

- Electronic Submission Formatting
- Misclassification
- No universe submitted when there were cases during the review period

The Misclassification Problem

- Request for Expedited Appeal
 - Should include cases that were converted to standard timeframe
- Denied Claims (Member liability only)
- Grievances (no Part D only)

The No Universe Problem

- No Unfavorable Appeals, but Maximus reports show some
- No Favorable Appeals, but large universe of pre-service and claims denials
- Cases discovered during staff interview

Universe Problems

- 30% of Samples Misclassified / No Universe
- Submit New Universe
- Gather New Sample Files
- Risk Focus Audit

What Can Plans Do to Avoid Universe Problems?

- Program systems to track and capture the Universes in Enclosure IV
- Pay attention to Universes on Enclosure IV
- MA-PD should perform ongoing Audits of your own operation areas

What Can Plans Do to Avoid Universe Problems?

- Call your CMS Region IX Plan Manager with Universe questions
- Come to CMS Region IX Compliance Training

Case File Documentation

- Enclosure I, “Minimum Documentation Requirements”: provides description of standard case documentation for each universe.
- We will review Enclosure I in detail at CMS audit seminars next year.

Case File Documentation: Pitfalls

1. Missing documentation

Examples:

- No claim development documentation for unclean claims.
- No Fed-ex slips to CHDR.
- No original denial notice in appeals files.

Case File Documentation: Pitfalls

2. Unorganized documentation
3. Unnecessary documentation cluttering up the case file

What happens when there are documentation problems?

- If we can't get the necessary documentation within 14 days of the end of site visit, you are considered out of compliance for that element.
- Better to provide all documentation upfront (sent to RO or provided during site visit)

Case File Documentation

Case files should:

1. Be in chronological order;
2. Be clearly labeled;
3. Highlight relevant information;
4. Contain all relevant documentation.

Case File Documentation (cont.)

- Suggestions:
 1. Include all documentation requested in Enclosure I, “Minimum Documentation Requirements”.
 2. Include other documentation if needed to make sense of the case.
 3. Attach a check sheet to each case.
 4. Fill out worksheets prior to site visit.
 5. Come to CMS Region IX Compliance Training.

Preparing For Your CMS Audit

Tools Utilized to Prepare for the CMS Audit

- Medicare Managed Care Manual
www.cms.hhs.gov
Health Plans General Information
- CMS Monitoring Guide with Sample Worksheets
www.cms.hhs.gov
Health Plans General Information

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QUESTIONS?