Virginia Premier Health Plan, Inc.

Program Integrity and Compliance Plan
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Acronyms

**CMS** – Center for Medicare and Medicaid Services  
**DHHS** – Department of Health and Human Services  
**DMAS** – Department of Medical Assistance Services  
**FAMIS** – Family Access to Medical Insurance Security  
**FDR** – First tier, downstream or related entity  
**FWA** – Fraud, waste and abuse  
**HIPAA** – Health Insurance Portability and Accountability Act of 1996  
**MAR** – Model Audit Rule  
**OIG** – Office of Inspector General  
**PIO** – Program Integrity Officer  
**SIU** – Special Investigative Unit  
**TPA** – Third Party Administrator  
**VCC** – Virginia Coordinated Care  
**VCUHS** – Virginia Commonwealth University Health System  
**VP M-3.0** – Virginia Premier Medallion 3.0  
**VPCC** – Virginia Premier CompleteCare  
**VPHP** – Virginia Premier Health Plan  
**VPMH** – Virginia Premier Medical Home

Mission Statement

It is the mission of the Program Integrity Department to ensure Virginia Premier Health Plan’s (VPHP) commitment to its members and business practices are proper and ethical. An effective Program Integrity Department benefits everyone and ensures the integrity of health care services provided to our members.

Overview of the Program Integrity and Compliance Plan

The Program Integrity Department serves as an integral part of VPHP to guide and ensure the organization’s commitment to ethical business practices, adherence to applicable Federal and State laws and regulations, and the Code of Conduct. The Program Integrity Department oversees this commitment for all Virginia Premier lines of business, which are listed below.

Virginia Premier lines of business (LOB):

- **Medallion 3.0 (VP M-3.0)** – Managed Care Organization for DMAS under the Virginia Medicaid Program, including the FAMIS program
- **Virginia Premier CompleteCare (VPCC)** – Medicare-Medicaid Plan for dual eligible members, as part of the Commonwealth Coordinated Care initiative
- **Virginia Premier Medical Home (VPMH)** – Patient centered medical home that solely serves VPHP members
- **Virginia Coordinated Care (VCC)** – Care program to provide affordable health care for uninsured individuals living in the Richmond Metro and Tri-Cities area through the VCU Health System
- **Third Party Administrator Services (TPA)** – Subcontracted services for administrative purposes

The Program Integrity and Compliance Plan (hereafter referred to as “The Plan”) is structured around the seven elements of an effective Compliance Program as outlined by the United States Department of Health and Human Services (DHHS) Office of Inspector General (OIG), in Chapter 9 of the Medicare Prescription Drug Benefit Manual and Chapter 21 of the Medicare Managed Care Manual, Section 9 of the Medallion 3.0 contract, the Financial Alignment Demonstration contract, and Federal regulations at 42 C.F.R. §§422.503 and 423.504 specifying the requirements for Medicare Plans to implement an effective Compliance Program. Additionally, The Plan emphasizes the importance of ethical behavior on the part of VPHP employees, members, providers, contractors, and First tier, Downstream, and Related entities (FDR) as well as monitoring, auditing, education, and disciplinary actions.

The Plan consists of the following:

- Monitor and ensure completeness and timely updates of written policies and procedures;
- Assignment of the Program Integrity Officer (PIO) who is responsible for the oversight, development, administration, and implementation of The Plan;
- Provide education and training on HIPAA, ethics, regulatory and contractual requirements;
- Maintain effective lines of communication between the Program Integrity Department, employees, members, providers, and FDRs to identify potential compliance matters;
- Maintain well-publicized disclosure of disciplinary guidelines to ensure all affected parties understand the consequences of non-compliance;
- Monitor and audit VPHP departments, providers, contractors, and FDRs to ensure compliance objectives are met;
- Identify potential fraud, waste and abuse (FWA);
- Promote a culture of proactive identification and effective response to compliance matters; and
- Assist in developing appropriate responses to compliance matters which require enforcement from the Program Integrity Department and employee corrective action.

A fluid, focused and effective Program Integrity and Compliance Program is currently in place, which allows for responsiveness to Federal and State regulatory agencies. The program identifies concerns by utilizing the following operational areas: Cost Containment Unit, Program Integrity, and the Model Audit Rule (MAR). Within Program Integrity, the Special Investigative Unit (SIU) is responsible for conducting monitoring and investigations relating to potential FWA.
Compliance Philosophy

VPHP is committed to conducting all facets of its operations in compliance with relevant Federal and State laws, regulations, policies and procedures. The foundation for that approach is a zero tolerance for fraud, waste and abuse in every aspect of our business. The Plan and related policies are designed to be a continuous process of education, monitoring, detection, correction and reeducation where needed. The Plan encompasses the Virginia Medicaid Managed Care program, the Capitated Financial Alignment Demonstration, as well as the Medicare Part D program.

The benefits of The Plan are to establish a structure to:

- Facilitate and maintain operations in compliance with Federal and State laws and regulations;
- Provide information to the Board of Directors and the Compliance Committees on the status of organizational compliance;
- Make legal and policy changes quickly in response to identified compliance needs;
- Increase organizational wide vigilance of legal and regulatory requirements;
- Respond appropriately to investigations, audits and other compliance issues that may arise;
- Decrease the likelihood of wrongdoing or recurrence which could lead to civil liability; and
- Implement a comprehensive program to prevent, detect and correct FWA.

Corporate Responsibility

Virginia Premier Health Plan Guiding Principles

Discussion of ethical behavior and integrity are increasingly important in today's health care environment and are the cornerstone of VPHP's Code of Conduct. The core foundations of VPHP’s mission and values encompasses four guiding principles of quality care, compliance with applicable laws and regulations, responsibility for actions and behaviors, and accuracy and accountability. The Standards of the Code of Conduct (“Standards”) are our highest priorities as a Managed Care Organization (MCO) and requires most attention and oversight. The Standards and guiding principles set forth our expectations for professional conduct and commitment to promote integrity and maintain high standards in all activities. However, the Standards do not provide easy instruction of all situations, given the complex environment and the difficult issues often confronted. Employees are encouraged to seek advice from their department head, director, manager/supervisor, Human Resources, PIO, or through other designated reporting mechanisms.
Guiding Principles:

*Dignified Member Care* – Treat members with dignity and respect, recognizing the diverse cultures and communities served by VPHP.

*Compliance with Laws and Regulations* – Adhere to all applicable standards of professional practice, all applicable Federal and State laws and regulations, and demonstrate ethical behavior in all aspects of business.

*Responsibility for Actions and Behaviors* – Report any concerns that impact a member’s care or staff not meeting ethical or legal standards.

*Accuracy and Accountability* – Provide and maintain accurate and reliable financial records and raise any questions or concerns related to non-compliance to the department head, director, manager/supervisor, the PIO or other member in the chain of command.

**Member Care**

VPHP will ensure health services are done in a manner that is of the highest quality, clinically appropriate, cost efficient, and takes into account a member’s right to be involved in their choice of care.

All care provided to members is be consistent with acceptable standards of care and based upon medical necessity. Providing an appropriate level of quality care involves informing the member about the alternatives and associated risks with the care they may receive and obtaining consent of the member, if applicable.

**Workplace Responsibilities**

VPHP is committed to providing a work environment of fairness, dignity and respect for all employees.

VPHP is an equal opportunity employer and is committed to providing a work environment that is free from unlawful discrimination and/or harassment, workplace violence, retaliation and intimidation. If an employee or affiliated individual believes they are being subjected to discrimination, harassment, workplace violence or retaliation, intimidation or observe or receive a compliant regarding such behavior, they have an obligation to report it to their supervisor, Human Resources, the PIO or other members of the chain of command. Retaliation or intimidation against individuals for raising claims of discrimination, harassment, workplace violence or non-compliance is prohibited. Retaliation violations can result in disciplinary action up to and including termination of employment.
Business Information and Records

Reasonable efforts are made to protect personal and confidential information of Health Plan members, employees and affiliated professionals. All member care and organizational records are the property of VPHP.

The PIO has implemented a record retention and disposal policy to:

- Ensure adequate records will be retained for at least the minimum period as stated in applicable laws and regulations;
- Protect the privacy and security of all records, including those that are maintained on magnetic tape or other electronic data processing storage media; and
- Preserve reports of wrongdoing posing a significant risk of substantial civil and/or criminal liability to VPHP.

The PIO has implemented a uniform record retention and destruction policy for business reasons to avoid any implication that VPHP deliberately destroyed records in anticipation of a specific problem. The policy shall have a mechanism that halts and prevents the destruction of any appropriate record immediately upon receipt of service of legal process for which those records might be relevant.

While working at or with VPHP, employees and affiliates may learn or have access to confidential or proprietary information. This information entrusted to them by VPHP is maintained with the highest level of discretion and confidentiality. All VPHP employees sign a Confidentiality Agreement upon hire. Employees are instructed not to access records unless related to a business purpose.

Confidential and proprietary information includes, but is not limited to:

- Member information, including information in electronic format (i.e. Vital, IDX and QNXT);
- Employee information that would be considered confidential without prior authorization;
- Credentialing records;
- Information about VPHP financial or other performance or existing and/or potential contracts;
- Access codes to the facility and computers; and
- Other sensitive information.

Conflict of Interest

All VPHP employees and affiliated individuals shall conduct professional and personal business in a manner that avoids a perceived conflict of interest. All senior management employees, nurses with authority to approve or deny an authorization request for
services or any employee with a potential conflict must sign a Conflict of Interest Statement upon hire and annually thereafter. These documents are maintained by the Program Integrity Department. Examples of potential conflicts include, but are not limited to, the following:

- Using their position within the Health Plan to influence VPHP’s decision in which an employee has a financial interest;
- Using the VPHP name and or logo to promote or sell non-VPHP products or services;
- Promoting or receiving improper financial or other benefit, either directly to the employee, another employee, family member, a VPHP affiliate, member, subcontractor, or provider;
- Contracting for goods and services with a family member of other VPHP staff without prior disclosures and review by the PIO;
- Accepting gifts, gratuities, loans or other special treatment from third parties doing business with or wishing to do business with VPHP. Such third parties may include practitioner, provider, vendor, member, contractor, competitor and/or business associate; and
- Working for a competitor in the same capacity or in a current or prospective business relationship with VPHP.

The above limited examples of potential conflict of interest, inquiries regarding potential or perceived conflict of interest and transactions constituting a conflict of interest must be directed to the Program Integrity Department.

**Competitive Behavior (Antitrust)**

VPHP and its employees and affiliated individuals will comply with all applicable antitrust laws.

Antitrust laws protect members and providers by promoting competition and ensuring that members have health care choices that reflect an open market. Employees and affiliated individuals should be knowledgeable about activities that may be in violation of antitrust laws. Examples of forbidden activities include, but are not limited to, the following:

- Agreements, or attempts to agree, with a competitor to artificially set prices or salaries, to divide markets, to restrict productivity, or restrain new competitors from the market;
- Disclosure of pricing information to competitors that is not normally available to the public; and
- Unfair business practices, boycotts (including agreements to deal or not deal with certain members, providers, or payors), deception, intimidation, misappropriation of business information, and similar unfair practices.
Claims Submission

All claims for services provided must be accurately coded and submitted in accordance with applicable Federal and State laws and regulations, contractual obligations and VPHP policies and procedures. Individuals contracted with VPHP shall bill for services actually provided and be paid in accordance to contractual obligations. VPHP conducts pre- and post-payment reviews to identify instances in which claims billing misrepresents the actual services performed.

Reporting to the Government and Other Third Party

Employees and individuals responsible for the preparation and submission of reports must ensure reports are accurate and complete and submitted timely in accordance with all applicable Federal and State laws and regulations.

Contact with External Entities

VPHP is committed to maintaining open and accurate communication with respect to third party inquiries for information and on-site visits and providing privacy and security to our employees, members and visitors.

Any inquiries or requests from the media or a third party involving VPHP business, members, documents or interview requests should be directed to the PIO when appropriate, or other appropriately designated individuals.

Any government request for information in conjunction with a federal inquiry or investigation should first be directed to the PIO. Positive identification of the investigator, identity of the subject of the request, and information requested must be obtained before consenting to interviews or providing an investigator with confidential member, employee, provider or other VPHP records, either in written or verbal form.

Employees have a legal right to consult with a supervisor, the PIO, or Human Resources before answering questions surrounding an investigation. Employees and individuals affiliated with VPHP are expected to cooperate with any government investigation, and are prohibited from altering or destroying VPHP records in anticipation of an investigation. Employees and individuals affiliated with VPHP should never attempt to persuade other individuals to make false or misleading statements to an investigator or to alter or destroy records.
Element I: Written Policies, Procedures and Standards of Conduct

Policies and Procedures

VPHP has developed and implemented written policies, procedures, and standards of conduct to demonstrate and ensure its commitment to comply with all Federal and State laws and regulations.

VPHP has Policies and Procedures Committees for VP M3.0, VPCC, TPA and VPMH lines of business to oversee the development and implementation of policies and procedures. The policies, procedures and standards of conduct are reviewed, at a minimum, annually and are revised as necessary to comply with changes in laws, regulations, or other requirements. The Policies and Procedures Committees meet monthly and are chaired by Program Integrity.

Policies and procedures guide day-to-day operations to mitigate risks and to prevent fraudulent, wasteful, and abusive activities. A complete collection of policies and procedures is maintained electronically within PolicyTech software, which is maintained by VPHP. Annually, all employees are required to read specific compliance related policies and procedures and the Code of Conduct, and attest to the fact that they have read and understand the policy. New employees are required to read specific compliance policies and procedures and receive a copy of the Code of Conduct as part of the new hire training process.

VPHP’s compliance related policies and procedures and the Code of Conduct are communicated to First Tier, Downstream and Related Entities (FDR) through communication with the Compliance Officer, or designee, at the FDR. The Compliance Officer or designee is required to attest to the fact that the FDR’s employees have received and understand the policies and the Code of Conduct. In addition, VPHP ensures that the FDRs have appropriate policies and procedures, as well as a Code of Conduct that demonstrate and ensure the FDR’s commitment to comply with all Federal and State laws and regulations that pertain to their business. Further, the Code of Conduct should embody the FDR’s commitment to conducting business in an ethical manner. The FDR’s policies and procedures should include a commitment to comply with all applicable Federal and State standards, implementation of a compliance program, and provide guidance with regard to reporting, detection, prevention and corrective action when dealing with FWA or non-compliance.

Compliance related policies and procedures, include, but are not limited to the following:

- Committing to compliance with statutory, regulatory, and other requirements, sub-regulatory guidance, and contractual commitments related to the delivery of the contracted benefits.
- Implementation and operation of the compliance program.
- Provide guidance to employees, providers, members and others on dealing with suspected compliance issues.
- How to report suspected issues regarding non-compliance to the appropriate personnel within VPHP (i.e. PIO, Compliance Helpline).
- Committing to prevention and detection of FWA.
- Process for conducting timely and reasonable inquiries of potential violations of the compliance program.
- Process for reporting potential violations to the appropriate authorities and agencies, including DMAS, CMS and the Medicare Drug Integrity Contractor (MEDIC).
- A process for voluntary self-reporting of non-compliance to the appropriate agencies.
- Health Insurance Portability and Accountability Act (HIPAA) and the Health Information Technology for Economic and Clinical Health (HITECH) Act.
- Timely response to data requests by DMAS, CMS, MEDIC, and law enforcement.
- A process to identify overpayments and underpayments.
- A process to identify any claims submitted for drugs or medical services/supplies prescribed or rendered by an excluded or deceased provider.
- Procedures to ensure full disclosure to CMS of all pricing decisions for Part D items or services.
- Policies relating to confidentiality, anonymity and non-retaliation for reporting potential non-compliance.
- Procedures for corrective actions designed to correct any problems identified with contracted benefits.
- Procedures to retain all records documenting corrective actions.
- Policy to ensure all new employees are checked against the DHHS OIG Exclusion List, prior to hire, and at least annually thereafter; to include the board members as well as contractors and FDRs.
- Policy that requires FDRs to check the OIG and SAM exclusions list for all new hires and at a minimum annually thereafter.
- Policy to comply with the record retention requirement as required by CMS and DMAS.
- Ensuring all interested parties sign a conflict of interest statement annually.
- Describe compliance expectations as embodied in the Code of Conduct.
- Describe how suspected compliance issues are investigated and resolved.

**Code of Conduct**

VPHP has a comprehensive Code of Conduct that clearly articulates the organization’s commitment to ethical behavior and to comply with all applicable Federal and State laws and regulations that apply to programs administered by VPHP. The Code of Conduct describes VPHP’s expectations that all employees conduct themselves in an ethical manner; issues of non-compliance and potential FWA are reported through appropriate mechanisms; and reported issues will be addressed and corrected. The Code of
Conduct is approved by the Compliance Committee and the VPHP Board of Directors, and each employee upon hire and annually thereafter attests to receipt, understanding and compliance with the Code of Conduct.

The following is a summary of the various sections of the Code of Conduct:

**Program Integrity and Compliance Plan** – The Plan focuses on the detection and prevention of FWA and violations of Federal and State laws and regulations. Open communication with the PIO fosters an environment receptive to reporting suspected wrongdoing.

**Compliance and Ethics Training** – Effective training is the cornerstone of the Program Integrity and Compliance Program at VPHP. Compliance, ethics and HIPAA training and education is provided to all new hires within the first week of employment and to all staff annually. In addition, specialized training is provided depending on the need and changes in laws, regulations and contractual requirements.

**Code of Ethics** – Virginia Premier is committed to an environment of uncompromising integrity and ethical conduct. All actions of VPHP employees are guided by these principles and values:

- **Respect**
  - Respect individuals, diversity and rights of others.

- **Honesty**
  - Act and communicate honestly and candidly.

- **Excellence**
  - Strive for excellence in all that we do.

- **Responsibility & Accountability**
  - Be responsible and accountable for our decisions and actions.

- **Stewardship**
  - Be good stewards of the resources entrusted to VPHP.

- **Compliance**
  - Understand and comply with the codes, laws, regulations, policies and procedures that govern our activities.

**Standards of Professional Conduct** – The Code of Conduct lists standards that all employees are expected and required to follow during their employment with VPHP. The standards include adherence to Federal and State laws and regulations; privacy and confidentiality of member information; dealing openly and honestly with members,
providers and government representatives; maintaining high standards of business and ethical conduct; refusing any illegal offers, solicitations or payment to influence the way we conduct business and decisions we make; and to notify the PIO of any suspected wrongdoing.

Violations of the Code of Conduct – Employees who violate the Code of Conduct are subject to disciplinary action, up to and including termination of employment, consistent with actions documented in the Employee Handbook.

Reporting Violations – Every employee is responsible for reporting any suspected violation of the Code of Conduct, or any related Federal and State laws and regulations to their management or the PIO. Employees cannot exempt themselves of wrongdoing by self-reporting, although self-reporting may be taken into account in determining the appropriate course of action. The confidential phone number and web address to the Compliance Helpline is provided to all employees.

Non-Retaliation Policy – VPHP maintains a zero-tolerance policy for retaliation, intimidation or retribution against any employee who reports suspected misconduct. The same non-retaliation policy applies to members, providers and contractors who report an employee violating the Code.

Federal and State laws – The Code of Conduct explicitly states that VPHP will comply with applicable Federal and State laws and regulations. The following Federal and State laws and regulations are cited in the Code:

- False Claims Act
- Anti-Kickback Statute
- Civil Monetary Penalties Law
- Screen of Excluded Individuals and Entities (employees, board members, contractors)

HIPAA/HITECH – HIPAA and the accompanying HITECH act are designed to provide rules and guidelines to protect the privacy and security of VPHP members. To comply with the privacy and security rules of HIPAA, VPHP has established appropriate physical and technical safeguards, as well as detailed policies and procedures dealing with appropriate use and disclosure of PHI.

Element II: Program Integrity Officer, Compliance Committees and High Level Oversight

Compliance Oversight

The Standards apply to all VPHP employees but not limited to administration, officers, directors and individuals affiliated with VPHP and members. Moreover, the Standards are applicable to all persons not employed by VPHP but serving as VPHP workforce
member, contractor, vendor, consultant, and FDR. Effectiveness of The Plan depends largely on the leadership efforts of key personnel.

**Program Integrity Officer (PIO)**

The VPHP PIO is responsible for the oversight, development, administration, and implementation of The Plan. The PIO is a senior level individual and has dual reporting responsibilities to the Chief Executive Officer (CEO) of VPHP, and the Chief Compliance & Privacy Officer of VCUHS. The PIO is vested with the authority to carry out the duties according to The Plan. The PIO is a full time employee of VPHP with no operational responsibilities.

Duties of the PIO are as follows but not limited to:

- Maintain and oversee The Program Integrity and Compliance Plan;
- Develop, operate, and monitor the FWA program;
- Serve as VPHP authority and final decision-maker on Standards of Professional Conduct and Code of Conduct;
- Serve as VPHP authority on risks associated with the operation of the Health Plan;
- Develop policies and procedures for implementation and operation of The Plan;
- Coordinate and monitor compliance efforts daily;
- Encourage awareness among employees and individuals affiliated with VPHP about compliance matters and the importance of adherence to the Code of Conduct by developing, coordinating and facilitating training programs that focus on Program Integrity and Compliance related issues;
- Supervise, and delegate as needed, monitoring and auditing, reporting, and education and training activities within the scope of The Plan;
- Investigate and document possible non-compliance related to the administration of VPHP benefits;
- Maintain a retribution-free system for reporting non-compliance or concerns about compliance or FWA matters;
- Assist in the development of corrective action plans;
- Serve as chair of the VPHP Compliance Committee;
- Routinely report results of monitoring and auditing activities to the Compliance Committee and applicable VCUHS committees;
- Ensure that compliance reports are provided regularly to the CEO;
- Develop and implement methods and programs that encourage managers and employees to report non-compliance and suspected FWA;
- Coordinate the activities of Internal Audit Unit and the Special Investigative Unit (SIU);
- Ensure that the OIG exclusion list is checked for all employees, board members, providers, contractors, and FDRs monthly;
- Maintain documentation for reports of suspected non-compliance or potential FWA;
• Collaborate with other health plans, State Medicaid programs, CMS, Medicaid Fraud Control Units (MFCU), and commercial payers when potential FWA is discovered that involves multiple parties; and

• Provide leadership for VPHP’s Program Integrity and Compliance efforts.

The PIO has authority to:

• Provide unfiltered, in-person reports to VPHP’s CEO, VCUHS’s Chief Compliance & Privacy Officer, and the governing body;
• Interview, or delegate the responsibility to interview, VPHP employees and other relevant individuals regarding compliance issues;
• Review company contracts and other documents pertinent to health care programs;
• Review data submitted to CMS and DMAS to ensure its accuracy and compliance with reporting requirements;
• Report potential FWA to DMAS, CMS, MEDIC or law enforcement;
• Conduct or direct audits and investigations of any FDRs;
• Conduct or direct audits of any function involved with health care programs; and
• Recommend policy, procedure and process changes.

Program Integrity and Compliance Committees

Virginia Premier and VCUHS, the parent company, maintain committees related to program integrity and compliance efforts. The committees (hereafter referred to collectively as “The Committees”) provide oversight and guidance to the PIO in administering The Plan and other program integrity initiatives in the prevention, detection and elimination of fraud, waste and abuse.

**VCUHS Audit and Compliance Committee** – Primarily focused on the audit functions within VCUHS and VPHP, and providing appropriate oversight and guidance in the performance and outcome of audits and the Program Integrity function. The Audit and Compliance Committee serves as part of the VCUHS Board of Governors and committee members are comprised of board members. The PIO presents audits performed during the previous quarter. The committee meets quarterly.

**VCUHS Compliance Committee** – The Compliance Committee of VCUHS provides high level oversight in the administration of The Plan. The committee consists of VCUHS senior executives and VPHP’s Chief Executive Officer (CEO). The committee serves as an operations committee with input and oversight into all facets of VPHP Program Integrity including HIPAA related issues and concerns. The committee meets quarterly.

**VPHP Compliance Committee** – Responsible for overseeing VPHP’s regulatory compliance programs, monitor its performance and support and provide guidance to the Program Integrity Officer (PIO). The Compliance Committee meets on a quarterly basis and covers all VPHP lines of business.
Governing Bodies (Board of Directors)

The VPHP and VCUHS Boards of Directors (collectively referred to as “The Boards”) exercise oversight with respect to the implementation and effectiveness of The Plan and are accountable for reviewing the status of program integrity and compliance efforts. The PIO provides annual updates to the board members as to the structure and operation of program integrity, including risk assessments and measures to overcome
potential compliance risks and FWA. The following are oversight functions of the boards:

- Approving the Code of Conduct and The Plan;
- Understanding the compliance program structure;
- Remaining informed about the program integrity outcomes, including results of internal and external audits;
- Remaining informed about governmental compliance enforcement activity;
- Receiving regularly scheduled, periodic updates from the PIO and The Committees; and
- Reviewing the results of performance and effective assessments of the Program Integrity and Compliance Program.

The Boards collect and review measurable evidence of detecting and correcting Medicaid and Medicare program non-compliance. It is incumbent on the PIO to provide the boards with accurate and timely data, showing that Program Integrity has reduced the risks of non-compliance and FWA. Some indicators of an effective program are:

- Use of quantitative measurement tools (i.e. metrics) to report, track and compare over time, compliance with key health care operations, such as enrollment, appeals and grievances, and the administration of the various program benefits;
- Track and review open/closed corrective action plans, FDR compliance, warning letters, notices of Non-Compliance, CMS sanctions, and training completion and passing rates;
- Review trending of corrective action plans to indicate potential process improvements;
- Implementation of new or updated Federal and State requirements, including monitoring and auditing, and quality control measures to confirm appropriate and timely implementation;
- Increase or decrease in number and/or severity of complaints from employees, FDRs, providers, or members;
- Timely response to reported non-compliance and potential FWA and effective resolution;
- Consistent, timely and appropriate disciplinary action; and
- Detection of non-compliance and FWA through monitoring and auditing.

**Senior Management Involvement in the Program Integrity and Compliance Program**

The CEO and senior management team at VPHP recognize the importance of program integrity and compliance in order to achieve success in the health care programs. The CEO and senior management team members give the PIO the credibility, authority and resources to operate an effective compliance program. The PIO meets regularly with the CEO and senior management to provide reports of potential compliance risk areas
and strategies to minimize or reduce such risks. The CEO is also informed of notices of Non-Compliance and formal enforcement actions undertaken by CMS or DMAS.

Additionally, VPHP has established processes to ensure that Program Integrity Department is effectively overseeing the performance of the operational areas. This is performed via monthly Senior Management Team (SMT) meetings where dashboard reporting occurs. Departmental dashboards with operational specific metrics are reported with a primary focus on highlighting areas of non-compliance and operational deficiencies. During the SMT meetings, the operational areas discuss their departmental metrics and explain instances where the targets were not met. Discussions during the SMT meeting pertain to identification of outliers and corrective action plans implemented by management teams to mitigate the risks of non-compliance. Non-compliance issues and organizational risks identified during the SMT meetings are also included in the Risk Assessment process.

**Element III: Effective Training and Education**

VPHP has developed an extensive and effective training program for all employees, including senior management, department managers, the Boards of Directors, and the FDRs. Employees are made aware of Federal and State requirements as they relate to their job functions. All new hires, including part time and temporary employees, receive Compliance, HIPAA and ethics training as part of the new hire onboarding process. All employees, including the CEO and senior management, are required to take an online compliance course and receive a minimum score of 80% on the assessment. New hires are also required to pass the assessment. Records of compliance and FWA training of VPHP employees and FDRs are maintained for 10 years. Participation in compliance training and education is mandatory of all employees and is a criterion on employee evaluations.

**General Compliance Training**

- Identification and explanation of acceptable standards of practice defined by applicable Federal and State laws and regulations;
- Review of Centers for Medicare and Medicaid Services (CMS) and Department of Medical Assistance Services regulatory bodies;
- HIPAA and associated documentation requirements;
- Identification and explanation of unacceptable practices and improper activities;
- Explanation of legal penalties for improper activities and VPHP’s penalties for failure to comply;
- Explanation of The Plan, its elements, auditing guidelines, health plan investigation protocols, reporting procedures, and the Code of Conduct;
- Overview of how to contact the Program Integrity Department and PIO to ask questions or report suspected non-compliance or FWA;
- Explanation of non-retaliation policy and confidentiality when reporting non-compliance issues;
• Requirement to report all actual or suspected non-compliance or FWA, including examples of non-compliance an employee may observe;
• Review of the disciplinary guidelines for non-compliant or fraudulent behavior;
• Review of the Anti-Kickback Statute to address gifts and gratuities;
• Identify potential conflicts of interest and the requirement to disclose a potential conflict;
• Overview of HIPAA/HITECH privacy and security rules;
• Overview of the internal monitoring and auditing process;
• Education regarding anti-trust laws related to sharing information; and
• Inform and train employees, providers, subcontractors, vendors, FDRs and consultants about The Plan, as well as important changes in policy, procedure or law.

Methods of Training

• Classroom training
• Live or video seminars
• Computer-based training
• Periodic email, newsletters
• Flyers or display items

Fraud, Waste and Abuse Training

FWA training for all employees, The Boards and FDRs is mandatory. FDRs are expected to validate that employees have been trained in accordance with the CMS Medicare Learning Network (MLN). Proof of training must be provided through an attestation from the FDRs’ Compliance Officer or designee. FDRs that have met the FWA certification requirements through enrollment into Medicare are deemed to have met the requirements. Training for VPHP employees is validated by the following:

• Attendance roster and sign-in sheet are maintained for each training session;
• At the discretion of the PIO, course attendance/non-attendance shall be reported to the Department Vice President, CEO or the Compliance Committee;
• Computer based training is maintained online, which documents individuals taking the training and their scores on the assessment;
• Each new employee signs an attestation form to document completion of training, receipt and understanding of the Code of Conduct, and complete assessment tool; and
• Attendance rosters, training certification of completeness, and test scores are maintained for 10 years.
The following are some of the topics included in FWA training:

- Laws and regulations related to Medicaid, Medicare and Medicare Part D programs, such as False Claims Act, Anti-kickback statute, OIG exclusion list, Civil Monetary Penalties Law, and HIPAA/HITECH;
- Obligations of FDRs to maintain appropriate policies and procedures to address FWA;
- Policies and procedures for reporting suspected FWA;
- Non-retaliation policy to protect employees who report wrongdoing; and
- Examples of non-compliance or FWA that may occur.

The following are specific types of training and training sessions provided to VPHP employees and board members:

- New Hire General Training for all new hires. Training is delivered at New Employee Orientation. Topics include: Overview of VPHP, Overview of Health Insurance Industry, Departmental Overview, Insurance Terminology, Overview of Medicaid and Medicare programs including Medicare Part D.
- New Hire Corporate Compliance, Ethics, & HIPAA Training. Training is delivered at New Employee Orientation. Topics include: Overview of the Program Integrity and Compliance Plan, HIPAA, Standards of Professional Conduct, False Claims Acts, Conflict of Interest, ethics, and applicable Federal and State laws.
- Provider Communication and Education. Education is conducted through Network Administration. All newly contracted providers are provided in-service training on VPHP products, policies and procedures and all applicable programs. The following items are discussed: covered benefits, eligibility, enrollment process, contract review, enrollee rights and responsibilities, grievances and appeals, fraud and abuse and the False Claims Act, payment policies, billing, encounters, referrals and authorization process, clinical practice guidelines, access standards, national patient safety goals, and cultural competency. Subsequent training is provided upon request. Each office attests to completion of training. Providers receive ongoing education and communication through periodic site visits, the Provider Manual and updates, and the Provider Newsletter.
- Provider Education Meeting (PEM). Regional PEM’s are facilitated by Provider Relations to provide ongoing education and training to providers. The agenda includes a program integrity and compliance presentation, which entails the requirement to self-disclose incorrect or overpayments and the False Claims Act.
- Member Communication and Education. Members receive education and communication through Member Handbooks, Member Newsletters, and direct contact by VPHP staff and outreach efforts, such as in-home visits and mailings.
- PRIME 100 Claims Staff Training. PRIME 100 is a set of training courses designed for all claims employees in their roles, and as a strategic initiative to support VPHP’s vision to invest in the future of our employees and the organization by providing training and educational opportunities. PRIME 100 offers students a variety of training opportunities in the following areas: basic
coding, claims functions, claims basics, coordination of benefits, computer skills training, MACESS, all payers Diagnosis-Related Groups (DRG), effective customer services, Electronic Data Interchange (EDI), as well as departmental job description training. Prime 100 provides instruction through internal trainers; external training professionals and organizations, web based training and self-studies.

- Compliance Training is conducted annually, or on an as needed basis as changes occur. This training is delivered using various methods such as web based tools, intranet including e-Learning, live or videotaped presentations. Topics are determined by the PIO in consultation with Senior Management Team and at a minimum cover the Program Integrity and Compliance Plan, FWA, Conflict of Interest, Code of Conduct, and HIPAA.
- Specialty Compliance Training is designed to identify issues that pose compliance risks based on job functions (e.g., pharmacist, pharmacy tech, claims processor, utilization review nurse).
- Ethics Awareness has been incorporated into New Employee Orientation sessions. Ethics awareness is presented through case studies of ethical situations allowing for open discussion among the participants. The sessions are administered by the Program Integrity Department.
- Board of Directors, Compliance Committee, Senior Management receive training within 60 days of their appointment and annually thereafter that includes the structure and administration of the compliance program, the Program Integrity and Compliance Plan, conflict of interest, Code of Conduct, and applicable Federal and State laws and statutes (e.g., False Claims Act, Anti-kickback Statue).

**Element IV: Effective Lines of Communication**

VPHP has established policies and procedures for effectively reporting compliance concerns and suspected or actual FWA to DMAS, CMS, MEDIC for Part D concerns, and law enforcement.

VPHP maintains a confidential Compliance Helpline, independent from the Health Plan, for employees, providers, members, contractors, the FDRs and the general public to report suspected wrongdoing. The Helpline is available 24 hours a day, 7 days a week. Complaints are reported to the Program Integrity Department and are investigated in a secure and confidential manner, maintaining anonymity of the caller. Access to the Compliance Helpline is readily available to employees, providers, FDRs and members through publication of the phone number on the VPHP website, in provider and member newsletters, the Member Handbook, and Provider Manual. The PIO’s name and secure phone number is made available to all employees through postings throughout the building and satellite offices, as well as through publication in the Compliance Training Bulletin. Procedures are in place to assure timely and confidential adjudication of all complaints. All complaints are logged and tracked by the Program Integrity Department and such complaints are reported to The Committees and the boards.
Complaints received through the Compliance Helpline or directly to the PIO or other staff within the Program Integrity Department are initially screened to determine the nature of the complaint and whether it involves a grievance. A grievance or appeal as defined by CMS and DMAS is referred to the VPHP Appeals and Grievances Unit for resolution.

Employees are protected against retaliation and retribution of any kind. VPHP maintains a zero-tolerance policy against any form of retaliation or retribution of any kind on the part of management or any employee for reporting wrongdoing. Employees are made aware of this policy through written policies and procedures and is required reading of all staff on an annual basis.

*Communication and Reporting Mechanisms*

Suspected non-compliance or potential FWA may be reported to the PIO by the following methods:

- Compliance Helpline – 800-620-1438 – toll-free available 24/7/365, anonymous and confidential
- Compliance Website: [https://www.compliancehelpline.com/welcomePageVCUHS.jsp](https://www.compliancehelpline.com/welcomePageVCUHS.jsp)
- Direct call to the PIO (messages are secure) – 804-819-5173
- Face to face meeting with the PIO

*Member Communication and Education*

VPHP members are educated about the identification and reporting of non-compliance or FWA in the Member Handbook and through quarterly member newsletters. Examples of non-compliance and the Compliance Helpline number and website are also provided.

**Element V: Well-Publicized Disciplinary Standards**

VPHP publicizes disciplinary standards through required reading in policies and procedures and the Code of Conduct, as well as in the Employee Handbook, which each employee must attest to having received and read. The reporting standards include: (a) expectations for reporting compliance issues and assist in their resolution; (b) identify non-compliance or unethical behavior; and (c) provide for timely, effective and consistent enforcement of the standards when non-compliance is determined.
Disciplinary Standards

VPHP maintains policies and procedures that reflect clear and specific disciplinary standards. The policies describe the requirement to report non-compliance and FWA, and the expectation of providing assistance with the investigation and resolution of the non-compliant issue. Further, the policies provide for timely, effective and consistent enforcement of the standards and are appropriate to match the seriousness of the violation.

Methods to Publicize Disciplinary Standards

The following methods are utilized to publicize the disciplinary standards:

- Quarterly Compliance Training Bulletin
- Flyers posted in the corporate offices and at each satellite location throughout the state
- Communications with the FDR’s Compliance Officer
- Annual compliance training
- New employee compliance training
- Meetings with department managers
- Visits to satellite offices and meeting with staff
- SharePoint intranet site

Enforcing Disciplinary Standards

When non-compliance is proven, the Program Integrity Department, in conjunction with Human Resources, will enforce the disciplinary standards in a timely, effective and consistent manner. Records of such disciplinary actions are maintained for a period of 10 years. A log is maintained to record compliance related disciplinary actions to include a description of the violation, date of occurrence, date of the investigation, summary of findings, and disciplinary action taken. In addition, employees are measured on their annual review for their participation in compliance related training and education, and their obedience to appropriate laws and regulations, and internal policies and procedures.

Element VI: Effective System for Routine Monitoring, Auditing and Identification of Compliance Risks

Monitoring and auditing are critical elements in providing reasonable assurance that the health care programs and beneficiaries are being protected from non-compliance and FWA. Also, monitoring and auditing helps mitigate VPHP’s and its FDR’s liability resulting from potentially fraudulent, abusive or wasteful activities. This process of self-identification and corrective action, along with monitoring that such actions are effective,
is a key element of our Program Integrity and Compliance Program. Through various processes, Compliance, Internal Audit and SIU work simultaneously and, when appropriate, in-conjunction to monitor the Compliance Program and identify possible risks.

Procedures are in place for monitoring and auditing that test and confirm compliance with all applicable regulations, sub-regulatory guidance, contractual agreements, and all applicable Federal and State laws, as well as internal policies and procedures to protect against potential FWA.

VPHP’s risks are reviewed through a variety of audits, including:

- Routine monitoring and auditing
- Risk Assessment to identify compliance risks
Internal Audits

Internal audits are an integral part in determining the effectiveness of the operations at VPHP. Internal auditing involves a formal review of compliance with a particular set of internal (e.g., policies and procedures) or external (e.g., laws and regulations) standards used as base measures. On-going monitoring activities involve regular reviews performed as part of normal operations to confirm ongoing compliance and to ensure that corrective actions are undertaken and effective.

Routine Monitoring and Auditing

The audit work plan is coordinated by the PIO and executed by the Internal Audit Unit staff within the Program Integrity Department. The PIO reports to The Committees, which provide the ultimate oversight of the Program Integrity and Compliance Program. The PIO receives regular reports from the Internal Audit Unit regarding the results of audits and the status and effectiveness of corrective actions taken. It is the responsibility of the PIO, or designee, to provide updates on auditing results to the CEO, senior management, VPHP Board of Directors, VCUHS Board of Directors, and The Committees at least on a quarterly basis.

The PIO ensures that the Audit staff has the appropriate skills and expertise to perform the work. For example, to the extent that resources are available, the audit staff includes Certified Internal Auditor (CIA), Certified Fraud Examiner (CFE), accountants, individuals with health care background and other highly skilled staff that have expertise in the areas under review or staff working toward these certifications. Additionally, specialized training and development is provided to the staff to ensure awareness and knowledge of the Medicaid and Medicare program requirements including Part D.

It is imperative that the Audit staff is always independent and objective. The staff maintains an impartial, unbiased attitude and avoids conflict of interest. The PIO ensures that the Audit staff has access to the relevant personnel, information, records and areas of operation under review so they can adequately perform the audits. Such access includes the operational areas at the plan level as well as the subcontractor level/first tier entity level.
The Internal Audit Unit maintains a record of all audits performed, management recommendations and corrective action plan that have been communicated to management as a part of an audit of the first tier entity and/or the internal processes within the Health Plan. Follow-up audits are performed to ensure that corrective action plans have been implemented and are being appropriately executed. Furthermore, the Internal Audit Unit tracks and documents progress on Management Action Plans. In addition to formal audits, the Internal Audit Unit regularly tracks and updates the Risk Assessment documents using dashboards, scorecards, self-assessment tools and other mechanisms that show the extent to which operational areas and first tier entities are meeting compliance goals. Issues of non-compliance identified within dashboards, scorecards and self-assessment tools are shared with senior management.

**Risk Assessment to Identify Compliance Risks**

VPHP takes a “Member-Centric” approach toward the VPCC risk assessment. The VPCC risk assessment approach begins with assessing all member “touch-points” to (1) determining which points present the greatest likelihood of non-compliance, along with the greatest corporate impact, (2) tailoring enterprise-wide solutions to solve the most probable and highest-impact issues first, and (3) building a culture of continuous improvement.

This methodology reduces the risk of non-compliance and improves the overall member experience. A key element of the “Member-Centric” risk assessment methodology is that it is predictive in nature. It evaluates the probability that non-compliance issues could lead improper actions. The predictive aspect helps VPHP mitigate potential issues before they negatively can negatively impact members or have financial damage to the health care programs. The risk assessment process is conducted annually for each fiscal year.

VPHP takes an entity wide approach for the VP M-3.0 risk assessment. The methodology utilized for VP M-3.0 is an entity wide, holistic approach towards the organization. The current operating environment is considered, and at minimum, the assessment considers departmental inputs. The input received from the departments is developed into Key Risk Indicators (KRIs). All KRIs unanimously are referred to as a Risk Universe. A Risk Universe is developed based on the institutional knowledge of VPHP’s operations, changing healthcare dynamics, CMS and DMAS regulatory guidelines, Medicaid expertise within the Health Plan, current Managed Care Contract and internal policies and procedures. Once the Risk Universe is established and the KRIs are identified, the next steps include rating the KRIs based on the following factors ‘Probability’, ‘Impact’ of occurrence and, Control Ineffectiveness. The ratings are then converted into comprehensive scores, and the high scored processes are included in the Audit Work Plan for the fiscal year.
Monitoring and Auditing Work Plans

The result of the risk assessment process drives the development of the Program Integrity Department’s annual Audit Work Plan. The Internal Audit Unit may modify its work plan based on issues that arise within the organization, focusing on high risk areas to confirm effective corrective actions were taken based on detected areas of non-compliance or compliance risks. Research from various other sources is also included prior to finalizing the work plan; this includes but may not be limited to:

- The Medicare Managed Care Manual (Chapter 21 – Compliance Program Guidelines),
- The Medicare Prescription Drug Benefit Manual (Chapter 9 – Compliance Program Guidelines),
- HPMS memos,
- OIG Work Plan,
- Medallion 3.0 contract,
- VPCC contract,
- CMS Audit protocol/methodology, and
- Guidance on past audits conducted by CMS including common findings and best practices.

Upon completing an audit, the Internal Audit Unit issues an audit report, which at a minimum includes items such as the audit objectives, scope and methodology, findings, recommendations and management action plans. The audit report and corrective action plan are reported to the PIO, who then presents the findings during The Committees and Board of Directors meetings on a quarterly basis.

FDR Oversight Audits

Various departments within VPHP have a contractual relationship with a first tier entity and own the responsibility to perform on-going monitoring of that entity. The monitoring function is an ongoing, daily event which includes conducting analyses and tracking trends to correct issues in “real time” at the lowest level of detection. These types of monitoring reviews occur regularly during normal operations (e.g. daily, weekly, monthly, and bi-monthly). The Internal Audit Unit leverages company-wide metrics, dashboards, and other useful data and performs reviews to determine non-compliance and high risk areas to be included in the risk assessment and in the annual Audit Work Plan.

The Internal Audit Unit performs annual audits of the first tier entities to determine compliance with Federal and State regulatory requirements. For this purpose the auditing work plan states the number of first tier entities that will be audited each year and how the entities will be identified for auditing. Focused audits on the first tier entities are performed in areas of non-compliance or high risk areas. The results of the audits are communicated to both the first tier entities and VPHP senior management in a timely manner. The Internal Audit Unit works closely with the first tier entities to ensure
that the management action plan is agreed upon by both parties. Follow up audits are then conducted to determine whether the management action plans were implemented appropriately.

**FDR Pre-Delegation Compliance Assessment (PDCA)**

Prior to delegating any functions or activities to a first tier entity, the Internal Audit Unit evaluates and pre-screens the ability of that entity to execute and perform their responsibilities through the PDCA. The assessment is highly critical to VPHP operations since VPHP is ultimately responsible and accountable for ensuring that the first tier entities have all the information necessary to know how to comply with applicable Federal and State requirements.

The assessment is performed to fully assess the prospective first tier entity’s ability to manage and perform the delegated function in accordance with contractual requirements stated in the VPHP’s contract with the first tier entity, Federal and State laws, rules and regulations, accreditation organization standards and VPHP’s guidelines. The PDCA is conducted prior to the effective date of the delegation.

During the assessment process, the prospective subcontractor/first tier entity is notified of any deficiencies identified along with a management action plan. If significant issues are identified, VPHP has the right to revoke the contract and/or seize efforts to execute the contract until the issues are resolved.

**Special Investigative Unit Monitoring, Auditing and Investigations**

**Special Investigative Unit (SIU)**

The Program Integrity Department places fraud, waste and abuse as high priority in order to comply with the Federal and State rules and regulations related to detection and prevention of fraud, waste and abuse. SIU supports VPHP’s efforts with external provider auditing. SIU uses data mining and analytical skills to detect aberrant billing patterns and obtain information to perform provider audits.

**Lead Generation**

SIU identifies leads through various internal and external sources including but not limited to:

- A vendor application system supplies surveillance software that allows SIU to identify aberrant billing patterns, utilization, flags and trends;
- OIG Work Plan;
- Daily OIG website posts;
- Quarterly MCO Program Integrity Collaborative, hosted by DMAS – All MCOs share selected fraud, waste and abuse trends that their MCO has encountered
solely for the purpose of identifying fraud, waste and abuse. SIU uses this opportunity to follow up on potential auditing opportunities;

- Fraud publications;
- Internet websites – Medicare Integrity Contractor (MEDIC), Virginia Department of Health Professions, National Plan and Provider Enumeration System, U. S. Department of Health and Human Services;
- HPMS memos;
- Departmental referrals – Under the umbrella of the Program Integrity Department, Internal Audit and Cost Containment Unit (CCU) make referrals to SIU when performing normal business practices within their area. Each of these areas of Program Integrity may encounter claims and billing information in which a glaring issue could be noticed. A referral is then made to SIU for an investigation or potential provider audit;
- Compliance Helpline;
- Random audits are performed on a provider when the SIU deems it appropriate – The SIU performs audits for determination of FWA. Once the audit is completed the next steps may include, provider education, corrective action, recovery of funds, and/or reporting to law enforcement and the Department of Health Professions. Corrective action follow up is performed no later than 6 months after completion of an audit when indicated.
- CMS fraud alerts - Fraud alerts concerning fraud schemes identified by law enforcement officials are reviewed to determine the extent of FWA and impact to VPHP. Further, the SIU performs a complete review of past claims to determine if the claims in question have been part of an alleged fraud scheme. In the event law enforcement has issued indictments, VPHP has the right to terminate the provider contract.

Service Verification

Service verification letters are used by the Program Integrity Department in order to detect fraud, waste and/or abuse. A sampling of paid claims is selected each month to verify services rendered. Members are mailed a letter with a list of services/supplies rendered and/or the provider that provided services and asked to respond if any of the items listed were not furnished or they did not see the Provider. Members are provided a self-addressed stamped. Members who indicate that services were not rendered are forwarded to SIU for provider investigation.

Types of Provider Audits

- Full audit – consists of medical record review utilizing a statistical sample
- Desk audit – determined by claims data and does not require a medical records review
- Self-audit – performed by the provider after a statistical sample is provided.
- On-site audit – SIU visits the provider and obtains medical records for the audit during the visit
- **Unannounced audit** - SIU will conduct an unannounced site visit when there is a strong suspicion of fraud, waste, or abuse

**Program Integrity Work Plan**

A provider audit work plan is completed for each fiscal year to concentrate SIU’s efforts on areas with the most risk of fraud, waste or abuse. VPHP’s risk rating methodology to assess organizational risks relating to FWA includes the following tools:

- FWA detection software
- CCU referrals
- Retrospective analysis of past audits
- Common fraud schemes
- List of sanctioned providers (OIG LEIE)
- Internal departmental and external referrals
- OIG Work Plan

Based on analysis from these tools, risk areas are prioritized using high, medium and low categories. Risk categories are broken down into 30% ranges with 100% being the highest probability of occurrence and 0% being the lowest probability. Any risk that would have a 0-9% chance of occurrence is considered negligible. Risk categories are broken down by probability as follows:

- **High risk (71-100%)** is considered areas where patterns of FWA are likely to occur. These risks require investigations to include medical record audits. In addition, these risks would have a critical impact on the Health Plan as it relates to FWA and its consequences.
- **Medium risk (41-70%)** is considered areas where patterns of FWA may occasionally occur in which there may be present patterns of erroneous billing. Medium risk areas will often require a medical record audit. These risks would have a moderate impact on the Health Plan.
- **Low risk (10-40%)** is considered areas where FWA seldom occurs and may contain isolated erroneous billing and will typically necessitate a desk review. These risks would have a marginal impact on the Health Plan as it relates to FWA.

**Element VII: Procedures and Systems for Prompt Response to Compliance Issues**

VPHP promptly adjudicates all non-compliance issues, including suspected FWA in a timely and consistent manner. Compliance anomalies are investigated by the Program Integrity Department and subject matter experts when required to determine the root cause and appropriate response/corrective action. Compliance issues may present
themselves as a result of self-evaluations and audits, or reports of non-compliance and FWA from employees, members, providers, contractors or the FDRs. A policy and procedure is in place to voluntarily self-report potential fraud or misconduct related to the Medicaid, Medicare and Part D programs.

Conducting a Timely Inquiry of Detected Offenses

All detected offenses are investigated in a timely and effective manner with sufficient documentation to support the findings. Non-compliance or FWA may be reported by a variety of methods as described in the Effective Lines of Communication section. Regardless of how the wrongdoing is reported, an inquiry is initiated within 2 weeks after the incident is identified to Program Integrity. FWA is initially investigated by SIU under the direction of the Program Integrity Lead. In the case of non-compliance within the Medicare Part D program, if it is determined that SIU does not have adequate resources or expertise to fully investigate the FWA, the issue will be reported to the MEDIC within 30 days of the date the potential fraud and abuse is identified. Serious non-compliance or FWA within VPHP is referred to DMAS, CMS or MEDIC with the concurrence of the PIO.

Self-Reporting Potential Non-compliance and FWA

Although self-reporting is voluntary, VPHP has policies and procedures in place to facilitate self-reporting of FWA and significant contractual non-compliance to DMAS and CMS. In addition, it is VPHP’s policy to report potential FWA on the part of FDRs. VPHP understands that referrals to DMAS, CMS and MEDIC, that after investigation, are determined not to be potential FWA will be returned to VPHP for further research and resolution. If it is determined that the potential fraudulent activity warrants additional investigation by law enforcement, VPHP will refer the case to the appropriate authority (i.e. Office of Inspector General or Department of Justice).

Referrals to CMS, DMAS and MEDIC

Based on a recommendation from the Program Integrity Lead or PIO, instances of potential FWA will be referred to DMAS, CMS or the MEDIC for Part D. Cases could be referred when any of the following criteria are met:

- Suspected, detected or reported criminal, civil, or administrative laws are violated;
- Allegations that extend beyond Medicaid and Medicare, involving multiple health plans, multiple states, or widespread schemes;
- Allegations of known patterns of fraud;
- Fraud and abuse threatens the life or well-being of members; or
- Scheme with large financial risk to the Medicare or Part D program.
Cases are referred to DMAS, CMS or the MEDIC as deemed appropriate based on the respective contract.

**Identifying Providers with a History of Complaints**

VPHP maintains files for 10 years for all participating and non-participating providers who have been the subject of a complaint, investigation, violation, or prosecution. This would include member complaints, investigations by the OIG, and referrals to DMAS, CMS or the MEDIC. In addition, documentation pertaining to investigations initiated by Program Integrity and fraud alerts from CMS is maintained for 10 years. VPHP fully complies with requests for information and assistance from law enforcement, DMAS, CMS, and MEDICs.

**Duties of Human Resources & Organizational Development (HROD)**

**Screening and Hiring Process**

HROD is responsible for utilizing effective screening and hiring procedures to ensure that VPHP employs individuals who will abide by the Code of Conduct as outlined in The Plan. All employees, temporary staff, contracted individuals, board members, and committee members will be checked against the DHHS OIG List of Excluded Individuals/Entities (LEIE), prior to offer of employment or providing services and routinely thereafter. Any individual appearing on the exclusion list will not be offered employment or contracted services. Any current employee found on the LEIE will be terminated.

**Employee Disciplinary Procedures**

HROD, in conjunction with the PIO, shall tailor disciplinary action based on the particular misconduct identified, and will be fair and consistent with the documented employee disciplinary procedures as outlined in the Employee Handbook and the HROD policy for corrective action. The HROD Vice President, or designee, will report all potential violations of The Plan to the attention of the PIO.

**Departing Employees**

HROD has designed a system to encourage departing employees to make good faith reports of potential wrongdoing and or provide information about unsafe or unsound business practices. The exit interview includes a written questionnaire that requests each departing employee to state whether he or she is aware of any past or present fraudulent or abusive practices at the time of employment. The exit interview is
conducted while the employee remains on the payroll. HROD shall maintain written reports of all exit interviews and shall direct all such interview reports that contain allegations of wrongdoing to the attention of the PIO.

Changes to the Program Integrity and Compliance Plan

The PIO shall make changes to The Plan annually to incorporate language pursuant to changes in Federal and State laws and regulations, and/or the Medallion 3.0 or VPCC contracts. The Plan will be approved by the VPHP Board of Directors following any changes.

Employment of Subcontractors, Agents and Consultants

The PIO works in conjunction with Network Administration to implement policies to ensure that VPHP enters into commission or fee arrangements only with firms or persons serving as bona fide subcontractors, agents and consultants (hereinafter referred to as “agents”). Such arrangements may not be entered into with any agent in which a government official or employee, practitioner, provider or vendor is known to have an interest unless such arrangement is permitted by applicable law. All commission and fee arrangements shall be covered by a written contract. In addition, subcontractors, agents and consultants will be checked against the Department of Health & Human Services List of Excluded Individuals/Entities maintained by the OIG, and/or the System for Award Management (SAM) indicating debarred or suspended individuals/entities declared ineligible by the Government Accountability Office.

Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) providers are required to be contracted with Medicare or be accredited by one of the CMS accrediting entities in order to contract with VPHP.

All contracts contain a clear description of services to be rendered and agree to comply with The Plan and applicable Federal and State laws. Every contract provides for revocation of the contract and repayment of all funds paid under the contract in the event the subcontractor, agent or consultant violates either applicable Federal and State laws or the standards and policies set forth in The Plan.

Ensuring Compliance with Judicial Requirements

The PIO maintains a record of every document served on VPHP with regard to compliance issues or which otherwise requires the assistance or cooperation of VPHP. The PIO reviews all summons, subpoenas and other documents served on VPHP to determine appropriate action. The PIO, in consultation with and at the direction of the CEO, has primary oversight duties to ensure the complete and prompt compliance with
the court document in question or the filing of necessary pleadings to answer, suppress, quash, modify, or otherwise protect VPHP.

Contractual Requirements of Virginia Premier Health Plan to CMS and DMAS

VPHP is contracted with CMS and DMAS to provide benefits under the Capitated Financial Alignment Demonstration. The contract with CMS and DMAS includes the drug prescription program under Part D. VPHP is also contracted independently with DMAS to provide benefits under Medallion 3.0 and Family Access to Medical Security Insurance (FAMIS).

VPHP complies with laws and regulations applicable to MCOs at the Federal and State level. VPHP submits reports to DMAS and CMS annually, quarterly and monthly, and as may otherwise be requested by DMAS or CMS consistent with provisions of the contract. Accordingly, the contract with CMS and DMAS requires VPHP to design and implement a Program Integrity and Compliance Plan identical with respect to elements to those required under Federal and State law.

VPHP has established policies and procedures for ensuring protections against potential or actual fraud, waste and abuse. VPHP has established monitoring tools and controls necessary to protect against theft, embezzlement, fraudulent marketing practices, and other types of fraud and program abuse such as false claims, kick-backs, physician self-referral, bribery and improper gifts to and by government employees, VPHP employees, practitioners, providers, FDRs, and vendors. The internal monitoring and auditing tools and controls designed by VPHP have been implemented to measure VPHP’s compliance with contractual requirements relating to the following:

Applicable Laws and Regulations

VPHP and its officers, directors, employees, subcontractors and individual affiliates agree to comply with all applicable Federal and State laws and regulations including constitutional provisions regarding due process and equal protection under the law and including but not limited to:

- All applicable standards, orders or regulations issued pursuant to the Clean Air Act of 1970 as amended (42 U.S.C. 7401, et seq.) and 20 USC § 6082(2) of the Pro-Children Act of 1994, as amended (P.L. 103-227);

- Title VI of the Civil Rights Act of 1964, as amended (42 U.S.C. 200d) and regulations issued pursuant thereto, 45 CFR Part 80; In accordance with Title VI of the Civil Rights Act of 1964 and its implementing regulation at 45 CFR Part 80, the provider must take adequate steps to ensure that persons with limited English skills receive free of charge the language assistance necessary to afford
them meaningful and equal access to the benefits and services provided under this agreement;

- Title VII of the Civil Rights Act of 1964, as amended (42 U.S.C. 200e) in regard to employees or applicants for employment.

- Section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. 794, which prohibits discrimination on the basis of handicap in programs and activities receiving or benefiting from Federal financial assistance, and regulations issued pursuant thereto, 45 CFR Part 84;

- The Age Discrimination Act of 1975, as amended, 42 U.S.C. 6101 et seq., which prohibits discrimination on the basis of age in programs or activities receiving or benefiting from Federal financial assistance;

- The Omnibus Budget Reconciliation Act of 1981, as amended, P.E. 97-35, which prohibits discrimination on the basis of sex and religion in programs and activities receiving or benefiting from Federal financial assistance;


- Americans with Disabilities Act, as amended, 42 U.S.C. § 12101 et seq., and regulations issued pursuant thereto, 28 CFR Parts 35 and 36;

- Sections 1128-1156 of the Social Security Act, as amended, relating to exclusion of contractors for fraudulent or abusive activities involving Medicare and/or Medicaid programs.

- Drug Free Workplace Act of 1998 as set forth in 45 CFR Part 76, Subpart F (2001, as amended);

- Debarment/suspension, as contained in 45 CFR Part 76.100-76.410 (2001, as amended);

- Title IX of the Education Amendments of 1972 regarding education programs and activities;

- Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the rules and regulations promulgated there under (45 CFR Parts 160, 162, and 164) and all other HIPAA requirements relating to transactions, identifiers, and privacy and security standards;

- Deficit Reduction Act of 2005 § 6032 requiring entities receiving $5M or more to provide employee education about the Federal False Claims Act;
• Virginia Fraud Against Taxpayers which represents Virginia’s false claims act and with similar requirements as the Federal False Claims Act;

• Health Information Technology for Economic and Clinical Health (HITECH) Act, as part of the American Recovery and Reinvestment Act of 2009;

• Patient Protection and Affordable Care Act of 2010;

• 42 CFR § 423.504 (Dual Alignment Demonstration Plan);

• 42 CFR § 423.504(b)(4)(vi) – Compliance Plan requirements to detect and prevent fraud, waste and abuse in the Medicare Part D Program; and

• 42 CFR § 438.608 – Medicaid managed care programs.

• False Claims Act – 31 U.S.C. §§ 3729-3733;

• Department of Medical Assistance Services, Medallion 3.0 Managed Care Contract (2014-2015); and

• Capitated Financial Alignment Demonstration (2014) between CMS, DMAS and VPHP.