# Applicable to

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Entity** | QHBPC[[1]](#endnote-1) | QHPC[[2]](#endnote-2) | QHPMC[[3]](#endnote-3) | QHIC[[4]](#endnote-4) | QTZ[[5]](#endnote-5) | If other, please specify. | |
| **State** | Iowa | Illinois | Minnesota | Wisconsin | | If other, please specify. | |
| **Product Line** | All Insured Product Lines (Does not include self-funded) | | | | | Self-Funded |  |
|  | Commercial HMO  Commercial PPO  Commercial POS | | Individual ACA Exchange  Individual ACA Non-Exchange  Individual Pre-2010  Medicaid-BadgerCare Plus  Medicaid-SSI | | | Medicare Advantage  Medicare Select  Medicare Supplement  State/Local  D-SNP | |

# Enforcement

Workforce members who violate this policy will be subject to disciplinary actions, up to and including termination of employment. Workforce members have a duty to report suspected or actual noncompliance. Failure to do so may result in disciplinary action leading up to and including termination.

# Review, Revision and Distribution

This policy and any material revisions to this policy require the approval of **the Compliance Officer(s)**.

External requests for access to this P&P (from network partners, sister companies, etc.) should be directed to **the Compliance Officer(s)**.

This document will be updated periodically to reflect changing business and technology requirements or at least annually, whichever is sooner. All change requests should be directed to the document owner.

# Document Logistics & Revision History

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| --- | --- |
| **Document Owner:** | AVP, Compliance and Government Regulatory Operations, Senior Director, Deputy General Counsel |
| **Next Review:** | June 2024 |

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| --- | --- | --- |
| **Description of Changes** | **Name, Title, or Committee** | **Date** |
| **Creation** | Jessica Stanton, Compliance Analyst | 5/1/2017 |
| **Reviewed/Revised** | Jessica Stanton, Sr. Compliance Analyst | 6/22/2023 |
| **Approved** | Compliance Committee | 7/26/2023 |
| **Note:** Only keep the initial creation, last revision, and last approval dates. Previous versions must be archived for 10 years. | | |

# Purpose

The purpose of this policy is to:

1. Establish a process for investigating and analyzing all reports of potential or actual compliance issues.
2. Report all Part C and Part D noncompliance issues or potential fraudulent or abusive activity to the Investigation Medicare Drug Integrity Contractor (I-MEDIC), and/or CMS Regional Office in a timely manner.
3. Ensure that the Compliance Committee is informed of compliance issues.

# Policy

The Compliance department will investigate all potential or actual compliance and fraud, waste, and abuse issues that are reported to or identified by Compliance. Compliance will document all investigations in the Compliance Database and report compliance issues to relevant parties, including the Compliance Committee and regulatory bodies.

# Definitions

|  |  |
| --- | --- |
| FDR | First-Tier, Downstream, or Related Entity |
| First-Tier Entity | Any party that enters into a written arrangement, acceptable to CMS, with a Medicare Advantage Organization (MAO), Part D plan sponsor to provide:  Administrative services (e.g. marketing, utilization management, quality management, application processing, enrollment or disenrollment functions, claims processing, adjudicating Medicare organization determinations, appeals and grievances, provider credentialing); or  Health care services to a Medicare eligible individual under the Medicare Advantage program or Part D program (e.g. independent practice association, pharmacy benefit manager, hospital) |
| Downstream Entity | Any party that enters into a written arrangement, below the level of the arrangement between a sponsor and a First-Tier Entity for provision of administrative services or health care services to a Medicare or FFM eligible individual under the Medicare Advantage program, Part D program. (e.g. hospitals within a health system or credentialing verification organization) |
| Related Entity | Any entity that is related to the sponsor by common ownership or control and either: (1) performs some of the sponsor’s management functions under a contract or delegation; (2) furnishes services to Medicare eligible individuals under an oral or written agreement; or (3) leases real property or sells materials to the sponsor at a cost of more than $2,500 during a contract period. (42 C.F.R. § 423.501) |

# Related Documents

* HumR.020 Quartz HR Disciplinary Policy
* C.019 Effective Lines of Communication Policy
* C.026 Compliance Auditing and Monitoring Policy
* [Compliance Corrective Action Plan Form](https://uknow.internal.unityhealth.com/Intranet/main.aspx?tid=615)

# Requirements

* OIG Model Compliance Program Plan, Federal Register, 11/15/99, (G. Responding to Detected Offenses, Developing Corrective Action Initiatives and Report to Government Authorities)
* Prescription Drug Benefit Manual, Chapter 9, Section 50.7
* 45 CFR s. 156.340
* 45 CFR s. 156.715
* Wis. Adm. Code Ins. 9.42

# Procedure

As used herein, the term “compliance issue” shall mean action or conduct which constitutes or could constitute a potential violation of a law, regulation, or company policy.

**Investigations:**

Workforce members, board members, and first-tier, downstream, and related entities (FDRs) have an obligation to promptly report noncompliance, as well as fraud, waste, and abuse (FWA), directly to their leader, the Compliance Officer(s), the Legal department, or another member of the Compliance Department staff, or, in the case of Medicare program noncompliance, directly to CMS, CMS’s designee (I-MEDIC), or law enforcement, or, in the case of Medicaid program noncompliance, directly to the DHS Office of the Inspector General, and are expected to assist in their resolution. FDRs are obligated to promptly report any suspected issues of noncompliance from any reports received on their own anonymous fraud hotline, or any other method of receiving reports, are expected to assist in their resolution, and are required to take disciplinary action as necessary.

When the Compliance Department receives a report concerning or otherwise discovers compliance issues, it must be documented in the Legisway Compliance Database, complete with root cause of the issue, results of the investigation, and corrective actions taken, if applicable.

In the event that an issue requires escalation, Compliance will document the Issue Priority as “high” in the Legisway Compliance Database. Escalated issues typically are those that pose reputational or financial risk to the organization or require immediate action.

When the Compliance Department receives fraud alerts via HPMS memoranda, Compliance will send the provider’s name, as listed in the alert, to the SIU department to review if the organization has paid past claims to that provider. In the event the fraud alert lists a contracted provider, Compliance will forward to the Provider Affairs department. In the event the fraud alert lists a pharmacy, Compliance will involve the Pharmacy department to review potential paid claims.

The Compliance Department will conduct a timely and well-documented reasonable inquiry into any compliance incident or issue as it arises. Regardless of how the noncompliance or FWA is identified, Compliance will initiate a reasonable inquiry as quickly as possible, but no later than two weeks after the date of identification.

The Compliance Officer(s), or his or her designee, shall conduct an investigation to identify all facts surrounding the compliance issue. The investigation should determine:

A. the nature of the compliance issue,

B. the evidence supporting the compliance issue, and

C. the person or persons with relevant knowledge regarding the compliance issue.

Investigations shall be conducted under the authority of the Compliance Officer(s), utilizing persons having sufficient levels of expertise and knowledge with regard to the compliance issue at hand. If the issue involves the work of Human Resources instead of Compliance, Compliance must still document the issue and follow up with Human Resources until the issue is closed.

The Compliance Officer(s) shall have access to all company records necessary to complete the investigation in a timely manner. The investigation will be concluded within 60 calendar days unless an extension is justified. All investigations shall be handled in a confidential manner that protects the privacy of persons who reported or are the subject matter of actual or alleged compliance issues.

The findings during the investigation shall be reviewed by the Compliance Officer(s) to determine the action to be taken regarding the compliance issue, including whether and if so, how to implement a corrective action plan, which may involve:

1. revision of policies
2. compliance education and training
3. recovery of overpayments
4. determining, in consultation with the Compliance Committee, whether Quartz should voluntarily disclose the improper conduct to the government
5. recommending termination of relationships with contractors or vendors who may have acted improperly
6. recommending disciplinary action or termination of employment; or
7. other specific actions.

Findings that inappropriately delay, restrict, or limit a member’s access to required medication and/or services are considered significant findings that would require immediate corrective action in order to mitigate impact to the member. Immediate corrective action is defined as mitigation within two calendar days. Findings that do not have an immediate impact on the member’s ability to request or receive medications and/or services but are still significant would require corrective action within 60 days. Findings that are limited in scope, less significant, but require attention to ensure any member impact is resolved or to prevent further noncompliance would be considered an observation with corrective action required, again requiring action within 60 days. Lastly, any findings that are insignificant and represent an anomaly but still are documented for compliance purposes are considered an observation and do not require corrective action.

Due consideration shall be given to using a quality improvement approach as part of such corrective action plans. All Medicare Part C and D FWA cases will be referred to the I-MEDIC, CMS Regional Office, the OIG, or law enforcement in a timely manner.

Cases that should be referred include:

1. Substantiated or suspicious FWA activities, including, but not limited to, allegations that a provider or supplier engaged in a pattern of improper billing, submitted improper claims with suspected knowledge of their falsity, submitted improper claims with reckless disregard or deliberate ignorance of their truth, or is the subject of a fraud hotline tip verified by further evidence.
2. schemes that present large financial risk to beneficiaries or federal health care programs
3. potential criminal, civil, or administrative law violations.
4. allegations that extend beyond one plan, involving multiple health plans, multiple states, or widespread schemes.
5. allegations that involve known patterns of fraud that may have already come to attention of law enforcement (e.g. fraud alerts).
6. patterns of fraud or abuse that threatens the life or well-being of beneficiaries.
7. any cases that the plan feels MEDIC input would be beneficial.

Cases that should *not* be referred include:

1. Subjects that have already been arrested, charged, or indicted by law enforcement, unless it is for a different allegation.
2. Submissions that simply state what the HPMS fraud alert findings are with nothing additional provided.

Referring cases to the I-MEDIC can be done at any time via the Program Integrity Portal in the CMS Health Plan Management System (HPMS). Upon submission, the I-MEDIC has the ability to accept or reject a submission. When reporting a case via the Program Integrity Portal, the following information must be included:

1. Complainant contact information
2. Complete and accurate beneficiary information
3. Complete and accurate subject / suspect of fraud information and identifiers
4. Period of review and Medicare program exposure
5. Detailed description of findings / allegations/ issues (CPT codes, states involved, dates, names of individuals and businesses involved, contact information for victims involved, etc.)

If the incident is concerning a Medicaid member, information must be reported to the DHS Office of the Inspector General (OIG) using the following methods:

1. Toll-free hotline: (877) 865-3432
2. Online portal: <https://www.reportfraud.wisconsin.gov/rptfrd/default.aspx>

Reports of fraud, waste or abuse to the OIG should not be made anonymously and may be subject to open records laws.

**Reporting Compliance Issues to Compliance Committees:**

The Compliance Officer(s) shall provide the Compliance Issues Log maintained by Compliance during that calendar year. The Compliance Issues Log shall be reported to the Compliance Committee at least on a bi-annual basis. The Log includes:

1. the date the compliance issue was reported
2. a summary of the compliance issue
3. the current status of the compliance issue; and
4. any corrective actions that were taken.

**Audits**

As part of its ongoing Compliance Program, Quartz intends to conduct routine audits to ensure that the organization, its workforce, and delegated entities are in compliance with applicable laws, regulations and compliance policies.

If, during a routine audit, the Compliance Department discovers a compliance issue, the matter shall be investigated as provided in this policy. Any detected violations will be subject to the appropriate corrective action, including disciplinary action. If a corrective action plan is required as a result of the investigation, all action plans must be documented and reported to Compliance on the official Compliance Corrective Action Plan Form, found on the Quartz intranet.

**Confidentiality**

All documents prepared and reviewed by the Compliance Officer(s) concerning a compliance issue shall be maintained in the Legisway Compliance Database. All non-privileged documents shall be available for review by appropriate regulatory agencies to show that Quartz maintains an active and effective Compliance Program.

1. [↑](#endnote-ref-1)
2. [↑](#endnote-ref-2)
3. [↑](#endnote-ref-3)
4. [↑](#endnote-ref-4)
5. [↑](#endnote-ref-5)