

NHP/NHIC-Fraud, Waste and Abuse Policy

Abstract/Purpose:

To ensure that Network Health Plan and Network Health Insurance Corporation (NHP/NHIC) and/or its Designee will consistently identify and address fraud, waste and abuse activities in a systematic manner in full compliance of the law and in accordance with the highest principals of business ethics and conduct.

I. Policy:

To ensure that Network Health Plan and Network Health Insurance Corporation (NHP/NHIC) and/or its Designee will consistently identify and address fraud, waste and abuse activities in a systematic manner in full compliance of the law and in accordance with the highest principals of business ethics and conduct. NHP/NHIC maintains ultimate responsibility for adhering to and otherwise fully complying with all terms and conditions of the NHP/NHIC contracts with CMS.

II. Procedure:

A. NHP/NHIC or its Designee will detect, correct, and prevent fraud, waste and abuse (FWA) through policies, procedures and standards of conduct. At a minimum all parties will:

- Maintain a commitment to comply with both state and federal requirements related to the Medicare program, including but not limited to the Anti-Kickback Statute and False Claims Act.
- Continually monitor and update the Medicare Compliance Program to incorporate any changes to applicable standards.
- Develop procedures that establish ramifications in instances where federal or state statutes or regulatory requirements are breached.
- Distribute written standards of conduct related to FWA to all employees at the time of hire, to subcontractors at the time of contract, when the standards are updated, and annually thereafter. As a condition of employment, NHP/NHIC employees shall certify that they have received, read, and will comply with all the written standards of conduct. In addition, these standards of conduct shall be shared with all subcontractors, including all MA-related contractors.
- Have employees and subcontractors, including vendors, physicians, agents, agencies, and brokers, including MA-related contractors sign a statement, attestation or certification related to conflict of interest at time of hire or contract and annually thereafter.
- Maintain policies that require the review of the Department of Health and Human Services Office of the Inspector General (DHHS OIG) and General Services Administration (GSA)

exclusion lists on an annual basis to ensure that its employees and subcontractors, including vendors, physicians, agents and brokers and MA-related contractors are not included on such lists. If NHP/NHIC employees and subcontractors, including vendors, physicians, agents, agencies, brokers and MA-related contractors appear on such lists, the policy shall require the immediate removal of such employees or subcontractors, including vendors, physicians, agents, agencies, brokers and MA-related contractors from any work on all federal health care programs.

- Describe the arrangements for identifying overpayments within the network and making repayments to CMS of any overpayments.
 - Establish procedures for the identification of FWA in the network.
 - Maintain procedures for referring instances of potential FWA to the Medicare Drug Integrity Contractor (MEDIC) for further investigation.
 - Establish policies and procedures for coordinating and cooperating with MEDICs, CMS, and law enforcement.
 - Maintain policies and procedures to comply with the ten-year record retention requirement as listed in the Federal Regulation.
 - Establish policies and procedures to ensure full disclosure of all pricing decisions including clear guidance on how all decisions are documented.
 - Establish policies and procedures that maintain a commitment to legal and ethical Pharmacy & Therapeutic Committee decisions and formulary decisions.
- B. The NHP/NHIC Compliance Officer (CO), including the Compliance Committee (CC) is accountable for the NHP/NHIC FWA plan. The CO is responsible for developing, operating, and monitoring the FWA program with authority to report directly to the Board of Directors (BOD), the President, or the COO. The CC is overseen by the CO, advises the CO and assists with the implementation of the NHP/NHIC compliance program, including the Medicare Part D compliance program.
- C. Medicare requires that we conduct training and education related to the Code of Conduct, the Medicare Compliance Plan, and the detection, correction, and prevention of FWA at the time of employee hire and annually thereafter. NHP/NHIC will maintain written records of the FWA training of employees, including attendance logs and material distributed at the training sessions. Training will be conducted using web-based tools, live or videotaped presentations, written materials or a combination of these techniques. Federal law requires FWA training for all staff at all levels, including the BODs, subcontractors, and agents, including agencies and brokers and will address:
- Pertinent laws related to FWA. (e. g. Anti-Kickback Statute and False Claims Act provisions.)

- Training for staff and subcontracted entities on common fraudulent schemes in the pharmaceutical industry as identified by CMS, the OIG, or the Department of Justice.
 - How Part D FWA is identified.
 - What to do when FWA is identified.
 - The role of the MEDIC, CMS and law enforcement.
 - How employees and subcontractors shall cooperate with the MEDIC, CMS, and law enforcement.
- D. NHP/NHIC will record and respond to instances of FWA identified by employees and subcontractors, including vendors, physicians, agents, agencies, brokers and MA-related contractors. NHP/NHIC will also maintain confidentiality, allowing anonymity if desired (e.g. through telephone hotline by calling 1-800-886-2566 or mail drops), without fear of retaliation. At a minimum, NHP/NHIC will:
- Provide a hotline for employees and subcontractors, including vendors, physicians, agents, agencies, brokers and MA-related contractors to report FWA by calling 1-800-886-2566;
 - Respond promptly to hotline inquiries within 30 days of the report;
 - Provide a form via the intranet for subcontractors, vendors, physicians, agents, agencies, brokers and MA-related contractors to report FWA directly to the compliance department.
 - Provide a form via the intranet for employees to identify areas of FWA.
 - Respond promptly to all intranet generated forms within 30 days of the report.
 - Maintain a system to track complaints of FWA; and
 - Maintain procedures to ensure honest, effective, and efficient working relationships with the MEDICs, CMS, and law enforcement.
- E. NHP/NHIC will promote FWA plan standards through well-publicized disciplinary guidelines. To encourage the reporting of incidents of potential or actual FWA, NHP/NHIC, under the direction of the CO, shall:
- Release e-mails and/or newsletters which explain FWA.
 - Include compliance guidelines as a regular topic at department staff meetings.
 - Prominently display posters, cafeteria table tents, or other such vehicles that emphasize the importance of detecting, correcting, and preventing FWA.
 - Post information about FWA and reporting methods on the NHP/NHIC intranet site.

The information will be provided to all staff at all levels, including BOD's, subcontractor's employees, vendors, physicians, agents, agencies, brokers and MA-related contractors. In addition, NHP/NHIC will disseminate the procedures to ask compliance questions, or make reports of potential or actual noncompliance to

the CO or to a designated subcontractor (e.g. hotline). At a minimum, the published information (including outgoing greetings on “hotline” systems) will include:

- A description of the various methods available to report FWA.
 - A statement that every attempt will be made to maintain confidentiality, however confidentiality may not be guaranteed if law enforcement gets involved.
 - A description of how anonymous reports may be made and how the anonymous system will allow the reporter to provide additional information (if needed) and receive status updates on the investigation.
 - A description of the NHP/NHIC policy on non-retaliation or retribution for reports of FWA made in good faith.
- F. An internal monitoring and auditing system will be used to identify FWA. In addition, a Risk Assessment will be performed to determine where the risks are and to prioritize the risks. Monitoring and auditing will apply to all areas vulnerable to potential FWA including:
- NHP/NHIC subcontracting operations;
 - Claims processing (e.g. claims processing edits that will identify potential FWA at the point of sale, either prospective, retrospective or both);
 - Marketing operations;
 - Membership;
 - Pricing;
 - Rebates and other price concessions;
 - Formulary development;
 - Pharmacy & Therapeutics committee; and
 - CMS payment operations (e.g. “the bid,” claims data submission for payment).

NHP/NHIC or its Designee will engage in data analysis to identify patterns of utilization abuse. Any FWA identified will be referred promptly to the MEDIC for further investigation.

NHP/NHIC or its Designee will perform auditing and monitoring for FWA by one or more of the following methods:

- Unannounced internal audits or “spot checks”.
- Examination of the performance of the compliance plan including review of training, the compliance issues log (e.g. hotline log), investigation files, certifications for receipt of standards of conduct, and conflict of interest disclosure/attestation.
- Review areas of previously found non-compliant to determine if the corrective actions taken have fully addressed the underlying problem.

- Use of objective, independent auditors that are knowledgeable of the Medicare program requirements and are not employed in the area under review.
 - Access to existing audit resources, relevant personnel, and relevant areas of operation.
- G. NHP/NHIC will respond promptly to FWA with corrective action initiatives relating to such offenses. Procedures for responding to and correcting potential FWA violations include:
- Referring any abusive or potentially fraudulent conduct or inappropriate utilization activities, once identified via proactive data analysis or other processes, for further investigation to CMS or the MEDICs;
 - Procedures for self-reporting FWA;
 - Procedures to cooperate with law enforcement and the MEDICs;
 - Immediate reporting of potential violations of Federal law to the OIG or the appropriate law enforcement authorities;
 - Removal of employees, subcontractors, including vendors, physicians, agents, agencies and brokers who engage in fraudulent or abusive practices.