Compliance Program and Fraud, Waste and Abuse Awareness Training
Argus Compliance Program & FWA Awareness Training

- As part of the Argus contract with HMO’s and other entities with contracts with the Centers of Medicare and Medicaid Services, Argus requires its employees and subcontractors who have direct or indirect involvement with the Medicare program to complete a Compliance training.

- This course is intended to raise your awareness of Argus' Compliance Program requirements under which you perform your daily duties, and give you the basic tools necessary to detect, prevent and report non-compliance issues and potential fraud, waste and abuse.
Argus Compliance Program & FWA Awareness Training

As an Argus associate who works with Medicare products, you must:

1. Be aware of the components of Argus's Compliance Program
2. Be aware of common types of FWA perpetrated in the healthcare business
3. Be aware of the compliance requirements that apply to you
4. Be aware of the required steps as an Argus associate
Argus Compliance Program & FWA Awareness Training

Overview
- Medicare Program
- Important Information
- Important Definitions
- Important Acronyms

Compliance Program
- What is it?
- Benefits of having a program

I. 8 Core Elements of Argus’ Compliance
II. Fraud, Waste and Abuse Awareness
III. Definitions of FWA
IV. Examples of FWA Schemes
V. FWA Related Laws
Overview Medicare Program

- The Centers for Medicare & Medicaid Services (CMS) is a government entity within the U.S. Department of Health and Human Services.

- CMS is responsible for oversight of the Medicare Program, including health plans such as Medicare Advantage (MA), Medicare Advantage Prescription Drug (MAPD), and Prescription Drug Plan (PDP).

- The main office for CMS is located in Baltimore, MD. CMS has 10 Regional Offices: Atlanta, Boston, Chicago, Dallas, Denver, Kansas City, New York, Philadelphia, San Francisco, and Seattle.
Overview
Medicare Program

Medicare - The federal health insurance program for:

- People 65 or older
- People under 65 with certain disabilities
- People of any age with End-Stage Renal Disease (ESRD) (permanent kidney failure requiring dialysis or a kidney transplant)
Overview
Medicare Program

- **Medicare Part A** - Hospital insurance that pays for inpatient hospital stays, care in a skilled nursing facility, hospice care and some home health care.
- **Medicare Part B** – Medicare medical insurance that helps pay for doctors’ services, outpatient hospital care, durable medical equipment, and some medical services that are not covered by Part A.
- **Medicare Part C** – (Medicare Advantage Plan) The plan will provide all of your Part A and Part B coverage. Medicare Advantage Plans may offer extra coverage, such as vision, hearing, dental, and/or health and wellness programs. Many include Medicare prescription drug coverage (Part D).
- **Medicare Part D** - Prescription drug insurance that helps pay for prescription drugs, certain vaccines and certain medical supplies.
Overview
Medicare Program

Argus Dental Plans, Inc. is located in Tampa, Florida and is contracted with clients contracted with the Centers of Medicare and Medicaid Services to offer Medicare Advantage (MA) and Medicare Advantage Prescription Drug (MA-PD) benefits to Medicare eligible beneficiaries. Medicare pays HMO’s a set amount of money every month to provide medical and prescription drug coverage to Medicare beneficiaries.
Overview
Medicare Program

Argus as a subcontractor must comply with all Federal and State applicable laws, regulations and guidance that govern the MA and Part D programs. These regulations and guidance include, but are not limited to:

- Medicare Managed Care Manuals
- Prescription Drug Benefit Manual
- Instructions issued by the Center of Medicare and Medicaid Services via the Health Plan Management System (HPMS Memos).
- Annual Call Letter issued by the Center of Medicare and Medicaid Services.
- Florida State Statues
- Code of Federal Regulations
- NAIC Guidelines
Overview
Medicare Program

- A Compliance Plan is a company's document which describes the components of their Compliance Program.

- Argus' Compliance Plan is also supported by Compliance polices and procedures.

- Argus' Fraud, Waste and Abuse Program is integrated within the Compliance Plan.
Overview

Important Definitions

First Tier Entity - any party that enters into a written arrangement with an MA organization to provide administrative services or health care services for a Medicare eligible individual.

Medicare Advantage and Part D programs.
Examples of first tier entities are a Pharmacy Benefits Manager (PBM), contracted hospitals, clinics and allied providers.
Downstream Entity - any party that enters into an acceptable written arrangement below the level of the arrangement between an MA organization and a first tier entity. These written arrangements continue down to the level of the ultimate provider of health and/or administrative services.

Examples of downstream entities are pharmacies, quality assurance companies, marketing firms, claims processing firms, and billing agencies.
Important Definitions

**Related Entity** - any entity that is related to the MA organization by common ownership or control and:

- Performs some of the MA organization's management functions under contract or delegation;
- Furnishes services to Medicare enrollees under an oral or written agreement; or
- Leases real property or sells materials to the MA organization at a cost of more than $2,500 during a contract period
Overview

1st Tier and Downstream Level

- CMS Contractor (MA-PD Plan)
  - CMS Subcontractor First Tier Entity (Argus)
    - CMS Subcontractor Downstream Entity (Pharmacy)
    - CMS Subcontractor Downstream Entity (Dental)
    - CMS Subcontractor Downstream Entity (Pharmacy)
    - CMS Downstream Entity (Marketing Firm)
    - CMS Downstream Entity (Quality Assurance Firm)
    - CMS Downstream Entity (Claims Processing Firm)
    - CMS Subcontractor Downstream Entity (Pharmacist)
    - CMS Subcontractor Downstream Entity (Pharmacist)
    - CMS Subcontractor Downstream Entity (Healthcare Marketing Consultant)
Overview
Important Acronyms

- **AHCA** — Agency for Health Care Administration
- **CAP** - Corrective Action Plan
- **CFR** - Code of Federal Regulations
- **CMS** - Centers for Medicare and Medicaid Services
- **DOI** — Department of Insurance (Office of Insurance Regulation)
- **FWA** - Fraud, Waste & Abuse
- **HHS** - Department of Health & Human Services (also DHHS)
- **HIPAA** — Health Insurance Accountability and Portability Act
- **MA** - Medicare Advantage (formerly Medicare + Choice)
- **MA-PD** - Medicare Advantage Prescription Drug Plans
- **MEDIC** — Medicaid Integrity Contractor
- **MMA** - Medicare Prescription Drug, Improvement, & Modernization Act
- **OIG** — Office of Inspector General
- **PBM** — Pharmacy Benefit Manager
- **PDP** - Prescription Drug Plan
ARGUS COMPLIANCE PROGRAM
Compliance Program
What is it?

- A Compliance Program is a set of internal controls and measures to ensure that Argus is following all applicable laws and regulations that govern the programs in which it participates.

- The Compliance Program establishes expectations for how Argus conducts business, how each department carries out its activities, and the behavior of each individual employed or contracted by Argus.

- Argus has adopted a “Compliance Program” to reaffirm Argus’ commitment to conducting its business in full compliance with applicable statutes, regulations, federal health care program requirements and internal policies and procedures.

- Argus’ Compliance Plan applies to anyone employed by, or contracted with Argus who works with Medicare Part C and Part D products.
Compliance Program
Benefits

Argus' Compliance Program, as documented in the Compliance Plan, provides a solid framework for structuring a comprehensive range of compliance activities.

It is beneficial for Argus to prepare, implement, and monitor all the Compliance Plan requirements to promote and ensure compliance with the regulations and to protect its contractual standing with CMS.

- Avoid legal and compliance problems in the first instance;
- Effectively address compliance allegations as they arise;
- Remedy the effects of noncompliance;
- Identify and remove FWA;
- Provide Argus associates and the general public with an official statement of how Argus must and will conduct business;
- Provide a coordinated reporting structure between Argus, its subcontractors, and enforcement authorities.
Compliance Program
8 Core

An effective Compliance Program includes 8 core elements:

1. Written policies, procedures and standards of conduct
2. Compliance Officer and Compliance Committee
3. Training and Education
4. Effective Lines of Communication
5. Enforcement of Standards (Disciplinary Guidelines)
6. Monitoring and Auditing
7. Procedures for prompt responses to offenses
8. Fraud, Waste and Abuse detection, correction and prevention
Compliance Program
Written Policies & Procedures

Argus maintains written documentation as a means to guide the organization concerning activities around the Part C and Part D benefit program. To meet this goal, Argus establishes and maintains a Compliance Program, Code of Ethics (i.e. Code of Conduct) and associated policies and procedures.

Argus’ Compliance Plan is Argus’ core document regarding compliance with federal rules established for the Part C and Part D benefit program.

The Compliance Plan instructs associates on the Argus' position concerning the following topics that directly affect you:

- Argus' Code of Ethics (i.e. conduct),
- Information about the Compliance Officer, training, and communication,
- Disciplinary action for compliance violations,
- Identifying and reporting fraud, waste and abuse,
- Other laws that are applicable to your job.
Compliance Program
Written Policies & Procedures

The Code of Ethics provides detailed explanations regarding Argus' core values, ethical standards and work conduct. Some of the elements you can find within Argus' Code of Ethics are:

- Gifts and favors
- Confidentiality
- Conflicts of interest
- Reporting obligations
- Employment Practices
- Using company Assets
Compliance Program
Written Policies & Procedures

Argus also maintains a robust collection of policies and procedures that reflect Argus' commitment and efforts to operate within the expectations established by CMS, the federal agency that regulates Medicare.

Any modification to procedures concerning any of Argus' products, however, must meet the requirements established in Argus' overall P&Ps, and go through the proper approval protocol.

The policies and procedures, along with the Compliance Program, are found on the Compliance shared drive. The Compliance shared drive is accessible to all Argus associates by logging on the internal Systems.

All compliance documentation is made available to all employees in the initial 90 days of employment, and annually thereafter or more regularly when updated and modified.
Compliance Program
Written Policies & Procedures

All Argus written policies, procedures, and standards of ethics clearly state Argus' commitment to comply with all applicable Federal and state statutory, regulatory and other requirements related to the Medicare program; and are a critical component of a comprehensive program to detect, prevent and control fraud, waste and abuse.
Argus' commitment to compliance is demonstrated by the appointment of a Compliance Officer and Committee structure.

Argus has assigned the authority and responsibility for overseeing compliance activities to the Compliance Officer and Committee, that is overseen by the Compliance Officer.

The Compliance Officer has the primary responsibility of overseeing and monitoring the implementation of the Argus Compliance Program and ensuring that all policies and procedures are accurate and are implemented and integrated into Argus’ operations.
Compliance Program Officer and Committee

The Compliance Officer and Committee establishes a clear “open door” policy between Argus' employees, subcontractors, providers and members.

This includes procedures to ask compliance questions or make reports of potential or actual non-compliance to the Compliance Officer.

Argus Dental Compliance Officer:
Shelley Timko
4010 West State Street
Tampa, FL 33609
Compliance@argusdental.com
Compliance Program Officer and Committee

Compliance Committee:
The Compliance Committee meets quarterly, or more frequently if necessary, to share information about operation, compliance and FWA issues.

The goal is to share information, issues and trends that raise organization-wide awareness. For issues that affect multiple departments, strategies and action plans are developed that mobilize coordinated efforts across departments.
Compliance Program
Officer and Committee

Members of the Argus Compliance Committee includes individuals with a variety of backgrounds, and reflects the size and scope of Argus and Argus‘ resources. Member's of the Compliance Committee include:

- Board of Directors
- Quality Assurance Committee
- Quality Improvement Committee

From time-to-time non-voting members or department representatives will be requested and required to attend various Committee meetings.
Compliance Program
Training & Education

Argus maintains a comprehensive compliance training and education programs that helps Argus employees, providers and subcontractors comply with the regulations as well as assist them in fraud, waste and abuse prevention efforts.

- Compliance training addresses pertinent laws and also includes items related to fraud and abuse (e.g., Anti-Kickback Statute, False Claims Act, etc.,) and includes a discussion of Part C and Part D vulnerabilities as identified by Argus, the CMS, the Office of Inspector General (OIG) and other organizations.
- Argus intends to provide you with the training tools feasible and necessary to help you maintain compliance while performing your daily duties.
Compliance Program
Training & Education

- As part of this Compliance Training Program, you will receive a General FWA Awareness Training that focuses on common fraudulent healthcare schemes. With your help, many of these schemes can be prevented and detected before they make an impact on Argus, the Part C and Part D Programs, and the pharmacy and healthcare industry in general.

- Compliance Training is required within 90 days of hire, annually and more frequently if required.

- Refresher training may be provided on a more frequent basis as needed as Ad hoc training. Argus will maintain ongoing communication and disseminate information to employees regarding compliance issues as needed via methods of verbally or written (including but no limited to emails, memos, etc.)
Compliance Program
Training & Education

- Each director, manager and/or supervisor will maintain the policies and conduct training to support the departmental staff’s continued understanding specific to overall compliance, as well as, to their specific functions.

- Providers are trained at the time of their contract implementation information on reporting which is also included in their Provider Manual and annually thereafter.

- To the extent that it is feasible and reasonable, first tier entity, downstream entity, and related entity staff are permitted to attend the Argus’ training or agree to conduct their own compliance training in accordance with the CMS and state guidance protocols.
Argus maintains a system that fosters effective lines of communication between the Compliance Officer, the Compliance Department and Argus employees, agents, directors, managers, supervisors and members of the Compliance Committee regarding how to report compliance concerns and suspected or actual misconduct.

Argus employees are expected to report anything that violates the laws or regulations relating to Medicare Advantage, or any other state or federal law. Employees should report any concerns to a supervisor, the Compliance Officer or a member of the Compliance Committee.
Compliance Program
Effective Lines of Communication

Any employee who is either aware of a violation of the law and does not report it, or who is not aware of a violation of the law that the individual should have detected, is subject to potential discipline, which may include termination of employment.

All Argus associates are required to report incidents of

- violations of the Argus Compliance Program,
- incidents of potential FWA
- potential non-compliance issues
- violations of the code of conduct (i.e. Argus’ Code of Ethics)
Compliance Program
Effective Lines of Communication

- Reports shall be treated as confidential to the extent reasonably possible and may be made on an anonymous basis to our Anonymous Reporting Hotline at: (813) 831-4522.

- Reports may be made to the Compliance Officer in person, writing, or via phone.

- Argus maintains a confidential reporting mechanism for those who may be uncomfortable reporting concerns directly to a supervisor or to the Compliance Officer.
Compliance Program
Disciplinary Guidelines

Argus enforces standards through well-publicized disciplinary guidelines. Argus' enforcement of standards helps to prevent, detect, and reduce non-compliance issues and fraud, waste and abuse. Argus encourages the reporting of incidents of unethical or noncompliant behavior and will discipline all violators of The Argus Code of Ethics.

Argus maintains a mechanism of accountability and discipline for individuals who violate any law or regulation, or any of the Compliance Plan standards, policies and procedures or Argus' Code of Ethics, in the course of their employment or association with Argus.

Argus will enforce disciplinary guidelines with respect to all employees who fail to comply with laws and regulations, the Code of Ethics, and Argus' Compliance policies and procedures, or those who have otherwise engaged in wrongdoing.
Compliance Program
Disciplinary Guidelines

The precise discipline utilized by Argus will depend on the nature, severity, and frequency of the violation and may result in any of the following disciplinary actions:

1. Corrective Action Plan/Work Plan
2. Verbal warning
3. Written warning
4. Suspension w/o pay
5. Termination
6. Failure to renew agreements, contract terminations (contractor)
7. Restitution
8. Referral for criminal prosecution to law enforcement agencies
Examples used by Argus to publicize disciplinary guidelines, include but are not limited to:

- Argus Compliance Shared Drive
- Code of Ethics
- Argus' Employee Handbook
- Policies and Procedures
- Newsletters/memos/emails which explain compliance issues and methods.
- Include compliance guidelines as a regular topic at department staff meetings, in communications with subcontractors, and in the annual general Compliance Training.
- Posters, cafeteria/break room, or other such vehicles which emphasize the importance of compliance.
Compliance Program
Monitoring & Auditing

- Argus performs routine internal monitoring and audits (both announced and unannounced) to identify any potential waste, fraud and abuse or deficiencies the plan may need to correct or to demonstrate continuous compliance with standards.

- Different areas of the organization, as well as, delegated providers are audited on an annual basis. Random audits may also be conducted without prior notice to the party being audited.

- Argus conducts an annual risk assessment to evaluate functional areas of the organization to assess potential business or control risk, which include an annual Self-Risk Assessment. Results of the assessments are scored and those areas identified as the highest risk are considered when developing the internal audit plan. Other factors are considered in the risk assessment such as areas at risk of not meeting the CMS standards.
Compliance Program
Monitoring & Auditing

Argus Departments and/or delegated entities are audited through a variety of methods:

- On-site audit
- Off-site audit
- Sample review
- Desk audits
- Outsourcing and co-sourcing reviews

All audits will be documented via a written report. The purpose of the report is not only to record the audit and its results, but also serve as an effective vehicle to communicate to the department or delegated entity, ways to improve performance and eliminate inefficiencies.
Compliance Program Monitoring & Auditing

- Audit results that include quality issues, clinical or non-clinical, will be reported to the Quality Improvement Committee for review and development of appropriate corrective actions.

- Corrective action plans will be developed and implemented in areas where processes do not meet the requirement.

- Argus is also subject to audits from external parties such as CMS and the OIG. Corrective action plans for any deficiencies or findings reported during external audits will be developed and implementation will be monitored to ensure processes are strengthened and regulations are followed.
Compliance Program
Respond to Detected Issues

- Argus is committed to investigate any reported or detected potential compliance violations promptly and confidentially to the extent possible.

- The Compliance Officer, or designee, will coordinate any findings from the investigations and recommend corrective actions or corrective work plans for changes that need to be made.

- Argus expects all Argus employees to cooperate with investigation efforts.
Compliance Program
Respond to Detected Issues

- In cases in which potential or actual fraud, waste or abuse are detected with respect to Argus Medicare programs, Argus personnel must report such cases to the Centers for Medicare & Medicaid Services (CMS), Office of the Inspector General (OIG), and/or Medicare Drug Integrity Contractors (MEDICs) for further investigation.

- Argus personnel must, in such cases, continue to track and document the case, and fully cooperate with investigators.

- Argus has procedures for conducting appropriate corrective actions in response to potential violations. Examples of this include, repayment of overpayments and disciplinary actions against responsible individuals.
Compliance Program
Respond to Detected Issues

Argus’ procedures for responding to and correcting potential FWA violations include, but not limited to:

- Referral of any abusive or potentially fraudulent conduct or inappropriate utilization activities under Medicare Program, once identified via proactive data analysis or other processes, for further investigation to CMS or, as appropriate, the MEDICs, OIG, DOI, AHCA and Department of Health;
- Procedures to cooperate with law enforcement and, as appropriate, CMS, the MEDICs, OIG, DOI, AHCA and Department of Health;
- Immediate reporting of potential violations of Federal law to the DHHS OIG or, alternatively, to appropriate law enforcement authorities;
- Identification and repayment of any overpayments;
- Removal of any employees, subcontractors, beneficiaries, etc. who engage in fraudulent or abusive practices.
Compliance Program
Respond to Detected Issues

- The Compliance auditing and monitoring activities and other investigations may result in the identification of deficiencies. The responsible Argus department or delegated entity must develop and implement a plan to correct the deficiency. A Corrective Action Plan must be documented.

- Department directors and managers should develop corrective action plan as expeditiously as the Compliance Officer or their designee deems necessary, but no later than thirty (30) days from the Corrective Action Plan request date.

- Once the corrective action plan is developed by the responsible department director or manager, it must be submitted to the Compliance Officer and applicable oversight Committee for review and approval.
Compliance Program
Respond to Detected Issues

- Timely implementation of CAPs illustrates how seriously Argus takes these issues.
- Argus department directors, managers or delegated entities failing to respond within the allotted timeframes will be reported to the Compliance Committee. The Compliance Committee will resolve the issue by:

1. Having a member of the committee speak with the department director, manager or delegated entity.
2. Reporting the issue to the CEO and President and, if applicable, Human Resources for further disciplinary action.
Compliance Program Recap

All Argus associates are required to report incidents of violations of the Argus Compliance Program, unethical conduct, or incidents of potential FWA to the Compliance Officer or Compliance Department.

- Such reports may be made to the Compliance Officer or Compliance Department in person, in writing, or by phone.
- Reports shall be treated as confidential to the extent reasonably possible.
- There shall be no retaliation against anyone who submits a good faith report of noncompliance.

Reports may be made on an anonymous basis by:

1. Emailing Compliance@argusdental.com
2. Calling the Compliance Hotline at (813) 831-4522.
3. Filling out a Compliance Violation Form and sending to HR
Medicare Program
Fraud, Waste & Abuse
Awareness
CMS requires all Medicare sponsors to develop a comprehensive program to detect, correct and prevent Fraud, Waste and Abuse (FWA). Entities contracted with Argus should also have appropriate policies and procedures to address fraud, waste and abuse.

To reflect Argus’ commitment to the Medicare Program, Argus’ Compliance Department:

- Requires Anti-Fraud training to all of its employees
- Detects, deters, and investigates suspicious claims
- Provides methods to report suspicious activity
- Maintains a process for receiving and documenting complaints of internal and external fraudulent activity
- Files reports regarding fraud, waste and abuse to CMS, or as appropriate, the MEDICs, OIG, DOI, AHCA and Department of Health.
- Assists CMS and state and federal law enforcement and entities in investigational activity
FWA Training Awareness
Important Definitions

- **Fraud** - An intentional act of deception, misrepresentation, or concealment in order to gain something of value.

- **Waste** - Over-utilization of services (not caused by negligent actions) or the misuse of resources.

- **Abuse** - Excessive or improper use of services or actions that is inconsistent with acceptable business or medical practices. Refers to incidents that although not fraudulent, may directly or indirectly cause financial loss.
FWA Training Awareness

FWA Schemes

FWA can be perpetrated by many sources:

- Beneficiaries (i.e. members)
- Pharmacies
- Physicians/Providers
- Plan Sponsors (insurance company employees)
- Pharmacy Benefit Managers (PBMs)
- Wholesalers
- Pharmaceutical Manufacturers
FWA Training Awareness
FWA Schemes-Beneficiaries

- Drug Diversion: Beneficiary falsely reports the loss or theft of drugs or fakes illness to obtain drugs for resale on the black market.
- Forging or Altering Prescriptions: Forging or altering of a prescription to obtain medications from a pharmacy that were not prescribed.
- Identity Theft: Perpetrator obtains services by using another person’s Medicare card, or uses another person’s identity to enroll for benefits.
- Misrepresentation of Eligibility: It is illegal for a Medicare beneficiary to misrepresent personal information in order to receive the benefit, that they would have otherwise not have been eligible to receive.
FWA Training Awareness
FWA Schemes-Pharmacy

- **Prescription Drug Splitting or Shorting:** Mail order pharmacy intentionally provides less than the prescribed quantity and does not inform the patient or make arrangements to provide the balance but bills for the fully-prescribed amount. Splits prescription to receive additional dispensing fees.

- **Dispense as Written (D.A.W.) Codes:** Pharmacies could inappropriately add the code D.A.W. to a claim in order to bill for brand name (more expensive) drugs.

- **Inappropriate Billing Practices:** When pharmacies prescription split to receive additional dispensing fees, bill for non-covered prescriptions as covered items, bill for brand when generics are dispensed, bill multiple payers for the same prescriptions (except as required for COB transactions), and bill for non-existent prescriptions.
FWA Training Awareness
FWA Schemes-Physicians/Providers

- Falsification of health care provider credentials
- Collusion among providers: when a community of competing providers agree on minimum fees charged and capitation rates accepted. This may also include carving up service areas.
- Outside scope of practice: physicians provide services outside the boundaries of their scope of practice.
- Services never rendered: provider submits claims or encounter data for services that were never provided to beneficiaries.
- Falsification of billing: provider submits claims for items not covered by Medicare (i.e. unbundling)
FWA Training Awareness
FWA Schemes-Physicians/Providers

- **Illegal remuneration:** Prescriber is offered, or paid, or solicits, or receives unlawful remuneration (money) to induce or reward the prescriber to write prescriptions for drugs or products.

- **Falsifying medical information:** In this scheme, a prescriber falsifies information (not consistent with the medical record) submitted through a prior authorization or other formulary oversight mechanism in order to justify coverage for the drug.

- **Script mill:** Where a provider writes prescriptions for drugs that are not medically necessary, often in mass quantities, and often for persons who are not their patients.
Formulary Schemes: Sponsors must ensure that they only provide coverage for covered drugs as listed in their approved formularies, and in accordance with all state and federal regulations.

Failure to Provide Medically Necessary Services: By failing to provide medically necessary services and items, a sponsor would pay fewer claims, which could increase profits.

Adverse selection: selecting/denying beneficiaries based on illness profile or other discriminating factors.
FWA Training Awareness
FWA Schemes-Plan Sponsor

Marketing Schemes: Enrollment of a consumer in a Medicare Plan without the consumer’s knowledge or consent.

- Offering consumers a cash payment or other reward as encouragement to enroll in a Medicare Plan.
- Using consumer information supplied through a third party (another agent, friend, etc.) to market Medicare plans.
- Agents splitting commissions or agent referral fees.

Providing data to CMS that lack integrity: examples of this include: failure to generate or report complete and accurate upon which government reimbursement depends, in whole or in part, or improperly reporting enrollment/disenrollment data to CMS to inflate prospective payments.
FWA Training Awareness
FWA Schemes-PBM

- **Inappropriate formulary decisions:** PBM or their P&T committees make formulary decisions where cost takes precedence over clinical effectiveness and appropriateness of formulary drugs.

- **Prescription drug switching:** The PBM receives a payment to switch a beneficiary from one drug to another or influence the prescriber to switch the patient to a different drug.

- **Unlawful remuneration:** PBM receives unlawful remuneration in order to steer a beneficiary toward a certain plan or drug, or for formulary placement. Includes unlawful remuneration from vendors beyond switching fees.

- **Falsification of financial solvency:** A first tier or downstream entity can purport to have sufficient assets to cover claims when, in fact, it lacks solvency. This may result in the failure to pay providers at all or in a timely manner, and thereby affect patient care.
FWA Training Awareness
FWA Schemes-Wholesaler

- Counterfeit, impure drugs through black market: black market includes fake, diluted, expired, illegally imported drugs, etc.

- Diverters: individuals who illegally gain control of discounted medicines and mark up the prices and move them to small wholesalers.

- Inappropriate Documentation of pricing information: submitting false or inaccurate pricing or rebate information.
FWA Training Awareness
FWA Schemes-Manufacturer

- Illegal off-label promotion: promotion of off-label drug use.

- Illegal usage of free samples: providing free samples to prescribers knowing and expecting prescriber to bill Medicare for the sample.

- Kickbacks, inducements, other illegal payments: inappropriate marketing or promotion of education grants.
Compliance Training
FWA Related Laws

False Claim Act
Covered persons shall not knowingly and/or willfully make or cause to be made any false statement or representation of material fact in any claim or application for benefits under any federal health care program or health care benefit program.

In addition, Argus associates shall not, with knowledge and fraudulent intent, retain federal health care program or health care benefit program funds, which have not been properly paid.
Compliance Training
FWA Related Laws

Examples of prohibited conduct include, but are not limited to:

- Misrepresenting services which were rendered;
- Falsely certifying that services were medically necessary;
- Billing for services not actually rendered;
- Making false statements to governmental agencies about Argus’ compliance with any state or federal rules;
- Failing to refund overpayments made by a federal health care program.
Compliance Training
FWA Related Laws

False Claim Act
Whistleblower and Whistleblower Protections:

- The False Claims Act and some state false claims laws permit private citizens with knowledge of fraud against the U.S. Government or state government to file suit on behalf of the government against the person or business that committed the fraud.

- Individuals who file such suits are known as “whistleblowers”. The federal False Claims Act and some state false claims acts prohibit retaliation or intimidation against individuals for investigating, filing, or participating in a whistleblower action.
Compliance Training
FWA Related Laws

Anti-Kickback Act

- The Anti-Kickback law makes it a crime for individuals or entities to knowingly and willfully offer, pay, solicit, or receive something of value to induce or reward referrals of business under Federal health care programs.
- The Anti-Kickback law is intended to ensure that referrals for healthcare services are based on medical need and not based on financial or other types of incentives to individuals or groups.
- In addition to criminal penalties, violation of the Federal Anti-Kickback Statute could result in civil monetary penalties and exclusion from federal health care programs, including Medicare and Medicaid programs.
Compliance Training
Conclusion

Remember, if you suspect compliance issues or FWA you may report it to Argus for further investigation. Reports may be made:

- in person or in writing to the Compliance Officer,
- Compliance Department or your immediate Supervisor

May also be made on an anonymous basis by:

- E-mail
- Calling Compliance Hotline
- Filling out a Compliance Violation Form and submit to HR
Congratulations! You have completed the presentation portion of compliance training. Please remember to do the following:

1. Review the policies and procedures
2. Sign and date the FWA training log sheet and return to your supervisor