Section 6

Compliance

Contents

Healthcare Fraud, Waste, and Abuse

Overview

Blue Cross® Blue Shield® of Arizona (AZ Blue) is committed to the highest standards of ethics and integrity. Our focus on reducing healthcare fraud, waste, and abuse (FWA) reflects that commitment. According to the National Health Care Anti-Fraud Association (NHCAA), billions of dollars of the nation's annual healthcare outlay are lost to outright fraud. Everyone is ultimately impacted, through higher health insurance premiums, higher copays, and fewer benefits.

Required actions to protect your practice

AZ Blue network providers are expected to take appropriate measures to avoid FWA and to report suspected cases.

- Keep your provider ID and DEA numbers confidential and do not allow other providers to bill their services under your number (unless you meet the requirements for “incident-to: billing as described in Section 19).
- Keep prescription pads in a secured location to prevent theft and be alert for forgeries.
- If you have delegated billing functions to an employee or billing service, have a process in place to ensure that billing consistently reflects services provided.
- Do not waive deductibles and/or coinsurance.
- Conduct internal audits to promptly detect billing inaccuracies.
- Monitor receipt of payments and promptly report missing payments (for more information about the AZ Blue payment monitoring and reporting policy, see Section 21)
- Establish a process to keep up with benefit and policy changes.
- Carefully review and document the medical necessity of services or supplies provided.
- Establish a process to verify that the patient's name on the insurance card matches a photo ID.
- Stay alert for patients who are “doctor shopping” to obtain controlled substances.

Cooperation with AZ Blue Special Investigations Unit

When allegations of FWA involve AZ Blue members or providers, you must cooperate with our investigations and work to resolve the issues.

How to report suspected healthcare fraud, waste, and abuse:

1. **AZ Blue FWA Hotline:**
   To refer suspected fraud, waste, or abuse to our special investigations team for review, call our confidential hotline at **602-864-4875 or 1-800-232-2345, ext. 4875,** and leave a message at any time. You may request to remain anonymous.

2. **Online Reporting Tool**
   To use our confidential online reporting tool, visit the Fraud, Waste, and Abuse page and scroll down to the reporting section. Click on the Online Reporting Tool to refer a potential fraud, waste, or abuse matter to us for investigation.

   See next page for screenshots of our online reporting tool.

Healthcare Fraud, Waste, and Abuse

azblue.com/fraud

Confidential Reporting Options

1. Hotline:
Call the BCBSAZ confidential hotline to report suspected fraud, waste and abuse. You may request to remain anonymous.
(602) 864-4875 or (800) 232-2345, ext. 4875
Note: Hotline is available Monday through Friday from 8:00 a.m. to 4:30 p.m. and messages can be left at any time.
2. Online Reporting Tool:
Click here to begin your confidential report.

Online Reporting Tool >

Report Healthcare Fraud, Waste and Abuse

Please call our Special Investigation Unit (SIU) local at (602) 864-4875 and toll free at (800) 232-2345 ext. 4875 or complete the following form if you suspect an incident of fraud, waste, or abuse.

Who do you suspect is committing fraud, waste or abuse?*
- Member
- Physician
- Other

First Name* Last Name*

Phone Number*

Address Line 1

Address Line 2

City State

ZIP Code

What activity occurred and when did it occur?*

*Insert explanation here...

May we contact you if additional information is needed?*
- No, I wish to remain anonymous
- Yes

Submit Form

AZ Blue Compliance Program – Overview and Provider Requirements

The AZ Blue Compliance Program aims to ensure compliance with all applicable federal and state standards including the requirements of Medicare Parts C and D, the False Claims Act, anti-kickback statutes, and standards issued by CMS (Centers for Medicare Services). The program is designed to set standards, provide information, and ensure consistent performance.

Seven core elements of an effective compliance program

The following seven guidelines or standards are considered best practices for implementing effective compliance programs. A robust program demonstrates and documents how the organization implements and consistently follows these standards.

1. ***Develop written policies, procedures, and standards of conduct*** that articulate the organization's commitment to comply with all federal and state standards related to implementing a compliance program and a work plan that operationalizes the intentions listed in the policies;

2. ***Designate a compliance officer and a compliance committee*** that are accountable to senior management;

3. ***Offer effective training and education*** for the organization's employees, temporary employees, volunteers, consultants, vendors, governing bodies, and Medicare first tier, downstream, and related entities (FDRs), including providers;

4. ***Maintain effective lines of communication*** between the compliance officer, CEO, Board of Directors, employees, and (FDRs);

5. ***Enforce standards*** through well-publicized disciplinary guidelines;

6. ***Include provisions for internal monitoring*** and auditing; and

7. ***Create provisions for prompt response to detected offenses*** and the development of corrective action initiatives.

"Code of Conduct" guidelines for Medicare Advantage FDRs

Medicare FDRs (including contracted providers) must have a written code of conduct that communicates the organization's ethical standards to employees and subcontractors. We make our AZ Blue Code of Conduct available to Medicare Advantage (MA) network providers on our Medicare Advantage Plans page under "Compliance."

AZ Blue expects all network providers to have a written code of conduct. Providers already participating in the MA line of business are required to share this document at least annually with employees and subcontractors. Providers preparing to enter into a MA contract agreement with AZ Blue must make their code of conduct available to employees and subcontractors within 90 days and annually thereafter.

Compliance Program Implementation Guidelines

All healthcare providers are encouraged to have a compliance program that incorporates and operationalizes the seven core elements described on page 6-3. Here are some important steps to implement those elements:

1. Select a compliance officer who will organize, monitor, and be accountable to enforce compliance efforts.
2. Create internal policies and procedures that address each of the seven core elements of the program.
3. Build your compliance program through the following activities:
   - Identify your compliance risk areas at least annually. These will be unique to each provider depending on job specialty, mechanized processes, and ownership configuration.
   - Organize a compliance annual work plan from your risk assessment to confirm or dispute potential risk.
   - Carry out and document the outcomes of the activities listed on your annual work plan.
   - Audit and monitor activities to proactively identify risk, non-compliance and potential FWA.
4. Make compliance and FWA detection/prevention part of your organization culture.
   - Discuss compliance and FWA issues as a standing agenda item for supervision sessions, staff meetings, and executive meetings.
   - Celebrate compliance milestones with all staff.
   - Require employees to complete compliance and FWA training and incorporate it into performance reviews.
5. Establish effective lines of communication between the compliance officer and staff. Create a compliance/ethics hotline to enable anonymous and confidential reporting.
6. When violations are identified, implement steps that will mitigate previous violations and prevent future violations. This may include internal disciplinary action, as well as new corrective action plans.
7. Adopt, widely publicize, and enforce a no tolerance policy of non-retaliation, non-intimidation, against any employee who in good faith reports potential non-compliance or FWA concerns.
8. Report compliance issues to the correct authority; and the plan sponsor.
9. Cooperate with all external investigations to successfully resolve compliance issues.

Creating, implementing, and maintaining compliance policies, procedures, and systems
While AZ Blue recommends that all providers have policies, procedures, and systems to prevent, detect, investigate, and report compliance violations and allegations of FWA to government agencies, it is a requirement for AZ Blue Medicare Advantage (MA) network providers. AZ Blue compliance staff may request that MA network providers furnish an attestation of compliance or audit providers to ensure they have an effective compliance program.

Reporting illegal activities, non-compliance, and FWA violations
All providers must ensure that the practice's appropriate administrators, departments, and/or committees are notified of the findings when illegal activities, non-compliance, or FWA violations are discovered. State and federal government authorities should be contacted as required by law and/or policy. A comprehensive report must also be provided to AZ Blue.

Compliance Program Implementation Guidelines

Providing compliance and FWA training

Healthcare provider FDRs are encouraged to provide general compliance and FWA training to employees, board members, subcontractors, and sub-delegates that support Medicare programs and members within 90 days of the date of hire/contract, and annually thereafter. CMS offers FWA training, available on the Medicare Learning Network® (MLN) Training webpage at CMS.gov. On the CMS.gov homepage, scroll to "Top 5 resources" and select "MLN Homepage." Then go to "Events & Training > Web-Based Training > Combating Medicare Parts C and D Fraud, Waste, & Abuse training."

FWA training through certification in the Medicare program or accreditation satisfies the FWA training and educational recommendations. Evidence of training and attendance, if applicable, must be maintained for a minimum of 10 years plus the current CMS contract year.

We recommend that compliance or FWA training be extended to all individuals having responsibility, directly or indirectly, for the care of AZ Blue Medicare Advantage members, including all employees, governing board members, officers, subcontractors, and contracted personnel affiliated with the organization.

Checking exclusion/sanction/debarment/preclusion information

Medicare FDRs, including providers, may not hire or contract with anyone on the Office of Inspector General (OIG)'s excluded persons list, the General Services Administration (GSA) System for Award Management (SAM) excluded persons list, or the CMS Preclusion List.

- OIG Exclusions Program webpage
- GSA SAM database of excluded individuals/entities
- CMS Preclusion List webpage

Be sure to check these sources before hiring or contracting with any new employee, temporary employee, volunteer, consultant, vendor, governing body, or downstream entity. After the initial screening, Medicare FDR employees, temporary employees, volunteers, consultants, vendors, governing bodies, and downstream entities must be screened against these lists on a monthly basis. Medicare FDRs must retain screening results for a period of at least 10 years plus the current CMS contract year.

Creating policies and procedures for retention of records and information systems

CMS requires Medicare Advantage organizations and their FDRs to maintain books, records, documents and other evidence of accounting procedures and practices for a period of 10 years following the end of the CMS contract year as required by federal statute. All state and federal regulations related to privacy, standardization and security are to be followed.

In addition, providers must maintain records that show they have met compliance program requirements. The provider may be called upon by AZ Blue or CMS to provide such documentation upon request, including:

- Internal emails or memos to employees/contractors about the AZ Blue Code of Conduct and Conflict of Interest policy.
- Records of completed Compliance and Fraud, Waste and Abuse and copies of training materials.
- Records of OIG, GSA, and CMS Preclusion List screening, including positive and negative findings, for employees, contractors, and downstream entities.

Compliance Program Implementation Guidelines

Complying with nondiscrimination requirements

Providers must comply with all contractual nondiscrimination requirements. For AZ Blue-contracted providers, these requirements prohibit discrimination in the treatment of any Medicare Advantage member because of his/her race, color, ethnicity national origin, citizenship, religion, health status or medical condition (including mental as well as physical illness), disability, sex, sexual orientation, gender, marital status, age, health insurance coverage, claims, experience, genetic information, evidence of insurability (including conditions arising from domestic violence), veteran status, or any other basis, deemed unlawful under federal, state, or local law, (including but not limited to 42 CFR Part 422) or other applicable law, or as otherwise prohibited by AZ Blue's policies and procedures.

Complying with HIPAA (Health Insurance Portability and Accountability Act)

Contracted providers are expected to comply with all provisions of the Health Insurance Portability and Accountability Act (HIPAA) of 1996.

HIPAA applies to covered entities; specifically, providers, health plans and healthcare clearinghouses that transmit healthcare information electronically. HIPAA sets national standards addressing the security and privacy of health information, as well as standards for electronic health care transactions and national identifiers. All providers are required to comply with HIPAA and its implementation regulations.

Providers are also required to maintain specific electronic data safeguards related to HITECH. For more information about these standards, visit hhs.gov/hipaa.

Complying with advance directives laws

Providers are required to comply with federal and state law regarding advance directives for members. The advance directive must be displayed in the member's medical record. Requirements include:

- Providing written information to members regarding each individual's rights under state law to make decisions regarding medical care and any provider written policies concerning advance directives (including any conscientious objections).
- Documenting in the member's medical record whether the adult member has been provided the information and whether an advance directive has been executed.
- Not discriminating against a member because of his or her decision to execute or not execute an advance directive and not making it a condition for the provision of care.

Life Care Planning Packet (Advance Directives) documents are created by the Office of Arizona Attorney General. This packet is available to assist Arizona residents to take charge of their future healthcare decisions. The most up-to-date forms are downloadable via the website azag.gov/seniors/life-care-planning.