

By reviewing this information, you agree to understand that this training is:

Classified: Restricted

Only VSP® Employees or other persons specifically authorized by VSP may access this information.



COMPLIANCE

Annual VSP Compliance Training Program

LET'S GET STARTED →

TRAINING REQUIREMENTS

This training module is to ensure that VSP® is satisfying the general compliance training requirements as outlined by the Office of Inspector General and the Centers for Medicare and Medicaid Services.

The training program satisfies the general compliance training requirements in the regulatory and sub-regulatory guidance at:

42 C.F.R. 422.503(b)(4)(vi)(C)

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Section 50.3 of the Compliance Program Guidelines, Chapter 21 of the Medicare Managed Care Manual.

WHAT IS MEDICAID AND MEDICARE?

Medicaid provides coverage for those with limited income and resources. Medicaid is regulated by the states.

Medicare Part C, Medicare Advantage (MA), is a health plan choice available to Medicare beneficiaries. MA is a program run by Medicare-approved private insurance companies. These companies arrange for, or directly provide, healthcare services for beneficiaries who elect to enroll in a MA plan.

Medicare Advantage Organizations (MAOs) and First-Tier, Downstream, or Related Entities (FDR), require persons who contract with them for administrative or healthcare services, to receive training about compliance rules within the first 90 days after hire and annually thereafter.

WHY DO I NEED TRAINING?

Every year, **billions** of dollars are improperly spent because of fraud, waste, and abuse (FWA). It affects everyone—**including you**. This training helps you detect, correct, and prevent FWA. **You** are part of the solution.

Compliance is **EVERYONE's** responsibility.

As an *individual* who provides health or administrative services for *Commercial* or Medicare enrollees, every action you take potentially affects Medicaid and Medicare enrollees, the Medicare Program, or the Medicare Trust Fund.

The VSP Corporate Compliance Program is intended to demonstrate in the clearest possible terms the absolute commitment of VSP to the highest standards of ethics and compliance.

TRAINING COURSE CONTENT



This course consists of general compliance program training, a post-assessment, and a course evaluation.



Employees must satisfy general Compliance and FWA training requirements by completing this course to satisfy general compliance training requirements.



This course should take approximately 20 minutes to complete.



Successfully completing the course requires completing the entire lesson and course evaluation.

REMEMBER: Compliance and Fraud, Waste, and Abuse training must be completed for New Hire and Annual Compliance Training

WHEN YOU COMPLETE THIS COURSE, YOU SHOULD CORRECTLY:



RECOGNIZE

how a compliance program operates.



UNDERSTAND

your responsibilities in reporting actual or suspected non-compliance.



UNDERSTAND

how to ask questions, report suspected or detected non-compliance.



RECOGNIZE

to disciplinary guidelines for non-compliant and/or fraudulent behavior.



UNDERSTAND

non-retaliation and discrimination policies.

COMPLIANCE PROGRAM REQUIREMENT

The Centers for Medicare and Medicaid Services (CMS) requires implementation and maintenance of an effective compliance program for its Medicare Part C & D plans. An effective compliance program must...

articulate and demonstrate the VSP commitment to legal and ethical conduct.

provide guidance on how to handle compliance questions and concerns.

provide guidance on how to identify and report compliance violations.

ensure compliance program audits are performed by individuals independent of fiscal or administrative management.

include Standards of Conduct (or Code of Conduct).

ETHICS – DO THE RIGHT THING!

Compliance ensures we conduct our business within the boundaries of the law and guides us in acting ethically and legally.

When we make ethical decisions and commit to doing the right thing, we build trust with our members/enrollees, providers, stakeholders, and regulators. We must...

 act fairly and honestly.

 adhere to high ethical standards in all you do.

 act with integrity, transparency, and accountability.

 comply with all applicable laws, regulations, and CMS and DMHC requirements.

 report suspected violations.

 do the right thing.

WHAT IS AN EFFECTIVE COMPLIANCE PROGRAM?

An effective compliance program fosters a
CULTURE OF COMPLIANCE
within an organization.

An **effective** compliance program...



prevents, detects, and corrects non-compliance.



promotes the organization's Code of Conduct.



is fully implemented and is tailored to an organization's unique operations and circumstances.



establishes clear lines of communication for reporting non-compliance.



has adequate resources.



builds a firm non-retaliation policy and culture to support reporting of non-compliance without fear of retribution.

An effective compliance program is essential to prevent, detect, and correct Medicare non-compliance as well as Fraud, Waste, and Abuse (FWA).

IT **MUST** INCLUDE THESE



CORE COMPLIANCE PROGRAM REQUIREMENTS



WRITTEN POLICIES, PROCEDURES, AND STANDARDS OF CONDUCT

These articulate the VSP commitment to comply with all applicable Federal and State standards and describe compliance expectations according to the Standards of Conduct.

2

COMPLIANCE OFFICER, COMPLIANCE COMMITTEE, AND HIGH-LEVEL OVERSIGHT

VSP has a designated compliance officer and a compliance committee that is accountable and responsible for the activities and status of the compliance program, including issues identified, investigated, and resolved by the compliance program.

The VSP senior management and governing body are engaged and exercise reasonable oversight of the compliance program.

The Chief Ethics and Compliance Officer is:

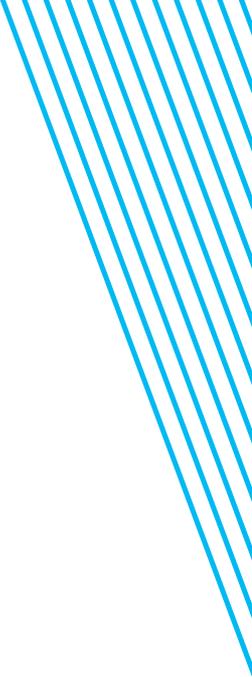
Dan Schauer

Senior Vice President of VSP Vision Care

The Compliance Officer is:

Director, Regulatory Compliance

Office of General Counsel



3

EFFECTIVE TRAINING AND EDUCATION

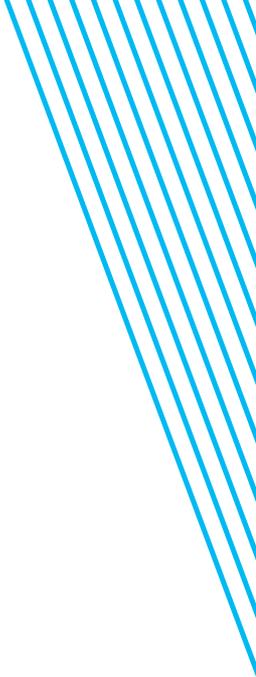
This covers the elements of the compliance plan as well as prevention, detection, and reporting of FWA. Employees should apply this training to their specific responsibilities and job functions in each business area.



4

EFFECTIVE LINES OF COMMUNICATION

Make effective lines of communication accessible to all, ensure confidentiality, and provide methods for anonymous and good faith reporting of compliance issues at VSP and First-Tier, Downstream, or Related Entity (FDR) levels.



5

WELL-PUBLICIZED DISCIPLINARY STANDARDS (EMPLOYEE HANDBOOK)

VSP will enforce standards through well-publicized disciplinary guidelines.



6

EFFECTIVE SYSTEM FOR ROUTINE MONITORING, AUDITING, AND IDENTIFICATION OF COMPLIANCE RISKS

Conduct routine monitoring and auditing of VSP and the FDR operations to evaluate compliance with CMS requirements as well as overall effectiveness of the compliance program.

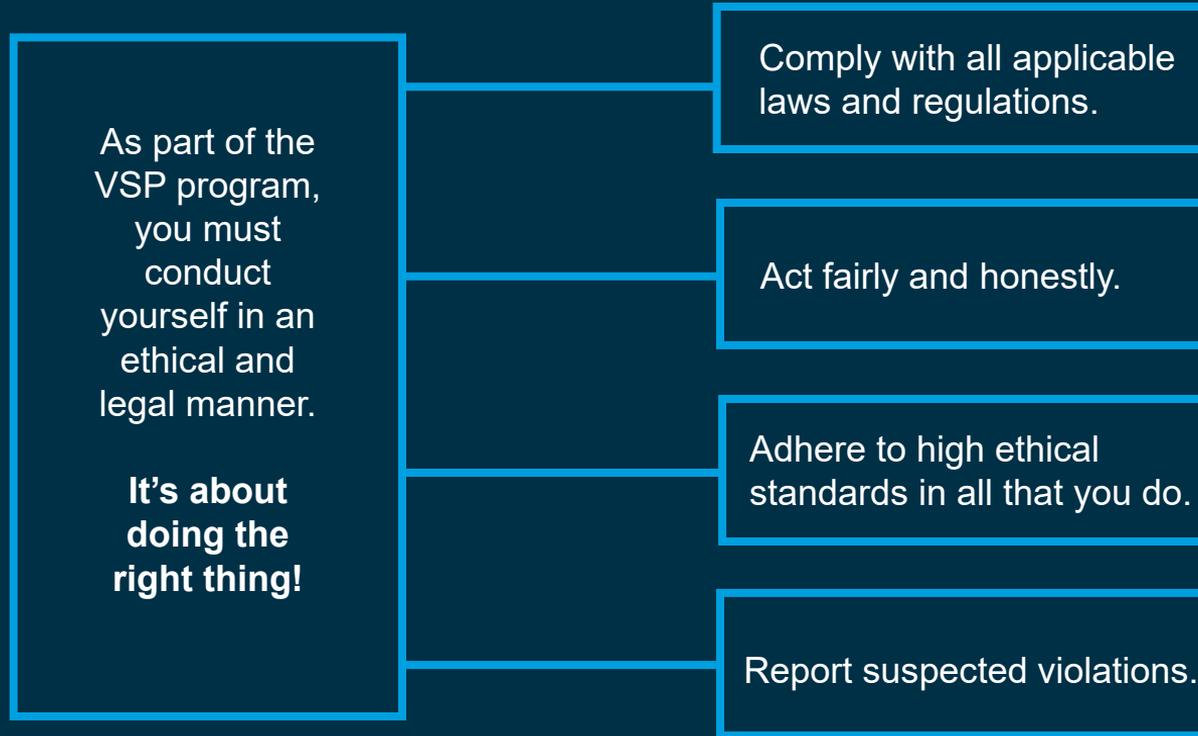
7

PROCEDURES AND SYSTEM FOR PROMPT RESPONSE TO COMPLIANCE ISSUES

Must use effective measures to respond promptly to non-compliance and undertake appropriate corrective action.

NOTE: All FDRs (VSP) who perform delegated administrative or healthcare service functions concerning Medicaid or Medicare Part C plans must comply with CMS requirements.

ETHICS – DO THE RIGHT THING!



HOW DO YOU KNOW WHAT IS EXPECTED OF YOU?

Ethical standards, expectations, operational principles, and values are outlined in the VSP Code of Conduct.

The VSP Code of Conduct states the organization's compliance expectations and their operational principles and values.

Ask management where to locate the VSP Code of Conduct.

Reporting the VSP Code of Conduct violations and suspected non-compliance is **everyone's** responsibility.

The VSP Code of Conduct Policies and Procedures identifies the obligation and tells you how to report suspected non-compliance.

WHAT IS NON-COMPLIANCE?

Non-compliance is conduct that does not conform to law, State, or Federal healthcare program requirements, Code of Conduct/Ethics, and business policies.

EXAMPLE OF NON-COMPLIANCE

“My friend is one of our members, and I am concerned about her *vision*. I look at her records periodically to make sure she is doing okay.”

EXPLANATION

Accessing a member’s record when it is not related to your job is both unethical and illegal.

Sometimes good intentions can lead to non-compliance. The key is to always act with integrity—always do what is right even when it is hard or when no one is looking.

EXAMPLES OF NON-COMPLIANCE

“My co-worker changed a date on a member’s authorization request to avoid getting in trouble for being late. I know this is wrong, but it only happened once, so I won’t say anything.”

“One member wanted SunSync® Elite XT with their prescription, and it wasn’t covered. My co-worker in the lab who knew her revised the order to include SunSync Elite XT.”

EXPLANATION

Covering up unethical behavior is wrong. While you intended to protect your coworker, you allowed harm to occur to the member.

Knowingly entering inaccurate information in a record to ensure compensation is fraud and is a crime under the Federal False Claims Act. If you know or suspect fraud is occurring, you must report it immediately to management or Compliance.

HIGH-RISK AREAS FOR NON-COMPLIANCE

THE FOLLOWING ARE EXAMPLES OF HIGH-RISK AREAS:

- Agent/broker/delegate misrepresentation
- Appeals and grievance review (e.g., coverage and organization determinations)
- Vision Benefit Statements
- Conflicts of interest
- Claims processing
- Credentialing and provider networks
- Documentation and timeliness requirements
- Ethics
- FDR oversight and monitoring
- Health Insurance Portability and Accountability Act (HIPAA)
- Marketing and enrollment
- Benefit administration
- Quality of care
- IT system access and safeguards
- Claims documentation manipulation

EXAMPLES OF HIGH-RISK AREAS FOR NON-COMPLIANCE

DOCUMENTATION AND TIMELINESS REQUIREMENTS

Please follow all timelines required by your organization.

EXAMPLES OF NON-COMPLIANCE

“We received a request from a member to access their member records. Our co-worker who handles these requests is out on medical leave for at least two more months. Due to our shortage of staff, can these types of requests wait until our co-worker returns?”

EXPLANATION

No. It is the law that member records must be provided within 30 days of the request.

EXAMPLES OF HIGH-RISK AREAS FOR NON-COMPLIANCE

DOCUMENTATION AND TIMELINESS REQUIREMENTS

EXAMPLES OF NON-COMPLIANCE

“The mailroom where we send out denial letters has been having issues. We have not told anyone, even though outgoing mail has been delayed for at least two days. This should not be an issue, right?”

EXPLANATION

This is an issue because denial letters have sensitive timelines. Delays in mailing should be reported immediately.

EXAMPLES OF HIGH-RISK AREAS FOR NON-COMPLIANCE

CLAIMS DOCUMENTATION MANIPULATION

EXAMPLE OF NON-COMPLIANCE

“Our member wants a type of contact lens not covered by his insurance as it is not considered medically necessary. A Provider knows the procedure would be covered by insurance for treatment of a specific diagnosis and adds this diagnosis to the insurance claim to ensure the procedure is covered.”

EXPLANATION

Knowingly entering inaccurate information in a record to ensure compensation is fraud and is a crime under the Federal False Claims Act. If you know or suspect fraud is occurring, you must report it immediately to management or Compliance.

EXAMPLES OF HIGH-RISK AREAS FOR NON-COMPLIANCE

CONFLICT OF INTERESTS

EXAMPLE OF NON-COMPLIANCE

“A *client* has given our office tickets to a highly coveted sporting event in appreciation of all the business that we do with them. We know these are expensive and hard to come by—can we accept the tickets?”

EXPLANATION

No. This would be a conflict of interest and may create the perception that business is only conducted with those pharmaceutical companies that provide perks, and not those in the best interest of the member/enrollee.

CONSEQUENCES OF NON-COMPLIANCE

Failure to follow ethical standards, contractual obligations, legal, and regulatory guidance can lead to serious consequences for the individual and VSP, including:

Contract termination

Criminal penalties

Exclusion from participating in all Federal healthcare programs

Civil monetary penalties

Additionally, VSP has disciplinary standards for non-compliant behavior. Those who engage in non-compliant behavior may be subject to any of the following:

Mandatory training or re-training

Disciplinary action

Termination

NON-COMPLIANCE AFFECTS EVERYBODY

Without programs to prevent, detect, and correct non-compliance, we all risk harm to our enrollees/members and to everyone.

RISK HARM TO ENROLLEES/MEMBERS

- Delayed treatment/services
- Denial of benefits
- Increased member financial liability
- Difficulty in using providers of choice
- Other barriers to care

OVERALL IMPACT AFFECTING EVERYONE

- High insurance copayments
- Higher premiums
- Lower benefits for individuals and employers
- Regulatory/legal penalties and fines
- Lower star ratings for health plan clients
- Lower profits

REPORTING NON-COMPLIANCE

You have a responsibility to report Code of Conduct violations and suspected compliance issues (Privacy, FWA, or non-compliance). This is **everyone's** responsibility.

The Standards of Conduct and Policies and Procedures by VSP will tell you how to report suspected non-compliance. At a minimum, you can report to your management or to Compliance.

METHODS OF REPORTING



Sending an email or mail to your Supervisor, the Compliance Officer, or the Chief Ethics and Compliance Officer



Confidential Toll-Free Ethics Reporting Hotline
1.877.349.7494

REPORTING NON-COMPLIANCE

Reports of suspected non-compliance may be made anonymously and are kept confidential to the extent allowed by law.

A **whistleblower** is a person who exposes information or activity that is deemed illegal, dishonest, or violates professional or clinical standards.

Whistleblowers and persons who report, in good faith, any suspected violations or issues are protected from retaliation and intimidation.

EXAMPLE OF NON-COMPLIANCE

“After I reported irregularities in my department, my manager began excluding me from meetings and moved me to an undesirable location in the office.”

EXPLANATION

Retaliation or intimidation is not tolerated. The manager’s behavior is unacceptable and should be reported to management or to Compliance.

ANONYMITY VS. CONFIDENTIALITY



Remaining **anonymous** means that your identity will not be known and will not be attempted to be known.

Reports made anonymously should include as much detail as possible, including any examples, so that investigations can be made thoroughly.

Regardless if you choose to remain anonymous, information shared will be kept **confidential**.

This means that the information about the person who made the report (if not anonymous), and any details about the situation/issue will only be shared with persons on a need-to-know basis and only to the extent allowed by law.

WHAT HAPPENS AFTER NON-COMPLIANCE IS DETECTED?

Non-compliance must be investigated immediately and corrected promptly. Internal monitoring and auditing should ensure:



No recurrence of the same non-compliance



Efficient and effective internal controls



Ongoing federal and state compliance requirements



Protected enrollees

WHAT ARE INTERNAL MONITORING AND AUDITS?



Internal Monitoring activities include regular reviews confirming ongoing compliance and taking effective corrective actions.

Internal Auditing is a formal review of compliance with a particular set of standards (e.g., policies and procedures, laws and regulations) used as base measures.

LESSON SUMMARY

Compliance is everyone's responsibility!

PREVENT

Operate within the VSP ethical expectations to prevent non-compliance!

DETECT AND REPORT

Report detected potential non-compliance!

CORRECT

Correct non-compliance to protect beneficiaries/enrollees and save money!

LESSON SUMMARY

Organizations must create and maintain compliance programs that meet the seven core requirements. An effective compliance program fosters a culture of compliance.

To help ensure compliance, behave ethically and follow the VSP Code of Conduct. Watch out for common instances of non-compliance and report suspected non-compliance.

Know the consequences of non-compliance and
HELP CORRECT ANY NON-COMPLIANCE WITH A CORRECTIVE ACTION PLAN
that includes ongoing monitoring and auditing.

LESSON COMPLETED

Time for post-assessment. You will be asked 12 questions about the VSP Compliance Program.

QUESTION 1 OF 12

You discover an unattended email address or fax machine in your office that receives enrollee appeals requests. You suspect that no one is processing the appeals. What should you do?

- A. Contact law enforcement
- B. Contact the compliance department (via compliance hotline or other mechanism)
- C. Wait to confirm someone is processing the appeals before taking further action
- D. Contact your supervisor
- E. B or D

Answer: E

QUESTION 2 OF 12

A sales agent employed by a VSP Broker (i.e., FDR Entity) submitted an application for processing and requested two things: 1) to back-date the enrollment date by one month, and 2) to waive all monthly premiums for the enrollee.

What should you do?

- A. Refuse to change the date or waive the premiums, but decide not to mention the request to a supervisor or the compliance department
- B. Make the requested changes because the sales agent determines the enrollee's start date and monthly premiums
- C. Tell the sales agent you will take care of it, but then process the application properly (without the requested revisions)—you will not file a report because you don't want the sales agent to retaliate against you
- D. Process the application properly (without the requested revisions)—inform your supervisor and the compliance officer about the sales agent's request
- E. Contact law enforcement and the Centers for Medicare & Medicaid Services (CMS) to report the sales agent's behavior

Answer: D

QUESTION 3 OF 12

Last month, while reviewing a CMS monthly report for the health plan, you identified multiple individuals not enrolled in VSP but for whom VSP is being paid. You spoke to your supervisor who said not to worry about it. This month you identified the same individuals on the report again.

What should you do?

- A. Decide not to worry about it as your supervisor instructed—you notified him last month and now it's his responsibility
- B. Although you have seen notices about the VSP non-retaliation policy, you are still nervous about reporting—to be safe, you submit a report through your compliance department's anonymous tip line so you cannot be identified
- C. Wait until the next month to see if the same enrollees appear on the report again, figuring it may take a few months for the client to reconcile its records—if they are, then you'll say something to your supervisor again
- D. Contact law enforcement and CMS to report the discrepancy
- E. Ask your supervisor about the discrepancy again

Answer: B

QUESTION 4 OF 12

Compliance is the responsibility of the VSP Compliance Officer, Compliance Committee, and Upper Management only.

- A. False
- B. True

Answer: A

QUESTION 5 OF 12

Ways to report a compliance issue include:

- A. Telephone hotlines
- B. Report on the VSP website
- C. In-person reporting to the compliance department/supervisor
- D. All of the above

Answer: D

QUESTION 6 OF 12

What is the policy of non-retaliation?

- A. Allows VSP to discipline employees who violate the Code of Conduct
- B. Prohibits management and supervisor from harassing employees for misconduct
- C. Protects employees who, in good faith, report suspected non-compliance
- D. Prevents fights between employees

Answer: C

QUESTION 7 OF 12

These are examples of issues that can be reported to a Compliance Department: suspected Fraud, Waste, and Abuse, a potential health privacy violation and unethical behavior, or employee misconduct.

- A. True
- B. False

Answer: A

QUESTION 8 OF 12

Once a corrective action plan begins addressing non-compliance or Fraud, Waste, and Abuse committed by a VSP employee, contractor, vendor, or a VSP FDR entity's employee, ongoing monitoring of the corrective action is not necessary.

- A. True
- B. False

Answer: B

QUESTION 9 OF 12

VSP, as a Medicare Part C FDR, is not required to have a compliance program.

- A. True
- B. False

Answer: B

QUESTION 10 OF 12

Correcting non-compliance _____.

- A. protects enrollees, avoids recurrence of the same non-compliance, and promotes efficiency
- B. ensures bonuses for all employees
- C. Both A and B

Answer: A

QUESTION 11 OF 12

What are some of the consequences for non-compliance, fraudulence, or unethical behavior?

- A. Disciplinary Action
- B. Termination of employment
- C. Exclusion from participation in all Federal healthcare programs
- D. All of the above

Answer: D

QUESTION 12 OF 12

Who is the VSP Chief Ethics and Compliance Officer?

- A. Kate Renwick-Espinosa
- B. Kathy Rodine
- C. Mike Guyette
- D. Dan Schauer

Answer: D

CMS requires that an effective compliance program must include

7 CORE REQUIREMENTS

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WRITTEN POLICIES, PROCEDURES, AND STANDARDS OF CONDUCT

These articulate the Sponsor's commitment to comply with all applicable Federal and State standards and describe compliance expectations according to the Standards of Conduct.

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COMPLIANCE OFFICER, COMPLIANCE COMMITTEE, AND HIGH-LEVEL OVERSIGHT

The Sponsor must designate a compliance officer and a compliance committee that will be accountable and responsible for the activities and status of the compliance program, including issues identified, investigated, and resolved by the compliance program. The Sponsor's senior management and governing body must be engaged and exercise reasonable oversight of the Sponsor's compliance program.

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EFFECTIVE TRAINING AND EDUCATION

This covers the elements of the compliance plan as well as prevention, detection, and reporting of FWA. This training and education should be tailored to the different responsibilities and job functions of employees.

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EFFECTIVE LINES OF COMMUNICATION

Effective lines of communication must be accessible to all, ensure confidentiality, and provide methods for anonymous and good-faith reporting of compliance issues at Sponsor and First-Tier, Downstream, or Related Entity (FDR) levels.

5

WELL-PUBLICIZED DISCIPLINARY STANDARDS

Sponsor must enforce standards through well-publicized disciplinary guidelines.

6

EFFECTIVE SYSTEM FOR ROUTINE MONITORING, AUDITING, AND IDENTIFYING COMPLIANCE RISKS

Conduct routine monitoring and auditing of Sponsor's and FDR's operations to evaluate compliance with CMS requirements as well as the overall effectiveness of the compliance program. NOTE: Sponsors must ensure that FDRs performing delegated administrative or healthcare service functions concerning the Sponsor's Medicare Parts C and D program comply with Medicare Program requirements.

7

PROCEDURES AND SYSTEM FOR PROMPT RESPONSE TO COMPLIANCE ISSUES

The Sponsor must use effective measures to respond promptly to non-compliance and undertake appropriate corrective action.

RESOURCES

[COMPLIANCE EDUCATION MATERIALS: COMPLIANCE 101](#)

[HEALTHCARE FRAUD PREVENTION AND ENFORCEMENT ACTION TEAM PROVIDER COMPLIANCE TRAINING](#)

[OIG'S PROVIDER SELF-DISCLOSURE PROTOCOL](#)

[PHYSICIAN SELF-REFERRAL](#)

[AVOIDING MEDICARE FRAUD AND ABUSE: A ROADMAP FOR PHYSICIANS](#)

[SAFE HARBOR REGULATIONS](#)