



HEALTHCARE DISPUTES AND FORENSICS  
DISPUTES AND ECONOMICS

## MEDICARE FIRST TIER DOWNSTREAM AND RELATED ENTITY (FDR) COMPLIANCE CONSULTING SERVICES

Providing Compliance Consulting Services to Medicare Advantage and Part D Plans, Independent Physician Associations (IPA), Medicare Service Organizations (MSO), Supplemental Benefit Providers and their FDRs

The Centers for Medicare and Medicaid Services (CMS) has indicated in their most recent Audit and Enforcement Report that Compliance Program Effectiveness (CPE) top 5 findings for 2016 were still related to oversight of FDRs. CMS expects, "The organization oversees and is accountable for any functions or responsibilities that are delegated to other entities." CMS has further evolved their CPE and Program Audit protocol for 2017/2018 into a data and transactional outcomes driven approach that has generated numerous enforcement actions including: Civil Monetary Penalties, Intermediate Sanctions, and increased regulatory scrutiny. Medicare Advantage and Part D Plans have also seen these outcomes impede their abilities to expand and implement their strategic objectives.

Therefore, it has never been more critical for health plans and their First Tier, Downstream, and Related Entities (FDRs) to have an advisor that can navigate them through all phases of a CMS audit and potential enforcement actions.

Navigant offers a national team of cross functional experts with real world experience in managed care operations as well as in successfully communicating with the Federal, State and Local Regulatory Agencies. We bring to bear over 40 years of experience powered by data analytics to help you protect your organization's value and reputation.

### OUR TEAM

- Former health plan Internal Audit, Compliance, and PBM operations personnel bringing deep experience with internal audits of all Medicare Advantage and FDR risk areas.
- Data analytics experts able to effectively manage, validate, and manipulate extremely large volumes of data from disparate sources, resulting in synthesized and actionable universe validity and timeliness analytics. The Navigant data team can also assist with pulling together universe and encounter data across all FDRs.
- Former government enforcement officials and Medicare Compliance Officers with a proven track record in helping sponsors deal with the Federal Government on sensitive issues.

### OUR SERVICES

- **Delegated Function Scope:** Utilization Management/Preservice Authorizations, Claims Processing, Formulary and Benefit Administration including transition, Appeal and Grievance processing, Customer Service Functions, Behavioral Health, Supplemental Benefits (Dental and Vision), Eligibility and Member Benefit Set-Up and Accumulations, and Provider Relations and Networks.
- **FDR Pre-Delegation Audits:** Utilize years of managed care compliance and operational experience to perform risk assessments and detailed reviews of FDRs before delegation starts to ensure that the FDR meets the compliance expectations of the health plan and will be able to operationally integrate effectively with the plan to provide a seamless experience for beneficiaries and providers.
- **FDR Periodic Compliance Audits:** Perform risk assessment and end-to-end compliance assessments of the relationships between health plans and FDRs utilizing years of operational and compliance experience to target high risk areas, and detailed large scale data analytics to help identify gaps in regulatory and contract compliance, as well as, information flow between Health Plans and FDRs. The Navigant team also provides expertise in self-disclosures and the development of Impact Analyses.
- **FDR Oversight Program Development:** Work with FDR operations and compliance oversight teams to develop an infrastructure complete with ongoing monitoring of key measures using dashboard tools, policies and procedures, annual risk assessment, and ongoing auditing programs that will ensure continuous compliance and operational effectiveness post implementation.



## CONTACTS

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### About Navigant

Navigant Consulting, Inc. (NYSE: NCI) is a specialized, global professional services firm that helps clients take control of their future. Navigant's professionals apply deep industry knowledge, substantive technical expertise, and an enterprising approach to help clients build, manage and/or protect their business interests. With a focus on markets and clients facing transformational change and significant regulatory or legal pressures, the Firm primarily serves clients in the healthcare, energy and financial services industries.

Across a range of advisory, consulting, outsourcing, and technology/analytics services, Navigant's practitioners bring sharp insight that pinpoints opportunities and delivers powerful results. More information about Navigant can be found at [navigant.com](http://navigant.com).

## OUR APPROACH

- Use the current CMS audit protocols, along with our extensive large scale data analytics capabilities, to assess the accuracy and timeliness of the universes and transactions at issue;
- Utilize our regulatory compliance and operations backgrounds to guide the sponsor and their FDR through the experience and help them communicate with their vendors and regulators;
- Work collaboratively with a company's Internal Audit or Compliance department, including performing ongoing FDR auditing and monitoring for the company;
- Employ a flexible approach by conducting the mock audit remotely similar to CMS, or onsite in "training mode" so the plan employees gain the maximum benefit of our experience.

## REPRESENTATIVE EXPERIENCE

Navigant assisted a large multi-state Managed Care and Medicare Advantage plan in implementing an ongoing comprehensive delegation oversight program to oversee all pharmacy, medical, mental health, and vision care vendors that process claims, appeals, prior-authorizations, and benefits tracking on their behalf. The program included pre-delegation, and monthly to annual monitoring site visits, corrective action planning, and implementation of improved processes. Lastly, Navigant helped the client develop and document corrective action plans used for a CMS site visit.

Navigant's team has been engaged by many large national MA-PD, PDP plans, and their FDRs to assist them in both proactive and reactive preparations during all phases of the audit life cycle. Our work has included conducting population universe pulls, data analytics, and timeliness statistical analysis. We have also reviewed all compliance and operational information including providing advice on pre and onsite audit disclosures to CMS, conducted "live" system mock audits and interviews of all key risk area personnel and relevant FDRs (PBMs, behavioral health, medical imaging, vision, and dental) and assisted plans with both ICAR and CAR response packages.

Navigant was engaged by a large national Medicare Advantage and Part D plan to assist with all aspects of Sanction remediation including Corrective Action Plan development and implementation, a holistic Compliance Program review and implementation of a comprehensive ongoing monitoring program as well as an FDR audit program, Navigant also assisted with operational process re-design, Business Requirements Documentation review, and policy and procedures development and re-training on the revised processes.

Navigant was engaged by several health plans who had CPE findings related to FDR oversight and successfully helped them through the process including: effective and swift work plan approval with CMS; approval of appropriate tailored validation approaches given CMS' findings; and the delivery of high quality reports upon which the audits were able to be closed.

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