CMS Part D Audit Report

Auditing Results (Public Website Version)

Date Report Generated: 9/30/2008

Contract Number: All, Chapter: All, Element: All, Finding: Not Met, Auditor: All

Findings: Not Met
Audit ID: 221
Contract Number: H1034
Part D Sponsor Name: AMERICA'S HEALTH CHOICE MEDICAL PLAN

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 1
Auditing Element: MR05
Audit Type: Focused
Audit Location: Desk Review
Date Report Issued: 3/13/2007
Date Report Due: 4/27/2007
Element Accepted Date: 9/26/2007
Element Release Date: 9/26/2007
Element Projected Completion Date:

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date:
Estimated Visit Start Date:
Actual Visit Start Date: 2/19/2007
Actual Visit End Date: 2/23/2007
Part D Sponsor Response Received Date:
Part D Sponsor Response Due Date: 4/27/2007
CAP Release Date: 9/26/2007
CAP Accepted Date: 9/26/2007

Requirement:

No Engagement in Activities that Mislead, Confuse or Misrepresent - The Part D sponsor must not engage in prohibited marketing activities that are materially inaccurate, materially mislead, confuse Medicare beneficiaries, or misrepresent the Part D sponsor or its Part D Plan.

Reference:

42 CFR § 423.50(f)(1); Medicare Marketing Guidelines for MAs, MA-PDs, PDPs, and 1876 Cost Plans

Deficiencies:

AHC does not meet this requirement because CMS reviewed AHC's policies and procedures and found that they do not provide for ongoing monitoring of its sales representatives. AHC's policies also do not state the prohibited Part D marketing practices, and AHC did not include any documentation demonstrating that it informs its training participants of the Part D marketing practices that are prohibited.

Corrective Action Required:

America's Health Choice must revise its policies and other documentation to specifically address the Part D marketing activities that are prohibited per 42 CFR § 423.50(f)(1) and the Medicare Marketing Guidelines so that marketing representatives are informed of prohibited activities. AHC must also develop procedures for performing ongoing monitoring of its sales representatives. AHC must conduct training of appropriate staff on these policies and procedures and submit documentation to CMS that details the nature of this training, including: the materials used in the training, the individuals conducting the training, and the individuals being trained.

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Requirement:

Comprehensive Fraud and Abuse Plan - The Part D sponsor must have and implement a compliance plan that includes a comprehensive plan to detect, correct, and prevent fraud, waste, and abuse.

Reference:

42 CFR § 423.504(b)(4)(vi)(H); MA-PD Solicitation; Prescription Drug Benefit Manual: Chapter 9 ¿ Part D Program to Control Fraud, Waste and Abuse

Deficiencies:

AHC does not meet this requirement because CMS reviewed AHC's Fraud, Waste, and Abuse plan and found that AHC was not in compliance with this requirement until after the audit period. AHC submitted a comprehensive plan designed to detect, correct and prevent fraud, waste and abuse, but AHC had not implemented the plan until January 2007. AHC also submitted a set of policies that were in effect during the audit period, and these policies would support efforts to detect, correct and prevent fraud, waste and abuse. However, these were not the building blocks for the 2007 plan. Therefore, the auditors determined that AHC did not have a comprehensive fraud, waste, and abuse plan in place during the time period under audit.

Corrective Action Required:

The comprehensive plan to detect, correct and prevent fraud, waste and abuse that AHC implemented in January 2007 is sufficient to meet this requirement. Therefore, no further corrective action is required.