

Medicare Compliance FDR newsletter

Quarter 1, 2024

Code of conduct & compliance policies

CVS Health® is committed to standards of conduct and/or compliance policies and procedures that reflect our commitment to conduct business based on the highest ethical standards and in strict compliance with applicable federal and state laws and regulations.

We recently made changes to the **CVS Health Code of Conduct**. It lays the foundation for what we expect from our colleagues and reflects what our customers, business partners and key stakeholders can expect from us as a company. It also includes information on how to report issues or concerns. We encourage you to review it.

The Code of Conduct is always available **online**. Our first-tier, downstream, and related entities (FDRs) receive the **CVS Health Code of Conduct** through initial and annual training.

The **compliance policies** for the CVS Health Medicare plans were also recently updated. They describe our process for ensuring an effective Medicare Compliance Program. FDRs, if applicable, receive the **compliance policies**, through the initial and annual training communications and are available **online**.

FDRs should implement similar standards of conduct and/or compliance policies and procedures or you can adopt ours. If you have any questions, or would like a copy of these documents, reach out to us at **MedicareFDR@Aetna.com**.

Table of contents



[Code of conduct & compliance policies](#)



[FDR guidebooks updated](#)



[Navigating business continuity plans](#)



[Root cause analysis and three Ps framework](#)



[Looking for resources?](#)

Quick links

- **[Medicare managed care manual](#)**
- **[Medicare prescription drug benefit manual](#)**
- **[CVS Health Code of Conduct \(updated March 2024\)](#)**

Exclusion list links:

- **[OIG list of excluded individuals and entities \(LEIE\)](#)**
- **[GSA System for Award Management \(SAM\)](#)**

Links not working? Go to **[SAM.gov/SAM/](#)** to access the site directly.

We have a robust Medicare Compliance program, including communication with our Medicare FDRs. Our Medicare Compliance Officer is Patrick Jeswald. Questions or concerns? Email **[MedicareFDR@Aetna.com](#)**.

FDR guidebooks updated

We want you to understand what CMS expects from you and help you understand how to comply. We've developed our first-tier, downstream and related entities (FDRs) Medicare Compliance program guide. It provides our FDRs with a summary of the FDR compliance requirements applicable to their organization.

The **Aetna® FDR Guidebook** and the **CVS Health® FDR Guidebook** were both recently refreshed to current brand standards. They also have a new section on Conflict of Interest (COI). This section outlines the COI requirements, provides examples and outlines our expectations for these important requirements as part of your relationship with us. The CVS Health COI Policy is found in our **code of conduct**.

Our FDRs receive our guidebooks through initial and annual training, and at other times during the year, when needed.

We encourage you to read the guidebook. Should you have any questions or would like a copy of the **CVS Health FDR Guidebook**, please reach out to us at **MedicareFDR@Aetna.com**.

Navigating business continuity plans

Medicare FDRs must maintain strong Business Continuity Plans (BCPs). They're necessary to comply with regulatory requirements. And they ensure the reliability and availability of services critical to the Medicare program's beneficiaries.

The Centers for Medicare & Medicaid Services (CMS) recently reminded Medicare Advantage organizations and Part D sponsors through an **HPMS memo** about the requirement to have BCPs in place. These plans ensure restoration of business operations following disruptions (which include natural or man-made disasters, system

failures, emergencies and other similar circumstances). BCP requirements are found under **42 CFR § 422.504(o)(1)** and **§ 423.505(p)(1)**.

Minimum BCP requirements

Include policies and procedures to protect the restoration of business operations following disruptions where business is not able to occur under normal conditions. The minimum BCP requirements include:

- Completion of a Risk Assessment
- Documented mitigation/recovery strategies
- Annual testing, revision and training
- Record keeping
- Identification and restoration of essential functions
- Chain of command
- Business communication plans

Action requested

As an industry we've seen an increase in cyberattacks, and CMS has advised that our BCP must include disruption due to a cybersecurity attack.

We require our FDRs to review and update their BCPs annually, or more often, if major changes in business operations or potential threats occur.

Review your BCP to ensure that any necessary planning for business operations disruption due to a cybersecurity attack is included.

Root cause analysis and three Ps framework

CMS requires us to develop a strategy for monitoring and auditing our FDRs. This helps ensure that our FDRs are following all applicable laws and regulations as part of your contract with us. When we find a failure during one of our reviews, we expect that you'll complete a Root Cause Analysis and supply a Corrective Action

Plan. This will correct, detect and prevent the issue from happening again.

Root cause analysis (RCA)

RCA is an organized approach to finding the underlying reasons behind compliance failures. By looking into the root causes, rather than just addressing the symptoms, your corrective actions are more likely to prevent future occurrences. RCA encourages a culture of continuous improvement, which is crucial for maintaining compliance in a complex regulatory environment.

3 Ps framework

This RCA that focuses on the critical areas of **people**, **processes**, and **policies**, which are often at the center of compliance issues.

- **People:** Human factors such as training, awareness and the overall compliance culture within the organization play a role in compliance. Everyone involved needs to have the knowledge and resources to comply with regulatory requirements.
- **Processes:** Operational workflows and procedures are analyzed to find inefficiencies or gaps that could lead to non-compliance. Streamlining processes and implementing controls can enhance operational effectiveness and improve outcomes.
- **Policies:** Policies are the foundation, and must be reviewed annually, and updated for regulatory changes. They also need to be communicated and accessible to those who are affected.

Combining RCA with the 3 Ps framework

This method enables FDRs to:

- Find and address compliance issues at their source by recognizing the interplay between people, processes, and policies.
- Implement targeted corrective actions that address the specific needs and challenges found through RCA.
- Build a culture of compliance from every level of the organization.

Framework best practices

Best practices in this area include:

- Regular training and education for all individuals involved in FDR operations.
- Continuous process evaluation and optimization to ensure compliance.
- Regular review of policies to reflect changes in regulations and operational realities.
- Creating an organizational culture that prioritizes compliance and encourages reporting of potential issues without fear of retribution.

We encourage you to focus on the elements of people, processes and policies when identifying the root causes of compliance issues. It can help you achieve a more effective, proactive and sustainable compliance program.

Looking for resources?



Our relationship with you — a first tier, downstream or related entity (FDR) — is important to us. We need you to help fulfill our contracts with CMS. And you can rely on us for the teamwork and support you need.

Read our **[Aetna FDR Guide](#)**; it includes a toolbox of resources. You can also find archived newsletters **[online](#)**. If you would like the CVS Health FDR Guidebook, a past newsletter, or have questions just email us at **MedicareFDR@Aetna.com**.

Need to report noncompliance or potential fraud, waste and abuse (FWA)?

Here are the different ways to report:

- **Call** the CVS Health Ethics Line at **1-877-287-2040 (TTY: 711)**
- **Visit** **[CVShealth.com/ethicsline](https://www.cvshealth.com/ethicsline)**
- **Write to** Chief Compliance Officer, CVS Health One CVS Drive, Woonsocket, RI 02895