

# 2018 General Compliance Training and Fraud, Waste and Abuse Training

## Please note:

Use of CMS material for general compliance training and fraud, waste and abuse training is required.

There are three options available to access this material:

- Through this PDF document combining the trainings;
- Via separate CMS PDFs; or
- Via two CMS, interactive Web-Based Training (WBT) modules on the CMS Medicare Learning Network.
  - Additional information about the materials on the CMS Website is available in the CMS *FAQs Medicare Parts C and D Compliance and Fraud, Waste, and Abuse Trainings* document at:  
<http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/ProviderCompliance.html>

Organizations choosing the WBT option can receive a CMS certificate of completion from CMS for each module.

While organizations may pursue this approach and provide Humana with the CMS certificates, Humana's attestation still must also be completed, because Humana requirements are not limited to training on these two topics.

The CMS content on the following pages was updated in January 2018.



**Medicare Parts C and D  
General Compliance  
Training**  
Web-Based Training Course

Click Anywhere or Press Enter to Begin the Web-Based Training Course



**Combating Medicare Parts C and D  
Fraud, Waste, and Abuse**  
Web-Based Training (WBT) Course

**Medicare Parts C and D General Compliance Training  
Web-Based Training Course**

**January 2018**

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## ACRONYMS

The following acronyms are used throughout the course.

ACRONYM	TITLE TEXT
CFR	Code of Federal Regulations
CMS	Centers for Medicare & Medicaid Services
FDR	First-tier, Downstream, and Related Entity
FWA	Fraud, Waste, and Abuse
HHS	U.S. Department of Health & Human Services
MA	Medicare Advantage
MAO	Medicare Advantage Organization
MA-PD	MA Prescription Drug
MLN	Medicare Learning Network®
OIG	Office of Inspector General
PDP	Prescription Drug Plan

# TITLE

## TITLE PAGE

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# INTRODUCTION

## INTRODUCTION PAGE 1

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**The Medicare Parts C and D General Compliance Training course is brought to you by the Medicare Learning Network®**



## INTRODUCTION PAGE 2

The Medicare Learning Network® (MLN) offers free educational materials for health care professionals on the Centers for Medicare & Medicaid Services (CMS) programs, policies, and initiatives. Get quick access to the information you need.

- [Publications & Multimedia](#)
- [Events & Training](#)
- [Newsletters & Social Media](#)
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<a href="https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts">https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts</a>	Publications & Multimedia
<a href="https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNGenInfo/Events-and-Training.html">https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNGenInfo/Events-and-Training.html</a>	Events & Training
<a href="https://www.cms.gov/Outreach-and-Education/Outreach/FFSProvPartProg">https://www.cms.gov/Outreach-and-Education/Outreach/FFSProvPartProg</a>	Newsletters & Social Media
<a href="https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNGenInfo/Continuing-Education.html">https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNGenInfo/Continuing-Education.html</a>	Continuing Education



### INTRODUCTION PAGE 3

This training assists Medicare Parts C and D plan Sponsors' employees, governing body members, and their first-tier, downstream, and related entities (FDRs) to satisfy their annual general compliance training requirements in the regulations and sub-regulatory guidance at:

- [42 Code of Federal Regulations \(CFR\) Section 422.503\(b\)\(4\)\(vi\)\(C\)](#)
- [42 CFR Section 423.504\(b\)\(4\)\(vi\)\(C\)](#)
- Section 50.3 of the Compliance Program Guidelines ([Chapter 9 of the Medicare Prescription Drug Benefit Manual](#) and [Chapter 21 of the Medicare Managed Care Manual](#))
- The “Downloads” section of the [CMS Compliance Program Policy and Guidance webpage](#)

Completing this training in and of itself does not ensure a Sponsor has an “effective Compliance Program.” Sponsors and their FDRs are responsible for establishing and executing an effective compliance program according to the CMS regulations and program guidelines.

HYPERLINK URL	LINKED TEXT/IMAGE
<a href="https://www.ecfr.gov/cgi-bin/text-idx?SID=c66a16ad53319afd0580db00f12c5572&amp;mc=true&amp;node=pt42.3.422&amp;rgn=div5#se42.3.422_1503">https://www.ecfr.gov/cgi-bin/text-idx?SID=c66a16ad53319afd0580db00f12c5572&amp;mc=true&amp;node=pt42.3.422&amp;rgn=div5#se42.3.422_1503</a>	42 Code of Federal Regulations (CFR) Section 422.503
<a href="https://www.ecfr.gov/cgi-bin/retrieveECFR?gp=&amp;SID=5cff780d3df38cc4183f2802223859ba&amp;mc=true&amp;r=PART&amp;n=pt42.3.423">https://www.ecfr.gov/cgi-bin/retrieveECFR?gp=&amp;SID=5cff780d3df38cc4183f2802223859ba&amp;mc=true&amp;r=PART&amp;n=pt42.3.423</a>	42 CFR Section 423.504
<a href="https://www.cms.gov/Medicare/Prescription-Drug-Coverage/PrescriptionDrugCovContra/Downloads/Chapter9.pdf">https://www.cms.gov/Medicare/Prescription-Drug-Coverage/PrescriptionDrugCovContra/Downloads/Chapter9.pdf</a>	Chapter 9 of the Medicare Prescription Drug Benefit Manual
<a href="https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/mc86c21.pdf">https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/mc86c21.pdf</a>	Chapter 21 of the Medicare Managed Care Manual
<a href="https://www.cms.gov/Medicare/Compliance-and-Audits/Part-C-and-Part-D-Compliance-and-Audits/ComplianceProgramPolicyandGuidance.html">https://www.cms.gov/Medicare/Compliance-and-Audits/Part-C-and-Part-D-Compliance-and-Audits/ComplianceProgramPolicyandGuidance.html</a>	CMS Compliance Program Policy and Guidance webpage

## **INTRODUCTION PAGE 4**

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### **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 Medicare enrollees, every action you take potentially affects Medicare enrollees, the Medicare Program, or the Medicare Trust Fund.

## INTRODUCTION PAGE 5

### Training Requirements: Plan Employees, Governing Body Members, and First-Tier, Downstream, or Related Entity (FDR) Employees

Certain training requirements apply to people involved in Medicare Parts C and D. All employees of Medicare Advantage Organizations (MAOs) and Prescription Drug Plans (PDPs) (collectively referred to in this course as “Sponsors”) must receive training about compliance with CMS program rules.

You may need to complete FWA training within 90 days of your initial hire. More information on other [Medicare Parts C and D compliance trainings and answers to common questions](#) is available on the CMS website. Please contact your management team for more information.

#### Learn more about Medicare Part C

Medicare Part C, or Medicare Advantage (MA), is a health insurance option available to Medicare beneficiaries. Private, Medicare-approved insurance companies run MA programs. These companies arrange for, or directly provide, health care services to the beneficiaries who enroll in an MA plan.

MA plans must cover all services Medicare covers with the exception of hospice care. They provide Part A and Part B benefits and may also include prescription drug coverage and other supplemental benefits.

#### Learn more about Medicare Part D

Medicare Part D, the Prescription Drug Benefit, provides prescription drug coverage to Medicare beneficiaries enrolled in Part A and/or Part B who enroll in a Medicare Prescription Drug Plan (PDP) or an MA Prescription Drug (MA-PD) plan. Medicare-approved insurance and other companies provide prescription drug coverage to individuals living in a plan’s service area.

HYPERLINK URL	LINKED TEXT/IMAGE
<a href="https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/Downloads/Fraud-Waste_Abuse-Training_12_13_11.pdf">https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/Downloads/Fraud-Waste_Abuse-Training_12_13_11.pdf</a>	Medicare Parts C and D compliance trainings and answers to common questions

## INTRODUCTION PAGE 6

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### **Navigating and Completing This Course**

Anyone who provides health or administrative services to Medicare enrollees must satisfy general compliance and FWA training requirements. You may use this course to satisfy the general compliance training requirements.

This course consists of one lesson and a Post-Assessment. Successfully completing the course requires completing the lesson and scoring 70 percent or higher on the Post-Assessment. After successfully completing the Post-Assessment, you'll get instructions to print your certificate. If you do not successfully complete the course, you can review the course material and retake the Post-Assessment.

This course uses cues at various times to provide additional information and functionality. For more information on using these cues, adjusting your screen resolution, and suggested browser settings, select "HELP".

You do not have to complete this course in one session; however, you must complete the lesson before exiting the course. You can complete the entire course in about 25 minutes. After you successfully complete this course, you receive instructions on how to print your certificate.

Visit the [Resources](#) page for disclaimers, a glossary, and frequently asked questions (FAQs). You may find this information useful as you proceed through this course.

## **INTRODUCTION PAGE 7**

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### **Course Objectives**

After completing this course, you should correctly:

- Recognize how a compliance program operates
- Recognize how compliance program violations should be reported

Select the “MAIN MENU” button to return to the Main Menu. Then, select “Lesson: Compliance Program Training.”

# LESSON: COMPLIANCE PROGRAM TRAINING

## LESSON PAGE 1

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### Introduction and Learning Objectives

This lesson outlines effective compliance programs. It should take about 15 minutes to complete.

After completing this lesson, you should correctly:

- Recognize how a compliance program operates
- Recognize how compliance program violations should be reported

## LESSON PAGE 2

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### **Compliance Program Requirement**

The Centers for Medicare & Medicaid Services (CMS) requires Sponsors to implement and maintain an effective compliance program for its Medicare Parts C and D plans. An effective compliance program must:

- Articulate and demonstrate an organization's 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

## LESSON PAGE 3

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### **What Is an Effective Compliance Program?**

An effective compliance program fosters a culture of compliance within an organization and, at a minimum:

- Prevents, detects, and corrects non-compliance
- Is fully implemented and is tailored to an organization's unique operations and circumstances
- Has adequate resources
- Promotes the organization's Standards of Conduct
- Establishes clear lines of communication for reporting non-compliance

An effective compliance program is essential to prevent, detect, and correct Medicare non-compliance as well as fraud, waste, and abuse (FWA). It must, at a minimum, include the seven core compliance program requirements.



## LESSON PAGE 4

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### **Seven Core Compliance Program Requirements**

CMS requires an effective compliance program to include seven core requirements:

**1. 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.

**2. Compliance Officer, Compliance Committee, and High-Level Oversight**

The Sponsor must designate a compliance officer and a compliance committee 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.

**3. Effective Training and Education**

This covers the elements of the compliance plan as well as preventing, detecting, and reporting FWA. Tailor this training and education to the different employees and their responsibilities and job functions.

## LESSON PAGE 5

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### **Seven Core Compliance Program Requirements (continued)**

#### **4. Effective Lines of Communication**

Make effective lines of communication accessible to all, ensure confidentiality, and provide methods for anonymous and good-faith compliance issues reporting 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 FDRs performing delegated administrative or health care 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.

## **LESSON PAGE 6**

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### **Compliance Training: Sponsors and Their FDRs**

CMS expects all Sponsors will apply their training requirements and “effective lines of communication” to their FDRs. Having “effective lines of communication” means employees of the Sponsor and the Sponsor’s FDRs have several avenues to report compliance concerns.

## LESSON PAGE 7

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### **Ethics: Do the Right Thing!**

As part of the Medicare Program, you must conduct yourself in an ethical and legal manner. It's about doing the right thing!

- Act fairly and honestly
- Adhere to high ethical standards in all you do
- Comply with all applicable laws, regulations, and CMS requirements
- Report suspected violations

## LESSON PAGE 8

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### How Do You Know What Is Expected of You?

Now that you've read the general ethical guidelines on the previous page, how do you know what is expected of you in a specific situation?

Standards of Conduct (or Code of Conduct) state the organization's compliance expectations and their operational principles and values. Organizational Standards of Conduct vary. The organization should tailor the Standards of Conduct content to their individual organization's culture and business operations. Ask management where to locate your organization's Standards of Conduct.

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

An organization's Standards of Conduct and Policies and Procedures should identify this obligation and tell you how to report suspected non-compliance.

## LESSON PAGE 9

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### What Is Non-Compliance?

Non-compliance is conduct that does not conform to the law, Federal health care program requirements, or an organization's ethical and business policies. CMS identified the following Medicare Parts C and D high risk areas:

- Agent/broker misrepresentation
- Appeals and grievance review (for example, coverage and organization determinations)
- Beneficiary notices
- 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
- Pharmacy, formulary, and benefit administration
- Quality of care

For more information, refer to the Compliance Program Guidelines in the [Medicare Prescription Drug Benefit Manual](#) and [Medicare Managed Care Manual](#).

### Know the Consequences of Non-Compliance

Failure to follow Medicare Program requirements and CMS guidance can lead to serious consequences, including:

- Contract termination
- Criminal penalties
- Exclusion from participating in all Federal health care programs
- Civil monetary penalties

Additionally, your organization must have 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

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<a href="https://www.cms.gov/Medicare/Prescription-Drug-Coverage/PrescriptionDrugCovContra/Downloads/Chapter9.pdf">https://www.cms.gov/Medicare/Prescription-Drug-Coverage/PrescriptionDrugCovContra/Downloads/Chapter9.pdf</a>	Medicare Prescription Drug Benefit Manual
<a href="https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/mc86c21.pdf">https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/mc86c21.pdf</a>	Medicare Managed Care Manual

## **LESSON PAGE 10**

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### **NON-COMPLIANCE AFFECTS EVERYBODY**

Without programs to prevent, detect, and correct non-compliance, we all risk:

Harm to beneficiaries, such as:

- Delayed services
- Denial of benefits
- Difficulty in using providers of choice
- Other hurdles to care

Less money for everyone, due to:

- High insurance copayments
- Higher premiums
- Lower benefits for individuals and employers
- Lower Star ratings
- Lower profits



## LESSON PAGE 11

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### How to Report Potential Non-Compliance

#### Employees of a Sponsor

- Call the Medicare Compliance Officer
- Make a report through your organization's website
- Call the Compliance Hotline

#### First-Tier, Downstream, or Related Entity (FDR) Employees

- Talk to a Manager or Supervisor
- Call your Ethics/Compliance Help Line
- Report to the Sponsor

#### Beneficiaries

- Call the Sponsor's Compliance Hotline or Customer Service
- Make a report through the Sponsor's website
- Call 1-800-Medicare

#### **Don't Hesitate to Report Non-Compliance**

When you report suspected non-compliance in good faith, the Sponsor can't retaliate against you.

Each Sponsor must offer reporting methods that are:

- Anonymous
- Confidential
- Non-retaliatory

## **LESSON PAGE 12**

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### **What Happens After Non-Compliance Is Detected?**

Non-compliance must be investigated immediately and corrected promptly.

Internal monitoring should ensure:

- No recurrence of the same non-compliance
- Ongoing CMS requirements compliance
- Efficient and effective internal controls
- Protected enrollees

## LESSON PAGE 13

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### **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 (for example, policies, procedures, laws, and regulations) used as base measures.

## LESSON PAGE 14

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### Lesson Summary

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

To help ensure compliance, behave ethically and follow your organization's Standards of Conduct. Watch 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.

### **Compliance Is Everyone's Responsibility!**

**Prevent:** Operate within your organization's ethical expectations to prevent non-compliance!

**Detect & Report:** Report detected potential non-compliance!

**Correct:** Correct non-compliance to protect beneficiaries and save money!

## **LESSON PAGE 15**

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### **Lesson Review**

Now that you completed the lesson, let's do a quick knowledge check. The Post-Assessment course score is unaffected by answering the following questions.

## LESSON PAGE 16

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### Knowledge Check

Select the correct answer.

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

- A. Contact law enforcement
- B. Nothing
- C. Contact your compliance department (via compliance hotline or other mechanism)
- D. Wait to confirm someone is processing the appeals before taking further action
- E. Contact your supervisor

**CORRECT  
ANSWER**

C

## LESSON PAGE 17

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### Knowledge Check

Select the correct answer.

A sales agent, employed by the Sponsor's first-tier, downstream, or related entity (FDR), 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 beneficiary. 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 beneficiary'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

**CORRECT  
ANSWER**

D

## LESSON PAGE 18

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### Knowledge Check

Select the correct answer.

You work for a Sponsor. Last month, while reviewing a Centers for Medicare & Medicaid Services (CMS) monthly report, you identified multiple individuals not enrolled in the plan but for whom the Sponsor is paid. You spoke to your supervisor who said don't worry about it. This month, you identify the same enrollees on the report again. What should you do?

- A. Decide not to worry about it as your supervisor instructed—you notified your supervisor last month and now it's his responsibility
- B. Although you know about the Sponsor's non-retaliation policy, you are still nervous about reporting—to be safe, you submit a report through your compliance department's anonymous tip line to avoid identification
- 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 CMS to reconcile its records—if they are, then you will say something to your supervisor again
- D. Contact law enforcement and CMS to report the discrepancy
- E. Ask your supervisor about the discrepancy again

**CORRECT  
ANSWER**

**B**



## LESSON PAGE 19

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### Knowledge Check

Select the correct answer.

You are performing a regular inventory of the controlled substances in the pharmacy. You discover a minor inventory discrepancy. What should you do?

- A. Call local law enforcement
- B. Perform another review
- C. Contact your compliance department (via compliance hotline or other mechanism)
- D. Discuss your concerns with your supervisor
- E. Follow your pharmacy's procedures

**CORRECT  
ANSWER**

E

## **LESSON PAGE 20**

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### **You've completed the lesson!**

Now that you have learned about compliance programs, it's time to assess your knowledge. Select the "MAIN MENU" button to return to the course Main Menu. Then, select "Post-Assessment" to begin and complete the course.

# POST-ASSESSMENT

## POST-ASSESSMENT PAGE 1

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### **Post-Assessment**

This brief Post-Assessment asks 10 questions and should take about 10 minutes.

Choose an answer for each question by selecting the button next to your answer. You must select an answer before advancing to the next question. You can only move forward in the Post-Assessment, and you can only try each question once. You may change your answer for a question until you select the “SUBMIT ANSWER” button. After you submit your answer, feedback for the question and the “NEXT” button will appear. Select the “NEXT” button to continue. Do not select the “X” button in the right-hand corner of the window as this will cause you to exit the course without recording your progress.

You may print your score when you finish the Post-Assessment. After successfully completing the course, you can print a certificate. Successfully completing the course includes finishing all lessons, scoring 70 percent or higher on the Post-Assessment, and completing the course evaluation. Instructions on printing your certificate are available after you pass the Post-Assessment.

Select the “NEXT” button to begin the Post-Assessment.

**POST-ASSESSMENT PAGE 2**

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**Question 1 of 10**

**Select the correct answer.**

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

- A. True
- B. False

**POST-ASSESSMENT PAGE 3**

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**Question 2 of 10**

**Select the correct answer.**

Ways to report a compliance issue include:

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

**POST-ASSESSMENT PAGE 4**

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**Question 3 of 10**

**Select the correct answer.**

What is the policy of non-retaliation?

- A. Allows the Sponsor 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

**POST-ASSESSMENT PAGE 5**

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**Question 4 of 10**

**Select the correct answer.**

These are examples of issues that can be reported to a Compliance Department: suspected fraud, waste, and abuse (FWA); potential health privacy violation, and unethical behavior/employee misconduct.

- A. True
- B. False

**POST-ASSESSMENT PAGE 6**

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**Question 5 of 10**

**Select the correct answer.**

Once a corrective action plan begins addressing non-compliance or fraud, waste, and abuse (FWA) committed by a Sponsor's employee or first-tier, downstream, or related entity's (FDR's) employee, ongoing monitoring of the corrective actions is not necessary.

- A. True
- B. False



**POST-ASSESSMENT PAGE 7**

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**Question 6 of 10**

**Select the correct answer.**

Medicare Parts C and D plan Sponsors are not required to have a compliance program.

- A. True
- B. False

**POST-ASSESSMENT PAGE 8**

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**Question 7 of 10**

**Select the correct answer.**

At a minimum, an effective compliance program includes four core requirements.

- A. True
- B. False

**POST-ASSESSMENT PAGE 9**

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**Question 8 of 10**

**Select the correct answer.**

Standards of Conduct are the same for every Medicare Parts C and D Sponsor.

- A. True
- B. False

**POST-ASSESSMENT PAGE 10**

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**Question 9 of 10**

**Select the correct answer.**

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.

**POST-ASSESSMENT PAGE 11**

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**Question 10 of 10**

**Select the correct answer.**

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

- A. Disciplinary action
- B. Termination of employment
- C. Exclusion from participating in all Federal health care programs
- D. All of the above

## APPENDIX A: RESOURCES

### RESOURCES PAGE 1 OF 1

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#### **Disclaimers**

This Web-Based Training (WBT) course was current at the time it was published or uploaded onto the web. Medicare policy changes frequently so links to the source documents have been provided within the course for your reference.

This course was prepared as a service to the public and is not intended to grant rights or impose obligations. This course may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage readers to review the specific statutes, regulations, and other interpretive materials for a full and accurate statement of their contents.

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## Glossary

For glossary terms, visit the [Centers for Medicare & Medicaid Services Glossary](https://www.cms.gov/apps/glossary).

HYPERLINK URL	LINKED TEXT/IMAGE
<a href="https://www.cms.gov/apps/glossary">https://www.cms.gov/apps/glossary</a>	Centers for Medicare & Medicaid Services Glossary

## APPENDIX B: JOB AIDS

### Job Aid A: Seven Core Compliance Program Requirements

The Centers for Medicare & Medicaid Services (CMS) requires that an effective compliance program must include seven core requirements:

#### 1. **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.

#### 2. **Compliance Officer, Compliance Committee, and High-Level Oversight**

The Sponsor must designate a compliance officer and a compliance committee to 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.

#### 3. **Effective Training and Education**

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

#### 4. **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 FDRs performing delegated administrative or health care 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.



**Job Aid B: Resources**

- [Compliance Education Materials: Compliance 101](https://oig.hhs.gov/compliance/101)
- [Health Care Fraud Prevention and Enforcement Action Team Provider Compliance Training](https://oig.hhs.gov/compliance/provider-compliance-training)
- [Office of Inspector General's \(OIG's\) Provider Self-Disclosure Protocol](https://oig.hhs.gov/compliance/self-disclosure-info/protocol.asp)
- [Part C and Part D Compliance and Audits - Overview](https://www.cms.gov/medicare/compliance-and-audits/part-c-and-part-d-compliance-and-audits)
- [Physician Self-Referral](https://www.cms.gov/Medicare/Fraud-and-Abuse/PhysicianSelfReferral)
- [Avoiding Medicare Fraud & Abuse: A Roadmap for Physicians](https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/MLN-Publications-Items/CMS1254524.html)
- [Safe Harbor Regulations](https://oig.hhs.gov/compliance/safe-harbor-regulations)

HYPERLINK URL	LINKED TEXT/IMAGE
<a href="https://oig.hhs.gov/compliance/101">https://oig.hhs.gov/compliance/101</a>	Compliance Education Materials: Compliance 101
<a href="https://oig.hhs.gov/compliance/provider-compliance-training">https://oig.hhs.gov/compliance/provider-compliance-training</a>	Health Care Fraud Prevention and Enforcement Action Team Provider Compliance Training
<a href="https://oig.hhs.gov/compliance/self-disclosure-info/protocol.asp">https://oig.hhs.gov/compliance/self-disclosure-info/protocol.asp</a>	Office of Inspector General's (OIG's) Provider Self-Disclosure Protocol
<a href="https://www.cms.gov/medicare/compliance-and-audits/part-c-and-part-d-compliance-and-audits">https://www.cms.gov/medicare/compliance-and-audits/part-c-and-part-d-compliance-and-audits</a>	Part C and Part D Compliance and Audits - Overview
<a href="https://www.cms.gov/Medicare/Fraud-and-Abuse/PhysicianSelfReferral">https://www.cms.gov/Medicare/Fraud-and-Abuse/PhysicianSelfReferral</a>	Physician Self-Referral
<a href="https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/MLN-Publications-Items/CMS1254524.html">https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/MLN-Publications-Items/CMS1254524.html</a>	Avoiding Medicare Fraud & Abuse: A Roadmap for Physicians
<a href="https://oig.hhs.gov/compliance/safe-harbor-regulations">https://oig.hhs.gov/compliance/safe-harbor-regulations</a>	Safe Harbor Regulations

# **Combating Medicare Parts C and D Fraud, Waste, and Abuse Web-Based Training Course**

**January 2018**

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## ACRONYMS

The following acronyms are used throughout the course.

ACRONYM	DEFINITION
CFR	Code of Federal Regulations
CMS	Centers for Medicare & Medicaid Services
EPLS	Excluded Parties List System
FCA	False Claims Act
FDRs	First-tier, Downstream, and Related Entities
FWA	Fraud, Waste, and Abuse
HIPAA	Health Insurance Portability and Accountability Act
LEIE	List of Excluded Individuals and Entities
MA	Medicare Advantage
MAC	Medicare Administrative Contractor
MLN	Medicare Learning Network®
NPI	National Provider Identifier
OIG	Office of Inspector General
PBM	Pharmacy Benefits Manager
WBT	Web-Based Training

# TITLE

## TITLE PAGE

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# INTRODUCTION

## INTRODUCTION PAGE 1

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**The Combating Medicare Parts C and D Fraud, Waste, and Abuse  
course is brought to you by the Medicare Learning Network®**



## INTRODUCTION PAGE 2

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The Medicare Learning Network® (MLN) offers free educational materials for health care professionals on the Centers for Medicare & Medicaid Services (CMS) programs, policies, and initiatives. Get quick access to the information you need.

- [Publications & Multimedia](#)
- [Events & Training](#)
- [Newsletters & Social Media](#)
- [Continuing Education](#)



<b>HYPERLINK URL</b>	<b>LINKED TEXT/IMAGE</b>
<a href="https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts">https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts</a>	Publications & Multimedia
<a href="https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNGenInfo/Events-and-Training.html">https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNGenInfo/Events-and-Training.html</a>	Events & Training
<a href="https://www.cms.gov/Outreach-and-Education/Outreach/FFSProvPartProg">https://www.cms.gov/Outreach-and-Education/Outreach/FFSProvPartProg</a>	Newsletters & Social Media
<a href="https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNGenInfo/Continuing-Education.html">https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNGenInfo/Continuing-Education.html</a>	Continuing Education

### INTRODUCTION PAGE 3

This training assists Medicare Parts C and D plan Sponsors' employees, governing body members, and their first-tier, downstream, and related entities (FDRs) to satisfy their annual fraud, waste, and abuse (FWA) training requirements in the regulations and sub-regulatory guidance at:

- [42 Code of Federal Regulations \(CFR\) Section 422.503\(b\)\(4\)\(vi\)\(C\)](#)
- [42 CFR Section 423.504\(b\)\(4\)\(vi\)\(C\)](#)
- [CMS-4159-F, Medicare Program; Contract Year 2015 Policy and Technical Changes to the Medicare Advantage and the Medicare Prescription Drug Benefit Programs](#)
- Section 50.3.2 of the Compliance Program Guidelines ([Chapter 9 of the Medicare Prescription Drug Benefit Manual](#) and [Chapter 21 of the Medicare Managed Care Manual](#))

Sponsors and their FDRs are responsible for providing additional specialized or refresher training on issues posing FWA risks based on the employee's job function or business setting.

HYPERLINK URL	LINKED TEXT/IMAGE
<a href="https://www.ecfr.gov/cgi-bin/text-idx?SID=c66a16ad53319afd0580db00f12c5572&amp;mc=true&amp;node=pt42.3.422&amp;rgn=div5#se42.3.422_1503">https://www.ecfr.gov/cgi-bin/text-idx?SID=c66a16ad53319afd0580db00f12c5572&amp;mc=true&amp;node=pt42.3.422&amp;rgn=div5#se42.3.422_1503</a>	42 Code of Federal Regulations (CFR) Section 422.503
<a href="https://www.ecfr.gov/cgi-bin/retrieveECFR?gp=&amp;SID=c66a16ad53319afd0580db00f12c5572&amp;mc=true&amp;r=PART&amp;n=pt42.3.423#se42.3.423_1504">https://www.ecfr.gov/cgi-bin/retrieveECFR?gp=&amp;SID=c66a16ad53319afd0580db00f12c5572&amp;mc=true&amp;r=PART&amp;n=pt42.3.423#se42.3.423_1504</a>	42 CFR Section 423.504
<a href="https://www.gpo.gov/fdsys/pkg/FR-2014-05-23/pdf/2014-11734.pdf">https://www.gpo.gov/fdsys/pkg/FR-2014-05-23/pdf/2014-11734.pdf</a>	CMS-4159-F, Medicare Program; Contract Year 2015 Policy and Technical Changes to the Medicare Advantage and the Medicare Prescription Drug Benefit Programs
<a href="https://www.cms.gov/Medicare/Prescription-Drug-Coverage/PrescriptionDrugCovContra/Downloads/Chapter9.pdf">https://www.cms.gov/Medicare/Prescription-Drug-Coverage/PrescriptionDrugCovContra/Downloads/Chapter9.pdf</a>	Chapter 9 of the Medicare Prescription Drug Benefit Manual
<a href="https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/mc86c21.pdf">https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/mc86c21.pdf</a>	Chapter 21 of the Medicare Managed Care Manual



## INTRODUCTION PAGE 4

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### Why Do I Need Training?

Every year **billions** of dollars are improperly spent because of FWA. It affects everyone—**including you**. This training will help you detect, correct, and prevent FWA. **You** are part of the solution.

Combating FWA is **everyone's** responsibility! As an individual who provides health or administrative services for Medicare enrollees, every action you take potentially affects Medicare enrollees, the Medicare Program, or the Medicare Trust Fund.

## INTRODUCTION PAGE 5

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### **Training Requirements: Plan Employees, Governing Body Members, and First-Tier, Downstream, or Related Entity (FDR) Employees**

Certain training requirements apply to people involved in Medicare Parts C and D. All employees of Medicare Advantage Organizations (MAOs) and Prescription Drug Plans (PDPs) (collectively referred to in this course as “Sponsors”) must receive training for preventing, detecting, and correcting FWA.

FWA training must occur within 90 days of initial hire and at least annually thereafter.

More information on other [Medicare Parts C and D compliance trainings and answers to common questions](#) is available on the CMS website.

#### **Learn more about Medicare Part C**

Medicare Part C, or Medicare Advantage (MA), is a health insurance option available to Medicare beneficiaries. Private, Medicare-approved insurance companies run MA programs. These companies arrange for, or directly provide, health care services to the beneficiaries who enroll in an MA plan.

#### **Learn more about Medicare Part D**

Medicare Part D, the Prescription Drug Benefit, provides prescription drug coverage to Medicare beneficiaries enrolled in Part A and/or Part B who enroll in a Medicare Prescription Drug Plan (PDP) or an MA Prescription Drug (MA-PD) plan. Medicare-approved insurance and other companies provide prescription drug coverage to individuals living in a plan’s service area.

HYPERLINK URL	LINKED TEXT/IMAGE
<a href="https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/Downloads/Fraud-Waste_Abuse-Training_12_13_11.pdf">https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/Downloads/Fraud-Waste_Abuse-Training_12_13_11.pdf</a>	Medicare Parts C and D compliance trainings and answers to common questions

## **INTRODUCTION PAGE 6**

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### **FWA Training Requirements Exception**

There is one exception to the FWA training and education requirement. FDRs meet the FWA training and education requirements if they met the FWA certification requirement through either:

- Accreditation as a supplier of Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS)
- Enrollment in Medicare Part A (hospital) or B (medical) Program

If you are unsure if this exception applies to you, contact your management team for more information.

## INTRODUCTION PAGE 7

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### **Navigating and Completing This Course**

Anyone providing health or administrative services to Medicare enrollees must satisfy general compliance and FWA training requirements. You may use this WBT course to satisfy the FWA requirements.

This course consists of two lessons and a Post-Assessment. Successfully completing the course requires completing all lessons and scoring 70 percent or higher on the Post-Assessment. After successfully completing the Post-Assessment, you'll get instructions to print your certificate. If you do not successfully complete the course, you can review the course material and retake the Post-Assessment.

This course uses cues at various times to provide additional information and functionality. For more information on using these cues, adjusting your screen resolution and suggested browser settings, select "HELP".

You do not have to complete the course in one session; however, you must complete at least one lesson before exiting the course. You can complete the entire course in about 30 minutes. After you successfully complete this course, you receive instructions on how to print your certificate.

Visit the [Resources](#) page for disclaimers, a glossary, and frequently asked questions (FAQs). You may find this information useful as you proceed through this course.

## **INTRODUCTION PAGE 8**

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### **Course Objectives**

When you complete this course, you should correctly:

- Recognize FWA in the Medicare Program
- Identify the major laws and regulations pertaining to FWA
- Recognize potential consequences and penalties associated with violations
- Identify methods of preventing FWA
- Identify how to report FWA
- Recognize how to correct FWA

Select the “MAIN MENU” button to return to the Main Menu. Then, select “Lesson 1: What Is FWA?”

# LESSON 1: WHAT IS FWA?

## LESSON 1 PAGE 1

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### **Lesson 1: Introduction and Learning Objectives**

This lesson describes fraud, waste, and abuse (FWA) and the laws that prohibit it. It should take about 10 minutes to complete. Upon completing the lesson, you should be able to correctly:

- Recognize FWA in the Medicare Program
- Identify the major laws and regulations pertaining to FWA
- Recognize potential consequences and penalties associated with violations

## LESSON 1 PAGE 2

---

### **Fraud**

**Fraud** is knowingly and willfully executing, or attempting to execute, a scheme or artifice to defraud any health care benefit program or to obtain, by means of false or fraudulent pretenses, representations, or promises, any of the money or property owned by, or under the custody or control of, any health care benefit program.

In other words, fraud is intentionally submitting false information to the Government or a Government contractor to get money or a benefit.

The Health Care Fraud Statute makes it a criminal offense to knowingly and willfully execute a scheme to defraud a health care benefit program. Health care fraud is punishable by imprisonment up to 10 years. It is also subject to criminal fines up to \$250,000.

## LESSON 1 PAGE 3

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### Waste and Abuse

**Waste** includes practices that, directly or indirectly, result in unnecessary costs to the Medicare Program, such as overusing services. Waste is generally not considered to be caused by criminally negligent actions but rather by the misuse of resources.

**Abuse** includes actions that may, directly or indirectly, result in unnecessary costs to the Medicare Program. Abuse involves paying for items or services when there is no legal entitlement to that payment, and the provider has not knowingly or intentionally misrepresented facts to obtain payment.

For the definitions of fraud, waste, and abuse, refer to Section 20, [Chapter 21 of the Medicare Managed Care Manual](#) and [Chapter 9 of the Prescription Drug Benefit Manual](#) on the Centers for Medicare & Medicaid Services (CMS) website.

HYPERLINK URL	LINKED TEXT/IMAGE
<a href="https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/mc86c21.pdf">https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/mc86c21.pdf</a>	Chapter 21 of the Medicare Managed Care Manual
<a href="https://www.cms.gov/Medicare/Prescription-Drug-Coverage/PrescriptionDrugCovContra/Downloads/Chapter9.pdf">https://www.cms.gov/Medicare/Prescription-Drug-Coverage/PrescriptionDrugCovContra/Downloads/Chapter9.pdf</a>	Chapter 9 of the Prescription Drug Benefit Manual



## LESSON 1 PAGE 4

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### Examples of FWA

Examples of actions that may constitute Medicare **fraud** include:

- Knowingly billing for services not furnished or supplies not provided, including billing Medicare for appointments the patient failed to keep
- Billing for nonexistent prescriptions
- Knowingly altering claim forms, medical records, or receipts to receive a higher payment

Examples of actions that may constitute Medicare **waste** include:

- Conducting excessive office visits or writing excessive prescriptions
- Prescribing more medications than necessary for treating a specific condition
- Ordering excessive laboratory tests

Examples of actions that may constitute Medicare **abuse** include:

- Unknowingly billing for unnecessary medical services
- Unknowingly billing for brand name drugs when generics are dispensed
- Unknowingly excessively charging for services or supplies
- Unknowingly misusing codes on a claim, such as upcoding or unbundling codes

## **LESSON 1 PAGE 5**

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### **Differences Among Fraud, Waste, and Abuse**

There are differences among fraud, waste, and abuse. One of the primary differences is intent and knowledge. Fraud requires intent to obtain payment and the knowledge the actions are wrong. Waste and abuse may involve obtaining an improper payment or creating an unnecessary cost to the Medicare Program but do not require the same intent and knowledge.

## LESSON 1 PAGE 6

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### Understanding FWA

To detect FWA, you need to know the **law**.

The following pages provide high-level information about the following laws:

- Civil False Claims Act, Health Care Fraud Statute, and Criminal Fraud
- Anti-Kickback Statute
- Stark Statute (Physician Self-Referral Law)
- Exclusion from all Federal health care programs
- Health Insurance Portability and Accountability Act (HIPAA)

For details about specific laws, such as safe harbor provisions, consult the applicable statute and regulations.

**LESSON 1 PAGE 7**

**Civil False Claims Act (FCA)**

The civil provisions of the FCA make a person liable to pay damages to the Government if he or she knowingly:

- Conspires to violate the FCA
- Carries out other acts to obtain property from the Government by misrepresentation
- Conceals or improperly avoids or decreases an obligation to pay the Government
- Makes or uses a false record or statement supporting a false claim
- Presents a false claim for payment or approval

**Damages and Penalties**

Any person who knowingly submits false claims to the Government is liable for three times the Government's damages caused by the violator plus a penalty.

For more information, refer to [31 United States Code \(USC\) Sections 3729–3733](#).

**EXAMPLES**

A Medicare Part C plan in Florida:

- Hired an outside company to review medical records to find additional diagnosis codes it could submit to increase risk capitation payments from CMS
- Was informed by the outside company that certain diagnosis codes previously submitted to Medicare were undocumented or unsupported
- Failed to report the unsupported diagnosis codes to Medicare
- Agreed to pay \$22.6 million to settle FCA allegations

**HYPERLINK URL**

<https://www.gpo.gov/fdsys/pkg/USCODE-2016-title31/pdf/USCODE-2016-title31-subtitleIII-chap37-subchapIII.pdf>

**LINKED TEXT/IMAGE**

31 USC Sections 3729–3733

## LESSON 1 PAGE 8

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### **Civil FCA (continued)**

#### **Whistleblowers**

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

**Protected:** Persons who report false claims or bring legal actions to recover money paid on false claims are protected from retaliation.

**Rewarded:** Persons who bring a successful whistleblower lawsuit receive at least 15 percent, but not more than 30 percent, of the money collected.

## LESSON 1 PAGE 9

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### Health Care Fraud Statute

The Health Care Fraud Statute states, “Whoever knowingly and willfully executes, or attempts to execute, a scheme or artifice to defraud any health care benefit program ... shall be fined under this title or imprisoned not more than 10 years, or both.”

Conviction under the statute does not require proof the violator had knowledge of the law or specific intent to violate the law. For more information, refer to [18 USC Sections 1346–1347](#).

#### EXAMPLES

A Pennsylvania pharmacist:

- Submitted claims to a Medicare Part D plan for non-existent prescriptions and drugs not dispensed
- Pleaded guilty to health care fraud
- Received a 15-month prison sentence and was ordered to pay more than \$166,000 in restitution to the plan

The owner of multiple Durable Medical Equipment (DME) companies in New York:

- Falsely represented themselves as one of a nonprofit health maintenance organization’s (that administered a Medicare Advantage plan) authorized vendors
- Provided no DME to any beneficiaries as claimed
- Submitted almost \$1 million in false claims to the nonprofit; \$300,000 was paid
- Pleaded guilty to one count of conspiracy to commit health care fraud

HYPERLINK URL	LINKED TEXT/IMAGE
<a href="https://www.gpo.gov/fdsys/pkg/USCODE-2016-title18/pdf/USCODE-2016-title18-partI-chap63-sec1346.pdf">https://www.gpo.gov/fdsys/pkg/USCODE-2016-title18/pdf/USCODE-2016-title18-partI-chap63-sec1346.pdf</a>	18 USC Sections 1346–1347

## LESSON 1 PAGE 10

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### Criminal Health Care Fraud

Persons who knowingly make a false claim may be subject to:

- Criminal fines up to \$250,000
- Imprisonment for up to 20 years

If the violations resulted in death, the individual may be imprisoned for any term of years or for life.

For more information, refer to [18 USC Section 1347](#).

HYPERLINK URL	LINKED TEXT/IMAGE
<a href="https://www.gpo.gov/fdsys/pkg/USCODE-2016-title18/pdf/USCODE-2016-title18-partI-chap63-sec1347.pdf">https://www.gpo.gov/fdsys/pkg/USCODE-2016-title18/pdf/USCODE-2016-title18-partI-chap63-sec1347.pdf</a>	18 USC Section 1347

## LESSON 1 PAGE 11

### Anti-Kickback Statute

The Anti-Kickback Statute prohibits knowingly and willfully soliciting, receiving, offering, or paying remuneration (including any kickback, bribe, or rebate) for referrals for services that are paid, in whole or in part, under a Federal health care program (including the Medicare Program).

For more information, refer to [42 USC Section 1320a-7b\(b\)](#).

#### Damages and Penalties

Violations are punishable by:

- A fine up to \$25,000
- Imprisonment up to 5 years

For more information, refer to the [Social Security Act \(the Act\), Section 1128B\(b\)](#).

#### EXAMPLE

From 2012 through 2015, a physician operating a pain management practice in Rhode Island:

- Conspired to solicit and receive kickbacks for prescribing a highly addictive version of the opioid Fentanyl
- Reported patients had breakthrough cancer pain to secure insurance payments
- Received \$188,000 in speaker fee kickbacks from the drug manufacturer
- Admitted the kickback scheme cost Medicare and other payers more than \$750,000

The physician must pay more than \$750,000 restitution and is awaiting sentencing.

HYPERLINK URL	LINKED TEXT/IMAGE
<a href="https://www.gpo.gov/fdsys/pkg/USCODE-2016-title42/pdf/USCODE-2016-title42-chap7-subchapXI-partA-sec1320a-7b.pdf">https://www.gpo.gov/fdsys/pkg/USCODE-2016-title42/pdf/USCODE-2016-title42-chap7-subchapXI-partA-sec1320a-7b.pdf</a>	42 USC Section 1320a-7b(b)
<a href="https://www.ssa.gov/OP_Home/ssact/title11/1128B.htm">https://www.ssa.gov/OP_Home/ssact/title11/1128B.htm</a>	Social Security Act (the Act), Section 1128B(b)



**LESSON 1 PAGE 12**

**Stark Statute (Physician Self-Referral Law)**

The Stark Statute prohibits a physician from making referrals for certain designated health services to an entity when the physician (or a member of his or her family) has:

- An ownership/investment interest or
- A compensation arrangement

Exceptions may apply. For more information, refer to [42 USC Section 1395nn](#).

**Damages and Penalties**

Medicare claims tainted by an arrangement that does not comply with the Stark Statute are not payable. A penalty of around **\$24,250** can be imposed for each service provided. There may also be around a **\$161,000** fine for entering into an unlawful arrangement or scheme.

For more information, visit the [Physician Self-Referral webpage](#) and refer to [the Act, Section 1877](#).

**EXAMPLE**

A California hospital was ordered to pay more than \$3.2 million to settle Stark Law violations for maintaining 97 financial relationships with physicians and physician groups outside the fair market value standards or that were improperly documented as exceptions.

HYPERLINK URL	LINKED TEXT/IMAGE
<a href="https://www.gpo.gov/fdsys/pkg/USCODE-2016-title42/pdf/USCODE-2016-title42-chap7-subchapXVIII-partE-sec1395nn.pdf">https://www.gpo.gov/fdsys/pkg/USCODE-2016-title42/pdf/USCODE-2016-title42-chap7-subchapXVIII-partE-sec1395nn.pdf</a>	42 USC Section 1395nn
<a href="https://www.cms.gov/Medicare/Fraud-and-Abuse/PhysicianSelfReferral">https://www.cms.gov/Medicare/Fraud-and-Abuse/PhysicianSelfReferral</a>	Physician Self-Referral webpage
<a href="https://www.ssa.gov/OP_Home/ssact/title18/1877.htm">https://www.ssa.gov/OP_Home/ssact/title18/1877.htm</a>	the Act, Section 1877

**LESSON 1 PAGE 13**

**Civil Monetary Penalties (CMP) Law**

The Office of Inspector General (OIG) may impose civil penalties for several reasons, including:

- Arranging for services or items from an excluded individual or entity
- Providing services or items while excluded
- Failing to grant OIG timely access to records
- Knowing of and failing to report and return an overpayment
- Making false claims
- Paying to influence referrals

For more information, refer to [42 USC 1320a-7a](#) and [the Act, Section 1128A\(a\)](#).

**Damages and Penalties**

The penalties can be around \$15,000 to \$70,000 depending on the specific violation. Violators are also subject to three times the amount:

- Claimed for each service or item or
- Of remuneration offered, paid, solicited, or received

**EXAMPLE**

A California pharmacy and its owner agreed to pay over \$1.3 million to settle allegations they submitted unsubstantiated claims to Medicare Part D for brand name prescription drugs the pharmacy could not have dispensed based on inventory records.

HYPERLINK URL	LINKED TEXT/IMAGE
<a href="https://www.gpo.gov/fdsys/pkg/USCODE-2016-title42/pdf/USCODE-2016-title42-chap7-subchapXI-partA-sec1320a-7a.pdf">https://www.gpo.gov/fdsys/pkg/USCODE-2016-title42/pdf/USCODE-2016-title42-chap7-subchapXI-partA-sec1320a-7a.pdf</a>	42 USC 1320a-7a
<a href="https://www.ssa.gov/OP_Home/ssact/title11/1128A.htm">https://www.ssa.gov/OP_Home/ssact/title11/1128A.htm</a>	the Act, Section 1128A(a)

## LESSON 1 PAGE 14

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### Exclusion

No Federal health care program payment may be made for any item or service furnished, ordered, or prescribed by an individual or entity excluded by the OIG. The OIG has authority to exclude individuals and entities from federally funded health care programs and maintains the List of Excluded Individuals and Entities ([LEIE](#)).

The U.S. General Services Administration (GSA) administers the Excluded Parties List System (EPLS), which contains debarment actions taken by various Federal agencies, including the OIG. You may access the [EPLS](#) on the System for Award Management (SAM) website.

When looking for excluded individuals or entities, check both the LEIE and the EPLS since the lists are not the same. For more information, refer to [42 USC Section 1320a-7](#) and [42 Code of Federal Regulations \(CFR\) Section 1001.1901](#).

#### EXAMPLE

A pharmaceutical company pleaded guilty to two felony counts of criminal fraud related to failure to file required reports with the U.S. Food and Drug Administration concerning oversized morphine sulfate tablets. The pharmaceutical firm executive was excluded based on the company's guilty plea. At the time the unconvicted executive was excluded, there was evidence he was involved in misconduct leading to the company's conviction.

HYPERLINK URL	LINKED TEXT/IMAGE
<a href="https://exclusions.oig.hhs.gov">https://exclusions.oig.hhs.gov</a>	LEIE
<a href="https://www.sam.gov">https://www.sam.gov</a>	EPLS
<a href="https://www.gpo.gov/fdsys/pkg/USCODE-2016-title42/pdf/USCODE-2016-title42-chap7-subchapXI-partA-sec1320a-7.pdf">https://www.gpo.gov/fdsys/pkg/USCODE-2016-title42/pdf/USCODE-2016-title42-chap7-subchapXI-partA-sec1320a-7.pdf</a>	42 USC Section 1320a-7
<a href="https://www.gpo.gov/fdsys/pkg/CFR-2016-title42-vol5/pdf/CFR-2016-title42-vol5-sec1001-1901.pdf">https://www.gpo.gov/fdsys/pkg/CFR-2016-title42-vol5/pdf/CFR-2016-title42-vol5-sec1001-1901.pdf</a>	42 Code of Federal Regulations (CFR) Section 1001.1901

## LESSON 1 PAGE 15

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### Health Insurance Portability and Accountability Act (HIPAA)

HIPAA created greater access to health care insurance, strengthened the protection of privacy of health care data, and promoted standardization and efficiency in the health care industry.

HIPAA safeguards deter unauthorized access to protected health care information. As an individual with access to protected health care information, you must comply with HIPAA.

For more information, visit the [HIPAA webpage](https://www.hhs.gov/hipaa).

#### Damages and Penalties

Violations may result in Civil Monetary Penalties. In some cases, criminal penalties may apply.

#### EXAMPLE

A former hospital employee pleaded guilty to criminal HIPAA charges after obtaining protected health information with the intent to use it for personal gain. He was sentenced to 12 months and 1 day in prison.

HYPERLINK URL	LINKED TEXT/IMAGE
<a href="https://www.hhs.gov/hipaa">https://www.hhs.gov/hipaa</a>	HIPAA webpage

## LESSON 1 PAGE 16

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### Lesson 1 Summary

There are differences among fraud, waste, and abuse (FWA). One of the primary differences is **intent** and **knowledge**. Fraud requires the person have intent to obtain payment and the knowledge his or her actions are wrong. Waste and abuse may involve obtaining an improper payment but the same intent and knowledge.

Laws and regulations exist that prohibit FWA. Penalties for violating these laws may include:

- Civil Monetary Penalties
- Civil prosecution
- Criminal conviction, fines, or both
- Exclusion from all Federal health care program participation
- Imprisonment
- Loss of professional license

## **LESSON 1 PAGE 17**

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### **Lesson 1 Review**

Now that you completed Lesson 1, let's do a quick knowledge check. Your Post-Assessment course score is unaffected by the following questions.

## LESSON 1 PAGE 18

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### Knowledge Check

Select the correct answer.

Which of the following requires intent to obtain payment and the knowledge the actions are wrong?

- A. Fraud
- B. Abuse
- C. Waste

**CORRECT  
ANSWER**

A

## LESSON 1 PAGE 19

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### Knowledge Check

Select the correct answer.

Which of the following is NOT potentially a penalty for violation of a law or regulation prohibiting fraud, waste, and abuse (FWA)?

- A. Civil Monetary Penalties
- B. Deportation
- C. Exclusion from participation in all Federal health care programs

**CORRECT  
ANSWER**

B



## **LESSON 1 PAGE 20**

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### **You completed Lesson 1: What Is FWA?**

Now that you have learned about FWA and the laws and regulations prohibiting it, let's look closer at your role in the fight against FWA.

Select the "MAIN MENU" button to return to the course Main Menu. Then, select "Lesson 2: Your Role in the Fight Against FWA" to begin Lesson 2.

## **LESSON 2: YOUR ROLE IN THE FIGHT AGAINST FWA**

### **LESSON 2 PAGE 1**

---

#### **Lesson 2: Introduction and Learning Objectives**

This lesson explains the role you can play in fighting against fraud, waste, and abuse (FWA), including your responsibilities for preventing, reporting, and correcting FWA. It should take about 10 minutes to complete. Upon completing the lesson, you should correctly:

- Identify methods of preventing FWA
- Identify how to report FWA
- Recognize how to correct FWA

## LESSON 2 PAGE 2

---

### Where Do I Fit In?

As a person providing health or administrative services to a Medicare Part C or Part D enrollee, you are likely an employee of a:

- Sponsor (Medicare Advantage Organization [MAO] or a Prescription Drug Plan [PDP])
- First-tier entity (Examples: Pharmacy Benefit Management [PBM]; hospital or health care facility; provider group; doctor's office; clinical laboratory; customer service provider; claims processing and adjudication company; a company that handles enrollment, disenrollment, and membership functions; and contracted sales agents)
- Downstream entity (Examples: pharmacies, doctor's office, firms providing agent/broker services, marketing firms, and call centers)
- Related entity (Examples: Entity with common ownership or control of a Sponsor, health promotion provider, or SilverSneakers®)

## LESSON 2 PAGE 3

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### **Where Do I Fit In? (continued)**

#### **I am an employee of a Part C Plan Sponsor or an employee of a Part C Plan Sponsor's first-tier or downstream entity.**

The Part C Plan Sponsor is a CMS Contractor. Part C Plan Sponsors may enter into contracts with FDRs. This stakeholder relationship flow chart shows examples of functions relating to the Sponsor's Medicare Part C contracts. First-tier and related entities of the Medicare Part C Plan Sponsor may contract with downstream entities to fulfill their contractual obligations to the Sponsor.

Examples of first-tier entities may be independent practices, call centers, health services/hospital groups, fulfillment vendors, field marketing organizations, and credentialing organizations. If the first-tier entity is an independent practice, then a provider could be a downstream entity. If the first-tier entity is a health service/hospital group, then radiology, hospital, or mental health facilities may be the downstream entity. If the first-tier entity is a field marketing organization, then agents may be the downstream entity. Downstream entities may contract with other downstream entities. Hospitals and mental health facilities may contract with providers.

#### **I am an employee of a Part D Plan Sponsor or an employee of a Part D Plan Sponsor's first-tier or downstream entity.**

The Part D Plan Sponsor is a CMS Contractor. Part D Plan Sponsors may enter into contracts with FDRs. This stakeholder relationship flow chart shows examples of functions that relate to the Sponsor's Medicare Part D contracts. First-tier and related entities of the Part D Plan Sponsor may contract with downstream entities to fulfill their contractual obligations to the Sponsor.

Examples of first-tier entities include call centers, PBMs, and field marketing organizations. If the first-tier entity is a PBM, then the pharmacy, marketing firm, quality assurance firm, and claims processing firm could be downstream entities. If the first-tier entity is a field marketing organization, then agents could be a downstream entity.

## LESSON 2 PAGE 4

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### What Are Your Responsibilities?

You play a vital part in preventing, detecting, and reporting potential FWA, as well as Medicare noncompliance.

- **FIRST**, you must comply with all applicable statutory, regulatory, and other Medicare Part C or Part D requirements, including adopting and using an effective compliance program.
- **SECOND**, you have a duty to the Medicare Program to report any compliance concerns and suspected or actual violations of which you may be aware.
- **THIRD**, you have a duty to follow your organization's Code of Conduct that articulates your and your organization's commitment to standards of conduct and ethical rules of behavior.

## **LESSON 2 PAGE 5**

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### **How Do You Prevent FWA?**

- Look for suspicious activity
- Conduct yourself in an ethical manner
- Ensure accurate and timely data and billing
- Ensure coordination with other payers
- Know FWA policies and procedures, standards of conduct, laws, regulations, and CMS' guidance
- Verify all received information

## LESSON 2 PAGE 6

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### **Stay Informed About Policies and Procedures**

Know your entity's policies and procedures.

Every Sponsor and First-Tier, Downstream, and Related Entity (FDR) must have policies and procedures that address FWA. These procedures should help you detect, prevent, report, and correct FWA.

Standards of Conduct should describe the Sponsor's expectations that:

- All employees conduct themselves in an ethical manner
- Appropriate mechanisms are in place for anyone to report noncompliance and potential FWA
- Reported issues will be addressed and corrected

Standards of Conduct communicate to employees and FDRs compliance is everyone's responsibility, from the top of the organization to the bottom.

## LESSON 2 PAGE 7

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### **Report FWA**

Everyone must report suspected instances of FWA. Your Sponsor's Code of Conduct should clearly state this obligation. Sponsors may not retaliate against you for making a good faith effort in reporting.

Report any potential FWA concerns you have to your compliance department or your Sponsor's compliance department. Your Sponsor's compliance department will investigate and make the proper determination. Often, Sponsors have a Special Investigations Unit (SIU) dedicated to investigating FWA. They may also maintain an FWA Hotline.

Every Sponsor must have a mechanism for reporting potential FWA by employees and FDRs. Each Sponsor must accept anonymous reports and cannot retaliate against you for reporting. Review your organization's materials for the ways to report FWA.

When in doubt, call your Compliance Department or FWA Hotline.



## LESSON 2 PAGE 8

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### Reporting FWA Outside Your Organization

If warranted, Sponsors and FDRs must report potentially fraudulent conduct to Government authorities, such as the Office of Inspector General (OIG), the U.S. Department of Justice (DOJ), or CMS.

Individuals or entities who wish to voluntarily disclose self-discovered potential fraud to OIG may do so under the Self-Disclosure Protocol (SDP). Self-disclosure gives providers the opportunity to avoid the costs and disruptions associated with a Government-directed investigation and civil or administrative litigation.

### Details to Include When Reporting FWA

When reporting suspected FWA, include:

- Contact information for the information source, suspects, and witnesses
- Alleged FWA details
- Alleged Medicare rules violated
- The suspect's history of compliance, education, training, and communication with your organization or other entities

#### WHERE TO REPORT FWA

HHS Office of Inspector General:

Phone: 1-800-HHS-TIPS (1-800-447-8477) or TTY 1-800-377-4950

Fax: 1-800-223-8164

Email: [HHSTips@oig.hhs.gov](mailto:HHSTips@oig.hhs.gov)

Online: [Forms.OIG.hhs.gov/hotlineoperations/index.aspx](https://Forms.OIG.hhs.gov/hotlineoperations/index.aspx)

For Medicare Parts C and D:

National Benefit Integrity Medicare Drug Integrity Contractor (NBI MEDIC) at 1-877-7SafeRx (1-877-772-3379)

For all other Federal health care programs:

CMS Hotline at 1-800-MEDICARE (1-800-633-4227) or TTY 1-877-486-2048

Medicare beneficiary website: [Medicare.gov/forms-help-and-resources/report-fraud-and-abuse/fraud-and-abuse.html](https://www.Medicare.gov/forms-help-and-resources/report-fraud-and-abuse/fraud-and-abuse.html)

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<a href="https://forms.oig.hhs.gov/hotlineoperations/index.aspx">https://forms.oig.hhs.gov/hotlineoperations/index.aspx</a>	Forms.OIG.hhs.gov/hotlineoperations/index.aspx
<a href="https://www.medicare.gov/forms-help-and-resources/report-fraud-and-abuse/fraud-and-abuse.html">https://www.medicare.gov/forms-help-and-resources/report-fraud-and-abuse/fraud-and-abuse.html</a>	Medicare.gov/forms-help-and-resources/report-fraud-and-abuse/fraud-and-abuse.html

## LESSON 2 PAGE 9

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### Correction

Once fraud, waste, or abuse is detected, promptly correct it. Correcting the problem saves the Government money and ensures your compliance with CMS requirements.

Develop a plan to correct the issue. Ask your organization's compliance officer about the development process for the corrective action plan. The actual plan is going to vary, depending on the specific circumstances. In general:

- Design the corrective action to correct the underlying problem that results in FWA program violations and to prevent future noncompliance.
- Tailor the corrective action to address the particular FWA, problem, or deficiency identified. Include timeframes for specific actions.
- Document corrective actions addressing noncompliance or FWA committed by a Sponsor's employee or FDR's employee, and include consequences for failure to satisfactorily complete the corrective action.
- Monitor corrective actions continuously to ensure effectiveness.

#### Corrective Action Examples

Corrective actions may include:

- Adopting new prepayment edits or document review requirements
- Conducting mandated training
- Providing educational materials
- Revising policies or procedures
- Sending warning letters
- Taking disciplinary action, such as suspension of marketing, enrollment, or payment
- Terminating an employee or provider

## **LESSON 2 PAGE 10**

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### **Indicators of Potential FWA**

Now that you know about your role in preventing, reporting, and correcting FWA, let's review some key indicators to help you recognize the signs of someone committing FWA.

The following pages present potential FWA issues. Each page provides questions to ask yourself about different areas, depending on your role as an employee of a Sponsor, pharmacy, or other entity involved in delivering Medicare Parts C and D benefits to enrollees.

## LESSON 2 PAGE 11

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### **Key Indicators: Potential Beneficiary Issues**

- Does the prescription, medical record, or laboratory test look altered or possibly forged?
- Does the beneficiary's medical history support the services requested?
- Have you filled numerous identical prescriptions for this beneficiary, possibly from different doctors?
- Is the person receiving the medical service the beneficiary (identity theft)?
- Is the prescription appropriate based on the beneficiary's other prescriptions?

## LESSON 2 PAGE 12

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### **Key Indicators: Potential Provider Issues**

- Are the provider's prescriptions appropriate for the member's health condition (medically necessary)?
- Does the provider bill the Sponsor for services not provided?
- Does the provider write prescriptions for diverse drugs or primarily for controlled substances?
- Is the provider performing medically unnecessary services for the member?
- Is the provider prescribing a higher quantity than medically necessary for the condition?
- Does the provider's prescription have their active and valid National Provider Identifier on it?
- Is the provider's diagnosis for the member supported in the medical record?

## LESSON 2 PAGE 13

---

### **Key Indicators: Potential Pharmacy Issues**

- Are drugs being diverted (drugs meant for nursing homes, hospice, and other entities being sent elsewhere)?
- Are the dispensed drugs expired, fake, diluted, or illegal?
- Are generic drugs provided when the prescription requires dispensing brand drugs?
- Are PBMs billed for unfilled or never picked up prescriptions?
- Are proper provisions made if the entire prescription is not filled (no additional dispensing fees for split prescriptions)?
- Do you see prescriptions being altered (changing quantities or Dispense As Written)?

## LESSON 2 PAGE 14

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### **Key Indicators: Potential Wholesaler Issues**

- Is the wholesaler distributing fake, diluted, expired, or illegally imported drugs?
- Is the wholesaler diverting drugs meant for nursing homes, hospices, and Acquired Immune Deficiency Syndrome (AIDS) clinics, marking up the prices, and sending to other smaller wholesalers or pharmacies?



## LESSON 2 PAGE 15

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### **Key Indicators: Potential Manufacturer Issues**

- Does the manufacturer promote off-label drug usage?
- Does the manufacturer knowingly provide samples to entities that bill Federal health care programs for them?

## LESSON 2 PAGE 16

---

### **Key Indicators: Potential Sponsor Issues**

- Does the Sponsor encourage or support inappropriate risk adjustment submissions?
- Does the Sponsor lead the beneficiary to believe the cost of benefits is one price, when the actual cost is higher?
- Does the Sponsor offer beneficiaries cash inducements to join the plan?
- Does the Sponsor use unlicensed agents?

## **LESSON 2 PAGE 17**

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### **Lesson 2 Summary**

- As a person providing health or administrative services to a Medicare Part C or D enrollee, you play a vital role in preventing fraud, waste, and abuse (FWA). Conduct yourself ethically, stay informed of your organization's policies and procedures, and keep an eye out for key indicators of potential FWA.
- Report potential FWA. Every Sponsor must have a mechanism for reporting potential FWA. Each Sponsor must accept anonymous reports and cannot retaliate against you for reporting.
- Promptly correct identified FWA with an effective corrective action plan.

## **LESSON 2 PAGE 18**

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### **Lesson 2 Review**

Now that you completed Lesson 2, let's do a quick knowledge check. The Post-Assessment course is unaffected by the following questions.

## LESSON 2 PAGE 19

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### Knowledge Check

Select the correct answer.

A person drops off a prescription for a beneficiary who is a “regular” customer. The prescription is for a controlled substance with a quantity of 160. This beneficiary normally receives a quantity of 60, not 160. You review the prescription and have concerns about possible forgery. What is your next step?

- A. Fill the prescription for 160
- B. Fill the prescription for 60
- C. Call the prescriber to verify the quantity
- D. Call the Sponsor’s compliance department
- E. Call law enforcement

**CORRECT  
ANSWER**

C

## LESSON 2 PAGE 20

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### Knowledge Check

Select the correct answer.

Your job is to submit a risk diagnosis to the Centers for Medicare & Medicaid Services (CMS) for the purpose of payment. As part of this job, you use a process to verify the data is accurate. Your immediate supervisor tells you to ignore the Sponsor's process and to adjust or add risk diagnosis codes for certain individuals. What should you do?

- A. Do what your immediate supervisor asked you to do and adjust or add risk diagnosis codes
- B. Report the incident to the compliance department (via compliance hotline or other mechanism)
- C. Discuss your concerns with your immediate supervisor
- D. Call law enforcement

**CORRECT  
ANSWER**

B

## LESSON 2 PAGE 21

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### Knowledge Check

Select the correct answer.

You are in charge of paying claims submitted by providers. You notice a certain diagnostic provider (“Doe Diagnostics”) requested a substantial payment for a large number of members. Many of these claims are for a certain procedure. You review the same type of procedure for other diagnostic providers and realize Doe Diagnostics’ claims far exceed any other provider you reviewed. What should you do?

- A. Call Doe Diagnostics and request additional information for the claims
- B. Consult with your immediate supervisor for next steps or contact the compliance department (via compliance hotline, Special Investigations Unit [SIU], or other mechanism)
- C. Reject the claims
- D. Pay the claims

**CORRECT  
ANSWER**

**B**

## LESSON 2 PAGE 22

---

### Knowledge Check

Select the correct answer.

You are performing a regular inventory of the controlled substances in the pharmacy. You discover a minor inventory discrepancy. What should you do?

- A. Call local law enforcement
- B. Perform another review
- C. Contact your compliance department (via compliance hotline or other mechanism)
- D. Discuss your concerns with your supervisor
- E. Follow your pharmacy's procedures

**CORRECT  
ANSWER**

E



**LESSON 2 PAGE 23**

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**You completed Lesson 2: Your Role in the Fight Against FWA**

Now that you have learned how to fight FWA, it's time to assess your knowledge.

Select the "MAIN MENU" button to return to the course Main Menu. Then, select "Post-Assessment" to begin the Post-Assessment and complete the course.

# POST-ASSESSMENT

## POST-ASSESSMENT PAGE 1

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### **Post-Assessment**

This brief Post-Assessment asks 10 questions and should take about 10 minutes.

Choose an answer for each question by selecting the button next to your answer. You must select an answer before advancing to the next question. You can only move forward in the Post-Assessment, and try each question once. You may change your answer to a question until you select the “SUBMIT ANSWER” button. After you submit your answer, feedback from the question and the “NEXT” button appears. Select the “NEXT” button to continue. Do not select the “X” button in the right-hand corner of the window as this causes you to exit the course without recording your progress.

You may print your score when you finish the Post-Assessment. After successfully completing the course, you can print a certificate. Successfully completing the course includes finishing all lessons and scoring 70 percent or higher on the Post-Assessment. Instructions on printing your certificate are available after you pass the Post-Assessment.

Select the “NEXT” button to begin the Post-Assessment.

**POST-ASSESSMENT PAGE 2**

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**Question 1 of 10**

**Select the correct answer.**

Once a corrective action plan is started, the corrective actions must be monitored annually to ensure they are effective.

- A. True
- B. False

**POST-ASSESSMENT PAGE 3**

---

**Question 2 of 10**

**Select the best answer.**

Ways to report potential fraud, waste, and abuse (FWA) include:

- A. Telephone hotlines
- B. Mail drops
- C. In-person reporting to the compliance department/supervisor
- D. Special Investigations Units (SIUs)
- E. All of the above

**POST-ASSESSMENT PAGE 4**

---

**Question 3 of 10**

**Select the correct answer.**

Any person who knowingly submits false claims to the Government is liable for five times the Government's damages caused by the violator plus a penalty.

- A. True
- B. False

**POST-ASSESSMENT PAGE 5**

---

**Question 4 of 10**

**Select the correct answer.**

These are examples of issues that should be reported to a Compliance Department: suspected fraud, waste, and abuse (FWA); potential health privacy violation; unethical behavior; and employee misconduct.

- A. True
- B. False

**POST-ASSESSMENT PAGE 6**

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**Question 5 of 10**

**Select the correct answer.**

Bribes or kickbacks of any kind for services that are paid under a Federal health care program (which includes Medicare) constitute fraud by the person making as well as the person receiving them.

- A. True
- B. False

**POST-ASSESSMENT PAGE 7**

---

**Question 6 of 10**

**Select the correct answer.**

Waste includes any misuse of resources, such as the overuse of services or other practices that, directly or indirectly, result in unnecessary costs to the Medicare Program.

- A. True
- B. False



**POST-ASSESSMENT PAGE 8**

---

**Question 7 of 10**

**Select the correct answer.**

Abuse involves payment for items or services when there is no legal entitlement to that payment and the provider has not knowingly or intentionally misrepresented facts to obtain payment.

- A. True
- B. False

**POST-ASSESSMENT PAGE 9**

---

**Question 8 of 10**

**Select the correct answer.**

Some of the laws governing Medicare Parts C and D fraud, waste, and abuse (FWA) include the Health Insurance Portability and Accountability Act (HIPAA), the False Claims Act, the Anti-Kickback Statute, and the Health Care Fraud Statute.

- A. True
- B. False

**POST-ASSESSMENT PAGE 10**

---

**Question 9 of 10**

**Select the correct answer.**

You can help prevent fraud, waste, and abuse (FWA) by doing all of the following:

- Look for suspicious activity
  - Conduct yourself in an ethical manner
  - Ensure accurate and timely data and billing
  - Ensure you coordinate with other payers
  - Keep up to date with FWA policies and procedures, standards of conduct, laws, regulations, and the Centers for Medicare & Medicaid Services (CMS) guidance
  - Verify all information provided to you
- A. True
- B. False

**POST-ASSESSMENT PAGE 11**

---

**Question 10 of 10**

**Select the best answer.**

What are some of the penalties for violating fraud, waste, and abuse (FWA) laws?

- A. Civil Monetary Penalties
- B. Imprisonment
- C. Exclusion from participation in all Federal health care programs
- D. All of the above

## APPENDIX A: RESOURCES

### RESOURCES PAGE 1 OF 1

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#### **Disclaimers**

This Web-Based Training (WBT) course was current at the time it was published or uploaded onto the web. Medicare policy changes frequently so links to the source documents have been provided within the course for your reference.

This course was prepared as a service to the public and is not intended to grant rights or impose obligations. This course may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage readers to review the specific statutes, regulations, and other interpretive materials for a full and accurate statement of their contents.

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## Glossary

For glossary terms, visit the [Centers for Medicare & Medicaid Services Glossary](https://www.cms.gov/apps/glossary).

HYPERLINK URL	LINKED TEXT/IMAGE
<a href="https://www.cms.gov/apps/glossary">https://www.cms.gov/apps/glossary</a>	Centers for Medicare & Medicaid Services Glossary

## APPENDIX B: JOB AIDS

### Job Aid A: Applicable Laws for Reference

Anti-Kickback Statute [42 USC Section 1320a-7b\(b\)](#)

Civil False Claims Act [31 USC Sections 3729–3733](#)

Civil Monetary Penalties Law [42 USC Section 1320a-7a](#)

Criminal False Claims Act [18 USC Section 287](#)

Exclusion [42 USC Section 1320a-7](#)

Criminal Health Care Fraud Statute [18 USC Section 1347](#)

Physician Self-Referral Law [42 USC Section 1395nn](#)

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<a href="https://www.gpo.gov/fdsys/pkg/USCODE-2016-title42/pdf/USCODE-2016-title42-chap7-subchapXI-partA-sec1320a-7b.pdf">https://www.gpo.gov/fdsys/pkg/USCODE-2016-title42/pdf/USCODE-2016-title42-chap7-subchapXI-partA-sec1320a-7b.pdf</a>	42 USC Section 1320a-7b(b)
<a href="https://www.gpo.gov/fdsys/pkg/USCODE-2016-title31/pdf/USCODE-2016-title31-subtitleIII-chap37-subchapIII.pdf">https://www.gpo.gov/fdsys/pkg/USCODE-2016-title31/pdf/USCODE-2016-title31-subtitleIII-chap37-subchapIII.pdf</a>	31 USC Sections 3729–3733
<a href="https://www.gpo.gov/fdsys/pkg/USCODE-2016-title42/pdf/USCODE-2016-title42-chap7-subchapXI-partA-sec1320a-7a.pdf">https://www.gpo.gov/fdsys/pkg/USCODE-2016-title42/pdf/USCODE-2016-title42-chap7-subchapXI-partA-sec1320a-7a.pdf</a>	42 USC Section 1320a-7a
<a href="https://www.gpo.gov/fdsys/pkg/USCODE-2016-title18/pdf/USCODE-2016-title18-partI-chap15-sec287.pdf">https://www.gpo.gov/fdsys/pkg/USCODE-2016-title18/pdf/USCODE-2016-title18-partI-chap15-sec287.pdf</a>	18 USC Section 287
<a href="https://www.gpo.gov/fdsys/pkg/USCODE-2016-title42/pdf/USCODE-2016-title42-chap7-subchapXI-partA-sec1320a-7.pdf">https://www.gpo.gov/fdsys/pkg/USCODE-2016-title42/pdf/USCODE-2016-title42-chap7-subchapXI-partA-sec1320a-7.pdf</a>	42 USC Section 1320a-7
<a href="https://www.gpo.gov/fdsys/pkg/USCODE-2016-title18/pdf/USCODE-2016-title18-partI-chap63-sec1347.pdf">https://www.gpo.gov/fdsys/pkg/USCODE-2016-title18/pdf/USCODE-2016-title18-partI-chap63-sec1347.pdf</a>	18 USC Section 1347
<a href="https://www.gpo.gov/fdsys/pkg/USCODE-2016-title42/pdf/USCODE-2016-title42-chap7-subchapXVIII-partE-sec1395nn.pdf">https://www.gpo.gov/fdsys/pkg/USCODE-2016-title42/pdf/USCODE-2016-title42-chap7-subchapXVIII-partE-sec1395nn.pdf</a>	42 USC Section 1395nn

**Job Aid B: Resources**

[Health Care Fraud Prevention and Enforcement Action Team Provider Compliance Training](#)

[OIG’s Provider Self-Disclosure Protocol](#)

[Physician Self-Referral](#)

[Avoiding Medicare Fraud & Abuse: A Roadmap for Physicians](#)

[Safe Harbor Regulations](#)

HYPERLINK URL	LINKED TEXT/IMAGE
<a href="https://oig.hhs.gov/compliance/provider-compliance-training"><u>https://oig.hhs.gov/compliance/provider-compliance-training</u></a>	Health Care Fraud Prevention and Enforcement Action Team Provider Compliance Training
<a href="https://oig.hhs.gov/compliance/self-disclosure-info/files/Provider-Self-Disclosure-Protocol.pdf"><u>https://oig.hhs.gov/compliance/self-disclosure-info/files/Provider-Self-Disclosure-Protocol.pdf</u></a>	OIG’s Provider Self-Disclosure Protocol
<a href="https://www.cms.gov/Medicare/Fraud-and-Abuse/PhysicianSelfReferral"><u>https://www.cms.gov/Medicare/Fraud-and-Abuse/PhysicianSelfReferral</u></a>	Physician Self-Referral
<a href="https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/MLN-Publications-Items/CMS1254524.html"><u>https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/MLN-Publications-Items/CMS1254524.html</u></a>	Avoiding Medicare Fraud & Abuse: A Roadmap for Physicians
<a href="https://oig.hhs.gov/compliance/safe-harbor-regulations"><u>https://oig.hhs.gov/compliance/safe-harbor-regulations</u></a>	Safe Harbor Regulations



### Job Aid C: Where to Report Fraud, Waste, and Abuse (FWA)

HHS Office of Inspector General:

Phone: 1-800-HHS-TIPS (1-800-447-8477) or TTY 1-800-377-4950

Fax: 1-800-223-8164

Email: [HHSTips@oig.hhs.gov](mailto:HHSTips@oig.hhs.gov)

Online: [Forms.OIG.hhs.gov/hotlineoperations/index.aspx](https://forms.oig.hhs.gov/hotlineoperations/index.aspx)

For Medicare Parts C and D:

National Benefit Integrity Medicare Drug Integrity Contractor (NBI MEDIC) at 1-877-7SafeRx (1-877-772-3379)

For all other Federal health care programs:

CMS Hotline at 1-800-MEDICARE (1-800-633-4227) or TTY 1-877-486-2048

HHS and U.S. Department of Justice (DOJ): [Medicare.gov/forms-help-and-resources/report-fraud-and-abuse/fraud-and-abuse.html](https://www.medicare.gov/forms-help-and-resources/report-fraud-and-abuse/fraud-and-abuse.html)

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<a href="https://www.medicare.gov/forms-help-and-resources/report-fraud-and-abuse/fraud-and-abuse.html">https://www.medicare.gov/forms-help-and-resources/report-fraud-and-abuse/fraud-and-abuse.html</a>	Medicare.gov/forms-help-and-resources/report-fraud-and-abuse/fraud-and-abuse.html