



Offshore Subcontracting: Are You Compliant?

Let's say you are a FDR providing services on behalf of Anthem's Medicare business (Medicare Advantage, Medicare Prescription Drug, and/or Medicare-Medicaid Plan*). Let's also say you are a FDR who has access to beneficiary protected health information (PHI) or personal identification information (PII). Now, do you or any of the subcontractors you use to support Anthem's Medicare business perform the delegated services outside of the United States? If you answered **yes**, then we want to ensure you are familiar with the additional steps required of Medicare FDRs who participate in offshore subcontracting.

**Medicare-Medicaid Plans may have further restrictions or prohibitions for offshoring.*

To begin, let's run through some basic definitions as defined by CMS –

- **Subcontractor:** Refers to any organization a sponsor (e.g. Anthem) contracts with to fulfill or help fulfill requirements in their Medicare contracts. Subcontractors include all FDRs.
- **Offshore:** Refers to any country that is not one of the fifty United States or one of the United States Territories (American Samoa, Guam, Northern Marianas, Puerto Rico, and Virgin Islands). Examples of "offshore" countries include, but are not limited to, Mexico, Canada, India, Philippines, China, Germany, and Japan.
- **Offshore Subcontractor:** Offshore subcontractors provide services that are performed by workers located in offshore countries, regardless of whether the workers are employees of American or foreign companies.
- **Access to PHI/PII:** If a subcontractor receives, processes, transfers, handles, stores or accesses beneficiary PHI and/or PII in any format (i.e. oral, written, electronic form, etc.), then they are considered to have access.

Next, we will go over the steps you need to follow if you or any of your subcontractors supporting Anthem meet the above definition of "offshore" –

1. FDRs providing functions supporting our Medicare plans must inform Anthem of the details around the offshore locations during the initial contracting process between the FDR and Anthem. CMS requires Anthem to submit information within 30 days of contracting, including specific information about the FDR, its offshore locations and the privacy protections in place to address risks associated with the use of offshore subcontractors.
 - If a currently contracted FDR is intending to transition onshore services to an offshore location, the FDR must notify Anthem immediately and receive approval prior to any changes.

Helpful Compliance Links...

To review regulatory references to monitoring requirements:



[CMS Medicare Managed Care Manual Ch. 11](#)



[Medicare Managed Care Manual Ch. 21 & Prescription Drug Benefit Manual Ch. 9](#)



[CMS Medicare Learning Network](#)



2. Anthem will work with the FDR wishing to perform services outside of the United States to complete an Offshore Attestation and ensure necessary information is submitted to CMS within the required 30 days.
3. After the initial information is submitted to Anthem and CMS, FDRs will be required to confirm offshore information via Anthem's annual FDR Monitoring Survey. This includes the submission of an Offshore Attestation each year. All offshore information will be reviewed and updated with CMS on an annual basis.

The below information is requested from the FDR for all offshore subcontracting via the Offshore Attestation –

- Offshore entity details including name, address, country, services performed and effective date of offshore subcontractor services.
- Description of PHI or PII handled or accessible by the offshore entity.
- Necessity of PHI or PII access and potential alternatives to its access.
- Confirmation of policies and processes in place to ensure data security.
- Whether or not the entity is audited to ensure compliance with applicable requirements.

For additional details on CMS offshore requirements, please refer to the Health Plan Management System (HPMS) memorandums dated [July 23, 2007](#), [September 20, 2007](#), and [August 26, 2008](#). If you need clarification or assistance, please send an email to the FDRSharedMailbox@anthem.com.

Anthem's Updated Standards of Ethical Business Conduct

Anthem has released our **2016 Standards of Ethical Business Conduct (SOEBC)** and it is attached for your reference. The 2016 edition of the SOEBC includes the following enhancements:

- Gift policy (page 27) – Revised to include the prohibition of offering gift cards to external sources, unless the gift cards are part of an approved member wellness program.
- Telephone Consumer Protection Act (page 31) – New section added to provide a high-level summary of the law.
- Non-discrimination under the Affordable Care Act (page 31) – new section added to provide a high-level summary of the law.

Anthem's SOEBC provides guidance on our commitment to and expectation of our FDRs to conduct business in an ethical and compliant manner. While it is Anthem's responsibility to communicate compliance expectations to our FDRs, it is the responsibility of our FDRs to ensure this information is provided to their employees. FDRs must use Anthem's SOEBC, or their own comparable standards of conduct, to ensure employees are aware of compliance expectations and requirements.

As a reminder, CMS requires distribution of standards of conduct to occur:

- within 90 days of hire (or contracting)
- annually thereafter; and
- when there are updates to the policies.

FDRs may choose to distribute (or make available) this information in the most effective way for their organization. However, FDRs must maintain documentation to evidence standards of conduct and compliance policies were distributed (or made available) to employees. Examples of acceptable documentation include employee attestations confirming receipt, emails showing documents were sent to all employees, or screenshot of company intranet site linking employees to standards of conduct/policies.

If you have any questions on Anthem's SOEBC or compliance requirements related to standards of conduct, please reach out to the FDRSharedMailbox@anthem.com.

Summer Brings the Sunshine...and CMS Audits



Summer is here, so bring on the sunshine, barbeques and CMS Audit notices! Wait, what?! We understand audits are probably not the first thing to come to mind when thinking about this time of year. However, although CMS can issue an audit notice at any time during the year, the summer months have historically been a popular audit season. Unfortunately, there is no way to tell when Anthem will be selected for a CMS Program Audit – which is why it is important to ensure our FDRs maintain compliance and are audit ready, regardless of the season. Audit readiness is an important part of Anthem’s commitment to compliance, and we want to ensure you are prepared for a regulatory audit. So go ahead and grab some lemonade, put on your sunscreen and join us for a “**Summer Audit Refresher**”.

Audit Readiness Questions

Below are some questions to consider when thinking through audit readiness for your FDR:

- Am I current with Anthem’s FDR monitoring and auditing requests? Are all noted compliance issues fully addressed and remediated?
- Do my policies and procedures supporting FDR compliance requirements accurately reflect processes to meet CMS laws/regulations? Has appropriate staff been trained on P&Ps? Are those P&Ps up to date and reviewed at least annually? Are P&Ps monitored for compliance?
- Can our organization evidence or provide documentation to support compliance with Medicare program requirements (e.g. standards of conduct and compliance policies, general compliance and FWA training, federal exclusion screening, record retention, downstream oversight) in a timely manner? Could they be provided in 24 hours if necessary?
- Do I provide claims and/or utilization management services on Anthem’s behalf? If so, am I familiar with CMS’ audit protocols and universe requests for claims and UM? Would I be able to pull appropriate data for the universe request and provide to Anthem within the required timeframe (i.e. 8 days)?
- Do our employees know who Anthem’s Medicare Compliance Officer is and how to contact her? (hint: see below section titled “Helpful Anthem Reminders”)
- What about downstream entities, if applicable? Can these questions be appropriately answered by each of your downstreams? Have contacts been identified for each?

Helpful Anthem Reminders

As an Anthem FDR, you will want to ensure your familiarity with important information surrounding Anthem’s Medicare Compliance Program as compliance-related processes are a primary focus during CMS Program Audits. So below you will find popular questions and answers we commonly experience during an audit. If you have additional questions, please reach out to the FDRSharedMailbox@anthem.com.

Who is Anthem’s Medicare Compliance Officer? Sarah Lorange, Vice President of Medicare Compliance, is the dedicated and independent Compliance Officer for Anthem’s Medicare products.

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What are the elements of an effective compliance program, as set forth in Medicare regulations? In order to have an effective compliance program in place, the following elements are required. To read more information on how Anthem meets these requirements, we have attached a copy of the most current **Medicare Compliance Plan** to this newsletter.

1. Written Policies, Procedures and Standards of Conduct
2. Compliance Officer, Compliance Committee and High Level Oversight
3. Effective Training and Education
4. Effective Lines of Communication
5. Well-Publicized Disciplinary Standards
6. Effective System for Routine Monitoring and Identification of Compliance Risks
7. Procedures and System for Prompt Response to Compliance Issues

What are the methods for reporting a compliance or fraud concern? Anthem offers several options for reporting compliance and fraud-related concerns, including the following –

- Call the Anthem HelpLine at **877-725-2702** (anonymous option)
- Call the Anthem Fraud Hotline at **866-847-8247** (anonymous option)
- Email [**ethicsandcompliance@anthem.com**](mailto:ethicsandcompliance@anthem.com)
- Mail correspondence to **Anthem's Ethics & Compliance Department at P.O. Box 791, Indianapolis, IN 46206**
- Contact Anthem's Medicare Compliance Officer, Sarah Lorance
 - By phone at **303-764-7277**
 - By emailing [**MedicareProgramsComplOfficer@anthem.com**](mailto:MedicareProgramsComplOfficer@anthem.com)
 - By mailing correspondence to 700 Broadway, Denver, CO 80273
- Contact your Anthem point of contact

Where can I find CMS' Audit Protocols? CMS' most current version of their Program Audit protocols can be found here: [**https://www.cms.gov/Medicare/Compliance-and-Audits/Part-C-and-Part-D-Compliance-and-Audits/ProgramAudits.html**](https://www.cms.gov/Medicare/Compliance-and-Audits/Part-C-and-Part-D-Compliance-and-Audits/ProgramAudits.html)

Where can I find information related to CMS' compliance program requirements? CMS' Medicare Managed Care Manual, Chapter 21, and Prescription Drug Benefit Manual, Chapter 9 can be found here: [**www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/mc86c21.pdf**](http://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/mc86c21.pdf).

Where can I send questions related to Anthem's FDR Oversight Program? We are happy to answer any questions related to our FDR Oversight Program, or provide you with additional resources if needed. You can contact us by emailing [**FDRSharedMailbox@anthem.com**](mailto:FDRSharedMailbox@anthem.com).

Please remember, audits may be performed by CMS, the Office of the Inspector General (OIG), or federally contracted vendors. In the event your organization is included in a CMS or other regulatory audit, Anthem's Medicare Compliance will work with you to coordinate all meetings and submission of audit materials consistent with CMS audit protocols and processes. You will be required to comply and provide documentation timely, and we will be available to support you through the audit process!

ENJOY YOUR SUMMER!





Questions from Readers



This is a new section we are adding to the Quarterly FDR Newsletter. It will focus on common questions we receive from FDRs related to the FDR Oversight Program, the FDR Monitoring Survey and CMS requirements. We realize a lot of our FDRs have similar questions, so we hope this new section provides you with helpful information and useful tips! In this edition, we are focusing on some popular questions related to **OIG and GSA exclusion verifications** –

How should I be tracking my employees' pre-hire and monthly OIG and GSA exclusion screenings?

This is a great question we often receive from FDRs. FDRs need to be tracking and logging OIG and GSA screenings conducted prior to hire and throughout the year for each employee, including full name and the date in which the verification screening was completed against both OIG and GSA for each month. While a tracker spreadsheet is useful, you also need to have documentation to support the dates the employees were screened. Examples of supporting documentation include - screenshots from the OIG and GSA websites showing the results of the employee search, or output reports from a third-party vendor or human resources department. Please ensure the date of the search and the employee's name are visible on your supporting documentation, as this information is critical to evidence the screening occurred.

When it comes to OIG and GSA exclusion screenings, what does "pre-hire" mean?

CMS requires all FDRs to screen every employee who supports Medicare prior to hire and monthly thereafter. The pre-hire screening must occur prior to the new employee's start date, as this ensures the FDR is not hiring someone who is excluded from participating in any Federal program. As an example, if you have a new employee hired to start work on July 1, 2016, you need to conduct an OIG and GSA screening prior to July 1, 2016. A common practice for organizations is to include the pre-hire exclusion screening as part of the background verification process. Please remember to maintain supporting documentation to evidence all pre-hire screenings...and make sure screenings continue every month after hire!

***If you have a question related to OIG and GSA exclusion verification process, reach out to the FDRSharedMailbox@anthem.com.**

FDR Oversight Clinic

Are you a new Anthem Medicare FDR? Do you have questions on how to complete Anthem's FDR Monitoring Survey via the Ariba system? Are you wondering what type of documentation is needed to close out your open remediation items? If you have any questions surrounding Anthem's FDR Oversight Program, including our monitoring and auditing processes, please join us at an upcoming **FDR Oversight Clinic**. The Clinic is a monthly meeting hosted by the Anthem FDR Oversight Team where we provide an overview of the Oversight Program, review the monitoring process and provide helpful information and tips related to Ariba, the web-based system we utilize to issue the annual FDR Monitoring Survey. Reach out to the FDRSharedMailbox@anthem.com and we will send you the invitation for an upcoming Clinic!



There are several ways to report violations:

- Anthem’s Fraud Hotline: **1-866-847-8247**
- Anthem’s Ethics and Compliance Helpline: **1-877-725-2702**
- Ethics & Compliance E-mail box: **ethicsandcompliance@anthem.com**
- Send a letter to: **Post Office Box 791
Indianapolis, IN 46206**
- You may report an issue to your Anthem contact (Business Owner) or directly to:

Sarah Lorance, Vice President of Compliance, Medicare
Sarah.J.Lorance@anthem.com, 303-764-7277

700 Broadway, Denver CO 80203 MedicareProgramsComplOfficer@anthem.com

** Anthem enforces a strict policy of non-retaliation. Retaliation against anyone who reports compliance issue in good faith is strictly prohibited, including reports made by contracted vendors (FDRs). If you see retaliation or believe it has occurred, you must report it.*



Questions? Please send us an email: FDRSharedMailbox@anthem.com

