

Hometown Health Plan

Current Version Effective Date:	02/28/13
Next Review Date:	02/28/14

Title:	General Medicare Part D and Medicare Advantage Compliance Program Policies and Procedures (CGP)	Creation Date:	02/26/07
Category:	Delegated Subcontractors	Revision History: 10/25/12 __/__/__ __/__/__ __/__/__	
Number:	Hometown.CGP.010		
Author:	Jamie Winter, Hometown Health Compliance Manager		

Scope:

Unless otherwise limited, the Hometown Health Plan Compliance Policies and Procedures apply to the following individuals and entities:

- 1) All Employees as defined in Hometown.MPP.001;
- 2) All members of the Board of Directors, officers and managers of Hometown Health Plan and HHP Management Corporation, and Compliance Committee members;
- 3) Related Entities, as defined in Hometown.MPP.001, in the same manner and to the same extent as they apply to Hometown Health Plan; and
- 4) Delegated Subcontractors and Network Providers, as defined in Hometown.MPP.001, in the manner and to the extent set forth in Hometown Health Plan’s policies and procedures.

Purpose:

The purpose of Hometown.CGP.010 is to set forth definitions and background relevant to Hometown Health Plan’s contracting with and monitoring Delegated Subcontractors and Network Providers.

Policy:

Hometown Health Plan policy requires compliance with all federal and state laws, MA and Part D regulations and guidance, and CMS contract provisions governing Hometown Health Plan’s contractual relationships with its Delegated Subcontractors and Network Providers, including its relationships with physicians and other referral sources that receive reimbursement from Medicare. It is Hometown Health Plan’s policy to provide oversight of all delegated entities to promote such compliance with MA and Part D program requirements.

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Procedures:

1) Definitions.

A) **Delegated Subcontractor.** As set forth in Hometown.MPP.001, Delegated Subcontractors are defined as follows:

- i) Delegated Subcontractors include any individuals or entities that contract with Hometown Health Plan for the purpose of assisting Hometown Health Plan in conducting core delegated administrative functions related to Hometown Health Plan’s obligations as an MA or MA-PD Sponsor.
- ii) Delegated Subcontractors include “first tier entities,” which are defined for purposes of this policy as any party that enters into written agreements with Hometown Health Plan/Sponsor to provide administrative services under the MA or Part D programs.
- iii) Delegated Subcontractors also include “downstream entities,” which are defined for purposes of this policy as parties that enter into a written agreement with a first tier entity in connection with the first tier entity’s agreement with Hometown Health Plan to provide administrative services under the MA or Part D programs.
- iv) Examples of Delegated Subcontractors include, but are not limited to, entities that are directly involved in marketing Hometown Health Plan’s MA or MA-PD Plans to Medicare beneficiaries or enrolling individuals in such Plans. Additional examples of Delegated Subcontractors include entities conducting quality assurance, claims processing, adjudicating, organization determinations or appeals, or credentialing on behalf of Hometown Health Plan’s MA or MA-PD Plans.

B) **Network Provider.** As set forth in Hometown.MPP.001, a Network Provider is defined as follows: A Network Provider is a health care individual or entity with which Hometown Health Plan (or its MA-PD Pharmacy Benefits Manager) enters into a participation agreement to furnish health care services to Hometown Health Plan’s MA and MA-PD Plan Enrollees, through Senior Care Plus HMO and Senior Care Plus PPO provider networks, or through an MA-PD network. Examples of Network Providers include, but are not limited to, hospitals, physicians, and pharmacies.

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2) Background and Applicable Authorities.

- A) Hometown Health Plan has entered into contracts (H2960, H2690) with the Centers for Medicare & Medicaid Services ("CMS") to sponsor MA and MA-PD Plans.
- B) Hometown Health Plan has delegated certain core administrative functions related to its MA and MA-PD programs to certain third parties, referred to herein as Delegated Subcontractors. Hometown Health Plan also offers its MA and MA-PD Plan to enrollees through Network Providers. Hometown.CGP.013 governs Hometown Health Plan's contracting with and monitoring of Delegated Subcontractors and Network Providers.
- C) Notwithstanding such delegation, Hometown Health Plan maintains ultimate responsibility for fulfilling the terms and conditions of its contract with CMS.
- D) Various authorities govern Hometown Health Plan's delegation of certain administrative functions to Delegated Subcontractors and agreements with Network Providers. These include:
- i) Hometown Health Plan's contracts with CMS;
 - ii) Federal regulations codified at 42 C.F.R. §§ 422.504 and 423.505;
 - iii) Medicare Managed Care Manual, Ch. 11, Sections 100.4 (Provider and Supplier Contract Requirements) and 100.5 (Administrative Contracting Requirements); and
 - iv) Prescription Drug Benefit Manual, Ch. 9, Section 40 (Part D Sponsor Accountability and Oversight of Subcontractors).
- E) In addition, various other authorities inform CMS's monitoring and auditing of the MA and Part D Programs, and, as such, serve as useful guidance for Hometown Health Plan's own internal monitoring and auditing of MA and MA-PD Plan compliance. These include, but are not limited to the CMS Medicare Part D Audit Guide.

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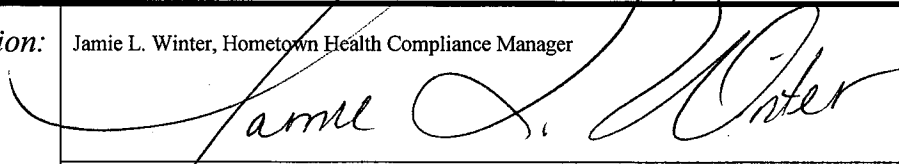
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Questions Related to Hometown.CGP.010 Policy and Procedure. Any questions concerning Hometown.CGP.010, or questions that are not specifically addressed by these policies, should be directed to the Hometown Health Plan Compliance Manager or the Renown Health Corporate Compliance Officer.

Audit and Documentation. Hometown Health Plan shall audit and document compliance with Hometown.CGP.010. Such audit shall be conducted pursuant to the procedures set forth in Renown.CCD.315 and Hometown.CGP.007. Relevant documentation shall be maintained in Hometown Health’s Part D and MA Compliance Programs files, consistent with Hometown Health Plan’s document retention policies.

- References:**
- Medicare Prescription Drug Benefit program regulations, 42 Code of Federal Regulations Part 423;
 - Medicare Advantage program regulations, 42 Code of Federal Regulations Parts 422;
 - Medicare Prescription Drug Benefit Manual, Ch. 9 (Compliance Program Guidelines);
 - Medicare Managed Care Manual, Ch. 11 (Medicare Advantage Application Procedures and Contract Requirements); and
 - Medicare Managed Care Manual, Ch. 21 (Compliance Program Guidelines)
- Contributors:**
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<i>Authorization:</i>	Jamie L. Winter, Hometown Health Compliance Manager 
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