

First Tier, Downstream, and Related Entities (FDR) requirements Frequently Asked Questions

1. What are the Centers for Medicare & Medicaid Services (CMS) FDR requirements?
 - a) The FDR has a process in place to confirm its employees, contractors, board members, or any shareholders (interest of 5% or more) that work directly or indirectly on any Federal health care program do not appear in the *List of Excluded Individuals/Entities* as published by the Department of Health and Human Services Office of the Inspector General, nor in the *List of Debarred Contractors* as published by the General Services Administration.
 - b) The FDR, its employees, board members, agents and contractors that provide administrative services or health care services for or to Medicare Advantage members, participate in Medicare fraud, waste and abuse (FWA) training that meets CMS requirements.
 - c) The FDR agrees to comply with the Regence conflict of interest policy or a conflict of interest policy developed by FDR that meets CMS requirements.
 - d) The FDR agrees to comply with Regence's Code of Business Conduct (COBC) and the COBC Guide (which includes Regence's disciplinary standards) and policies and procedures, or to adopt and comply with its own code of conduct, disciplinary standards and policies and procedures that reflect a commitment to detecting, preventing and correcting non-compliance with Medicare requirements in the delivery of Medicare services, including detecting, preventing and correcting fraud, waste and abuse.
 - d) The FDR is required to publish disciplinary standards which include its expectation that employees ask Medicare compliance questions and report potential and actual instances of non-compliance with Medicare requirements to Regence through its anonymous hotline or through other means. Disciplinary standards must also state that any violation of these standards will result in appropriate disciplinary action, up to and including termination of employment. They also must include a non-retaliation policy for good-faith reporting.
 - e) The FDR will report compliance or FWA concerns and will publicize to its employees the methods for reporting potential and actual instances of Medicare fraud, waste and abuse to Regence through its anonymous hotline or through other means. Federal law prohibits Regence from retaliating against FDRs or their employees for reporting a fraud, waste and abuse issue.

2. What actions do FDRs need to perform to be in compliance with the FDR requirements?

- a) FDRs will check the Federal Exclusion lists prior to hire and monthly thereafter.
- b) If an employee, contractor, board member or shareholder (interest of 5% or more) is on either exclusion list, the FDR shall immediately remove the person or entity from any work related directly or indirectly to all Federal health care programs and will take appropriate corrective actions, including preventing payment to excluded entity. The FDR will notify Regence of the finding and action.
- c) Medicare FWA training will be conducted within ninety (90) days of hire and annually thereafter and there will be documentation attesting to the completion of this annually.
- d) The FDR will contact the Medicare hotlines with compliance questions and to report potential and actual instances of non-compliance.
- e) Standards of Conduct and policies and procedures will be distributed to all employees who provide administrative services or health care services for Regence's Medicare Advantage program at time of hire and annually thereafter.
- f) Conflict of interest disclosure forms will be distributed at time of hire and annually thereafter to governing body, officers and senior leadership, as applicable, certifying that they are free from any conflict of interest related to Medicare.
- g) Disciplinary standards must be publicized and include:
 - a) Requirement to ask compliance questions and report potential and actual instances of noncompliance and Medicare FWA
 - b) Violation of standards will result in appropriate disciplinary action up to and including termination
 - c) Non-retaliation policy

3. Where will the FDR find tools related to meeting the CMS requirements?

- a) Regence's FDR web page: **www.regence.com/medicare/fdr-resources.jsp**
- b) Details about how to report potential and actual instances of fraud, waste and abuse may be found online at **www.regence.com/legal/you-can-fight-health-care-fraud.jsp**.

4. Are FDRs required to use Regence compliance program to meet the requirements?

No. FDRs may use any program that meets CMS requirements as long as documentation is maintained.

5. What records do FDRs need to keep and how will FDRs be audited for compliance?
- a) The FDR will keep a record that confirms reviews of the two federal exclusion lists have been completed. This generally includes a copy of each exclusion list with confirmations for initial hires and monthly verifications thereafter, along with employee names and verification dates.
 - b) A copy of fraud waste and abuse training materials, if given by FDR or a third party (unless the third party restricts access to such material), will be maintained and proof that such training has been completed by its employees, board members, agents and contractors (e.g. attestations).
 - c) Copies of conflict of interest certifications for governing body, officers, and senior leadership, as applicable, directly or indirectly with the Federal Health Care program will be maintained and made available for audit purposes.
 - d) Copies of Standards of Conduct attestations will be maintained and made available for audit purposes.
 - e) Copies of compliance program policies and procedures, including non-retaliation policy and disciplinary standards will be reviewed.

6. How will FDRs be monitored for compliance?

FDRs may be asked to provide documentation that demonstrates compliance with the FDR requirements.

7. Who may I contact for additional information or questions?

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