

PURPOSE

To outline the measures taken by the Denver Health Medical Plan (DHMP) for auditing providers in order to detect and/or prevent fraud, waste, and abuse (FWA).

SCOPE

This policy applies to all DHHA employees assigned to DHMP ("DHMP Employees" or "DHMP Staff") and any other person or entity that performs an activity or function on behalf of DHMP, including physicians and other providers, subcontractors, vendors, consultants, or agents.

POLICY

The Manager of the Special Investigations Unit (SIU) will ensure and cooperate in regular and periodic audits in conjunction with existing audit processes and with the assistance of Denver Health Medical Plan 's (DHMP) legal counsel as appropriate. The audits will provide comprehensive assessment and evaluation of the implementation and ongoing effectiveness of the Fraud, Waste and Abuse Program (Program), satisfaction of the elements of the Program, and DHMP's compliance with applicable federal and state standards.

PROCEDURES

Audit procedures shall include:

1. A range of auditing methodologies, including sampling, observation, on-site visits, staff testing, trend analyses, and questionnaires of providers, members, and employees
2. Interviews with appropriate managers and directors
3. Reviews of arrangements with third-party contractors and contractors' performance of contractual obligations and compliance with legal requirements
4. Reviews of the Program records and documentation (e.g., training attendance records and Hotline reports)
5. Random reviews of records related to DHMP operations, with special attention given to procedures reviewed by CMS in its audits
6. Review of written materials and documents (e.g., pharmacy materials, policy manuals) used for DHMP operations

Audits shall focus on risk areas identified by federal and state agencies for Medicare Advantage (MA) organizations as well as areas identified during the initial assessment of DHMP compliance with elements of MA Contractor Monitoring. Thus, audit topics shall include:

1. Marketing functions and materials (which may be assessed using independent reviews for accuracy, cross-department reviews for internal consistency with DHMP policies, surveys of current and former members, or secret shoppers and which shall focus on identifying any indication of selective marketing)
2. Claims processing, utilization, and quality of care (including evaluations of provider types and numbers, claim submissions, and utilization rates)
3. Data collection and submission processes (reviewing enrollment, encounter, and other data for accuracy, completeness, and truthfulness)
4. Provider and contractor relationships (to review for required contract provisions and compliance with federal and state laws).

With the assistance of legal counsel as needed, the Manager of the SIU shall prepare formal audit reports to specifically address any areas where corrective action is required and areas where subsequent audits or analysis are recommended to verify compliance with applicable requirements. The Manager of the SIU shall present report findings to the SIU Committee.

EXTERNAL REFERENCES

- A. 42 C.F.R. 422.503 – General Provisions
- B. 42 C.F.R. 423.504 – General Provisions
- C. 42 C.F.R. § 438.608 — Program Integrity Requirements Under the Contract
- D. CMS Prescription Drug Benefit Manual Chapter 9 - Compliance Program Guidelines and Medicare Managed Care Manual Chapter 21 – Compliance Program Guidelines
- E. C.R.S. §10-1-128 – Fraudulent Insurance Acts
- F. Child Health Plan Plus (CHP+) contract between the Colorado Department of Health Care Policy & Financing and Denver Health Medical Plan (DHMP), Inc.
- G. 3 CCR 702-6, Regulation 6-5-1 - Concerning the Reporting of Suspected Insurance Fraud
- H. Medicaid Choice contract between the Colorado Department of Health Care Policy and Financing and Denver Health Medical Plan (Medicaid Choice)

DHMP/DHHA RELATED DOCUMENTS

- A. [Provider/Vendor/Subcontractor Overpayments Policy](#)
- B. [Record Retention and Destruction](#)
- C. [Special Investigations Sub-Committee Charter](#)

- D. [False Claims, Fraud, Waste and Abuse Policy, HR Principle and Practice](#)