

# VSP Vision Compliance Training



*brought to you by VSP Vision Office of the General Counsel*

This training module ensures VSP® meets the general compliance training requirements set by the Office of Inspector General and CMS, in accordance with 42 C.F.R. §§ 422.503(b)(4)(vi)(C) and 423.504(b)(4)(vi)(C), as well as Section 50.3 of Chapter 21 of the Medicare Managed Care Manual.

☰ Course Introduction

☰ What Is An Effective Compliance Program?

☰ Medicare/Medicaid Compliance Requirements

☰ What's Expected From You: Ethics

☰ What is Non-Compliance?

☰ High-Risk Areas of Non-Compliance

☰ What Are Internal Monitoring and Audits?

☰ Course Wrap-Up

CHECK YOUR UNDERSTANDING



## Knowledge Check

### CASE SUMMARY AND RESOURCES

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## Appendix of Resources

Welcome to the VSP Vision Compliance training.  
This course consists of general compliance program information, an assessment, and a course evaluation.

Employees must complete this course to meet the general Compliance and Fraud, Waste, and Abuse (FWA) enterprise training requirements.

To successfully complete the course, participants must finish all lessons and the course evaluation. The course should take approximately twenty minutes.

### **After completing this course, you should be able to:**

- Recognize how a compliance program operates.
- Understand your responsibilities in reporting actual or suspected non-compliance.
- Understand how to report suspected or detected non-compliance.
- Recognize the disciplinary guidelines for non-compliant and/or fraudulent behavior.



Understand non-retaliation and discrimination policies.

**Let's begin.**

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**An effective Compliance Program promotes a culture  
of integrity and accountability across our enterprise.**



## **It's one that:**

- prevents, detects, and corrects non-compliance.
- promotes our organization's Code of Conduct.
- is fully implemented and is tailored to our organization's unique operations and circumstances.
- establishes clear lines of communication for reporting non-compliance.
- has adequate resources.
- builds a firm, non-retaliation policy and culture to support reporting of non-compliance without fear of retribution.



**Why it Matters:** An effective compliance program is essential to prevent, detect, and correct non-compliance in all areas.

## **The 7 Core Requirements**

To be effective, a Compliance Program must incorporate the following 7 Core Requirements.

## Step 2

### **Written Policies, Procedures, and Standards of Conduct**



These articulate our organization's commitment to comply with all applicable Federal and State standards and describe compliance expectations according to the Standards of Conduct.

### Step 3

## Compliance Officer, Compliance Committee, and High-Level Oversight



Our organization and its various entities have a designated compliance officer and a compliance committee that is accountable and responsible for the activities and status of the compliance program, including issues identified, investigated, and resolved by the compliance program.

Who is your Compliance Officer?

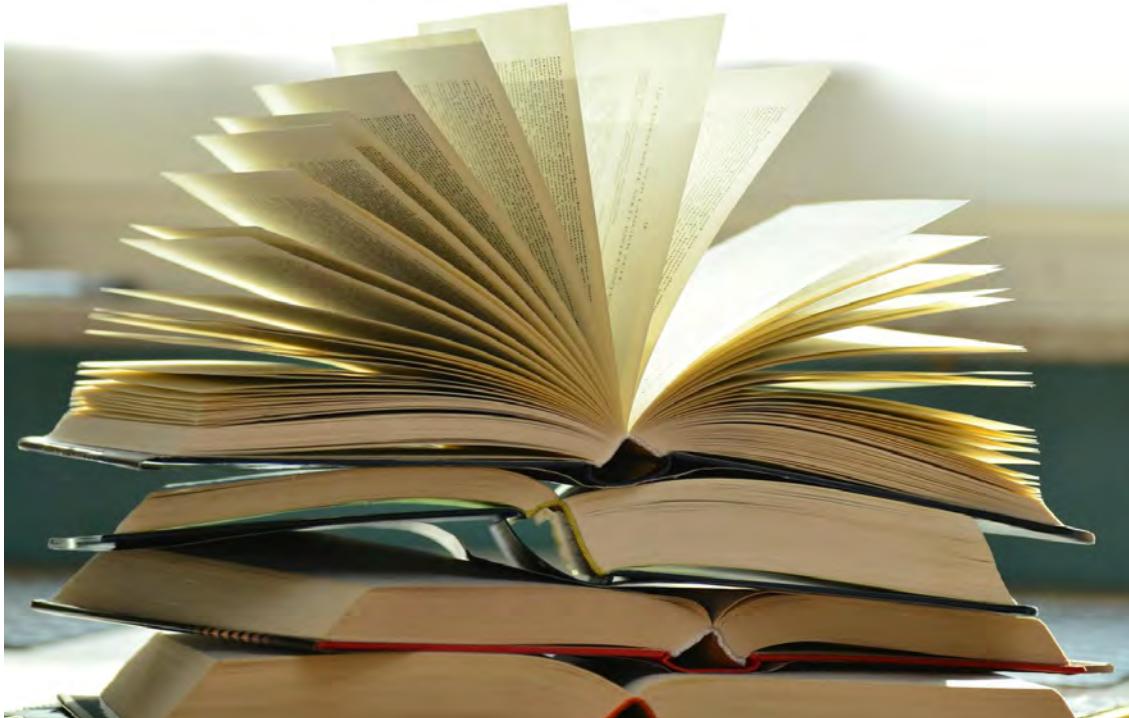
- VSP Vision's Chief Compliance Officer is Felicia Jackson, Director of Regulatory Compliance.
- iCare's Chief Compliance Officer is Phyllis Oppenheim.

*\*Note: depending on the company you work for within VSP, your compliance officer might vary.*

The VSP senior management and governing body are engaged and exercise reasonable oversight of the compliance program.

## Step 4

### **Effective Training and Education**



This covers the elements of the compliance plan as well as prevention, detection, and reporting of FWA. Employees should apply this training to their specific responsibilities and job functions in each business area.

## Step 5

### Effective Lines of Communication



Make effective lines of communication accessible to all, ensure confidentiality, and provide methods for anonymous and good faith reporting of compliance issues at VSP and First-Tier, Downstream, or Related Entity (FDR) levels.

## Step 6

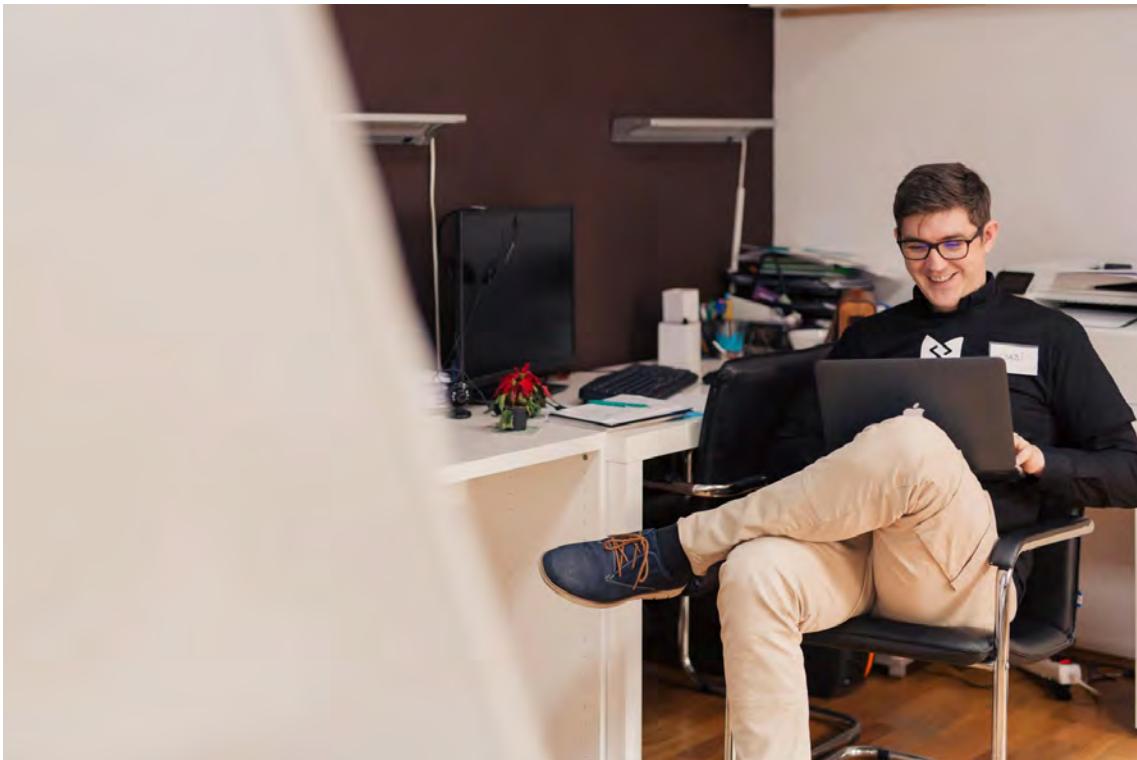
### Well-Publicized Disciplinary Standards



Disciplinary standards that are well-publicized through disciplinary guidelines, available in the Employee Handbook.

## Step 7

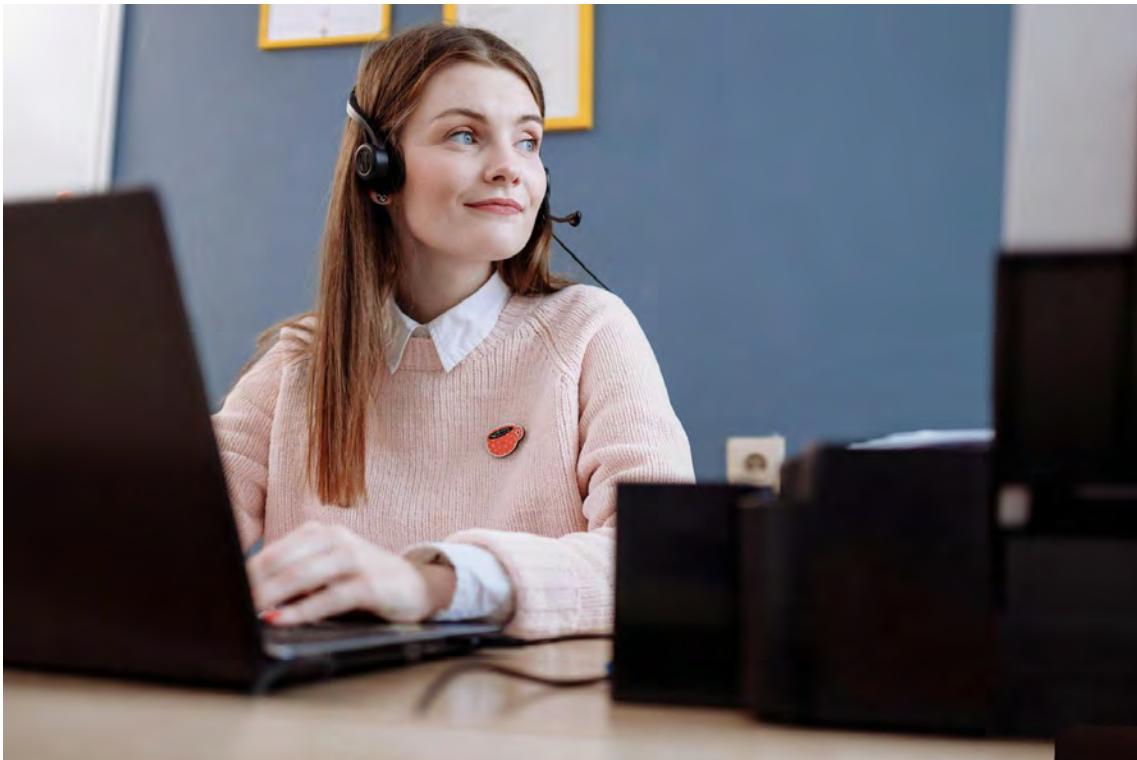
### **Effective System for Routine Monitoring, Auditing, and Identification of Compliance Risks**



Conduct routine monitoring and auditing of VSP and the FDR operations to evaluate compliance with CMS requirements, as well as overall effectiveness of the compliance program.

## Step 8

### **Procedures and Systems for Prompt Response to Compliance Issues**



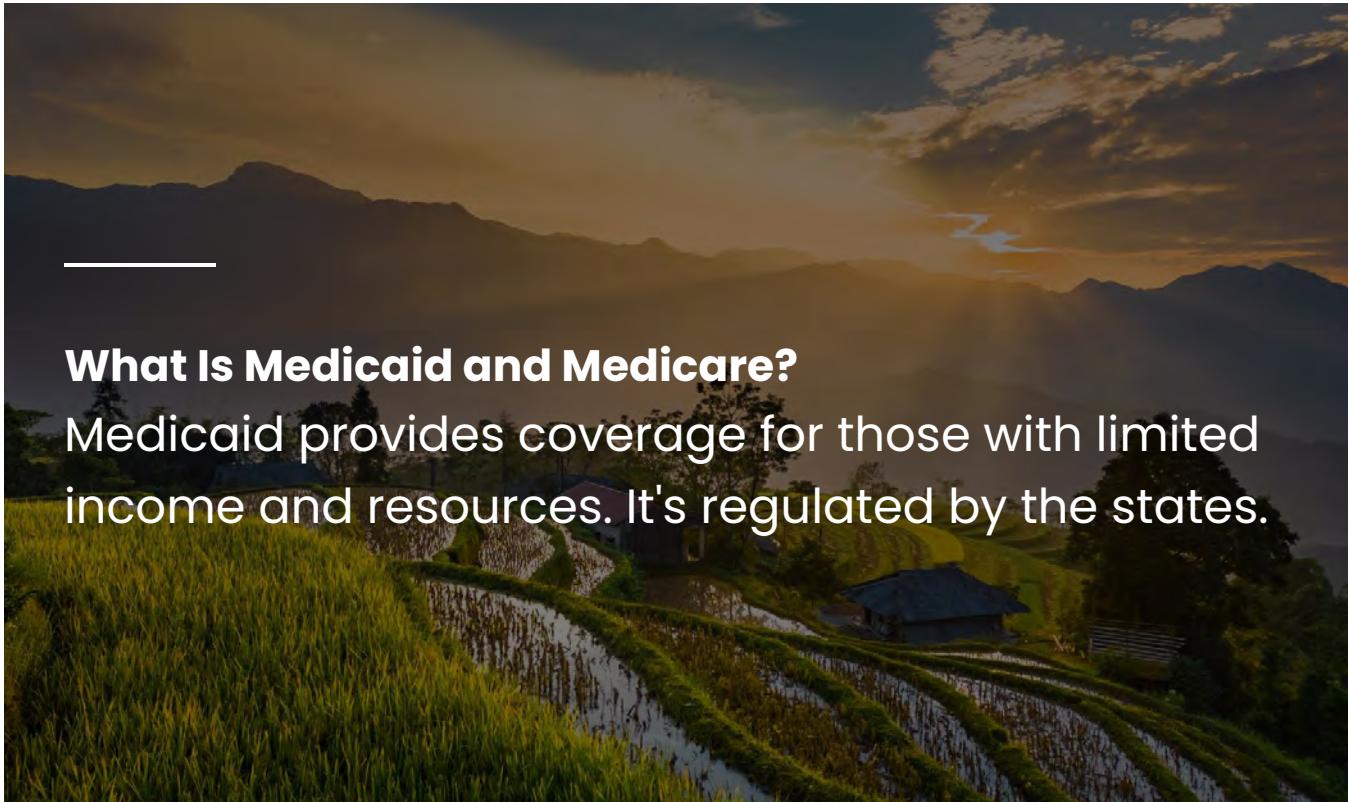
Use effective measures to respond promptly to non-compliance and undertake appropriate corrective action.

NOTE: All FDRs (VSP) who perform delegated administrative or healthcare service functions concerning Medicaid or Medicare Part C (Medicare Advantage) plans must comply with CMS requirements.

## **Summary**

These 7 core requirements ensure VSP's program is compliant.

**CONTINUE**



## What Is Medicaid and Medicare?

Medicaid provides coverage for those with limited income and resources. It's regulated by the states.

Medicare Part C, Medicare Advantage (MA), is a health plan choice available to Medicare beneficiaries. MA is a program run by Medicare-approved private insurance companies. These companies arrange for, or directly provide, healthcare services for beneficiaries who elect to enroll in a MA plan.

Medicare Advantage Organizations (MAOs) and First-Tier, Downstream, or Related Entities (FDR), require persons who contract with them for administrative or healthcare services, to receive training about compliance rules within the first 90 days after hire and annually thereafter.

## Program Requirements

The Centers for Medicare and Medicaid Services (CMS) requires implementation and maintenance of an effective compliance program for its Medicare Part C (Medicare

Advantage) plans.

An effective compliance program must:

- Articulate and demonstrate** the VSP 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.
- Ensure** compliance program audits are performed by individuals independent of fiscal or administrative management.
- Include** Standards of Conduct (or Code of Conduct).

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## Ethics at VSP

As a part of our enterprise compliance program, you must conduct yourself in an ethical and legal manner.

When we make ethical decisions and commit to doing the right thing, we build trust with all our stakeholders, including our members, providers, employees, and regulators.

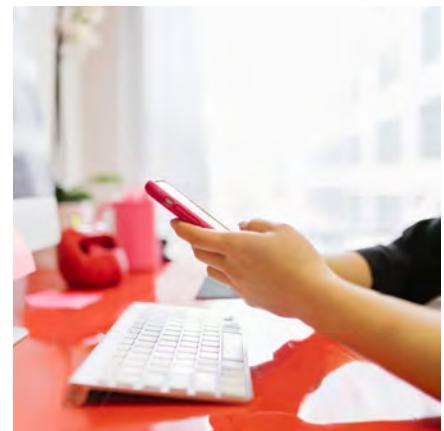


We must:

- **act** fairly and honestly.
- **comply** with CMS, DMHC, and applicable state Medicaid requirements.

- **adhere** to high ethical standards in all we do.
- **report** suspected violations.
- **act** with integrity, transparency, and accountability.
- **do** the right thing.

**Ethical standards, expectations, operational principles, and values are outlined in the VSP Code of Conduct.**

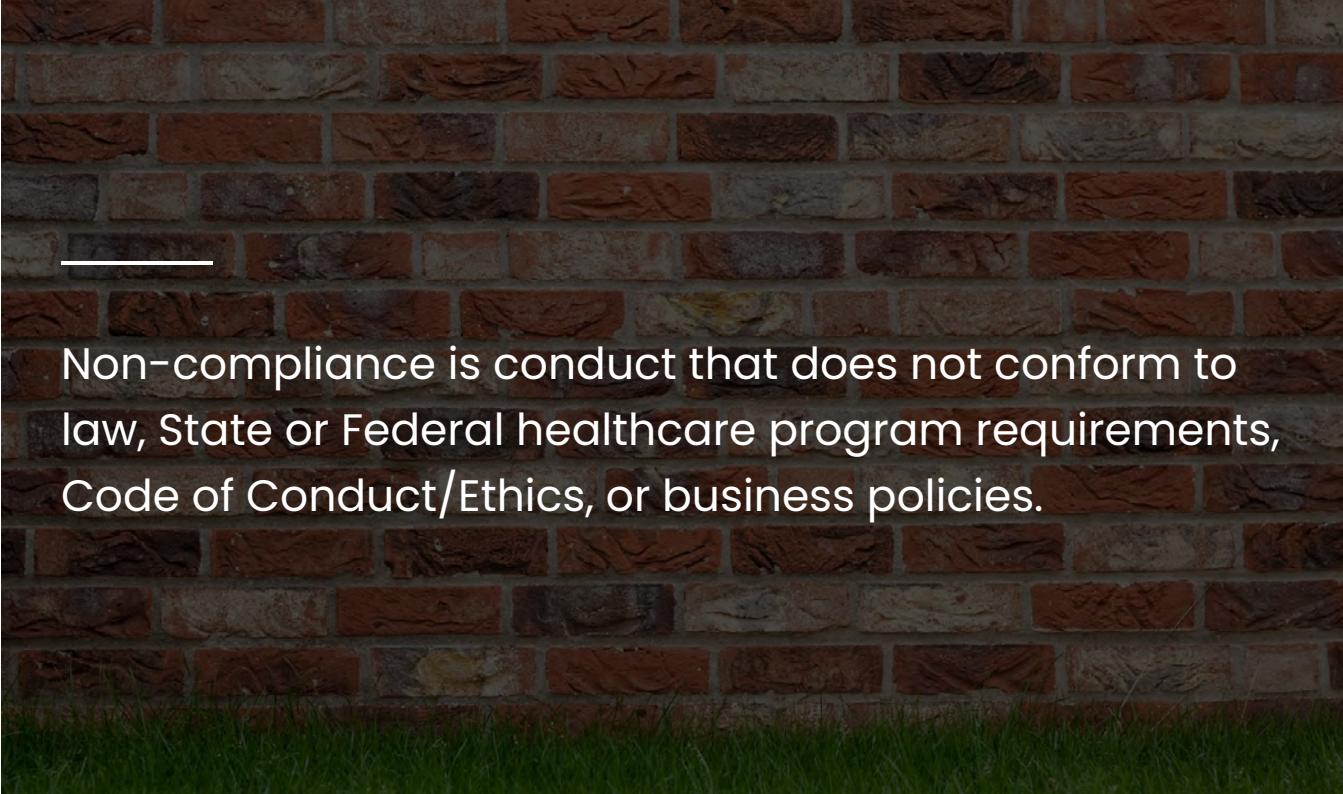


The VSP Code of Conduct states the organization's compliance expectations and our operational principles and values.

Reporting the VSP Code of Conduct violations and suspected non-compliance is everyone's responsibility.

The VSP Code of Conduct Policies and Procedures identifies the obligation and tells you how to report suspected non-compliance.

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Non-compliance is conduct that does not conform to law, State or Federal healthcare program requirements, Code of Conduct/Ethics, or business policies.



**Let's explore some examples.**



### **Example One:**

"My friend is one of our members and I am concerned about her vision. I look at her records periodically to make sure she is doing okay."

What's wrong with this example?



**Explanation:** Accessing a member's records when it's not related to your job is both unethical and illegal.

## Example Two

### Example Two:

"My coworker changed a date on a member's authorization request to avoid getting in trouble for being late. I know this is wrong, but it only happened once, so I won't say anything."



What's wrong with this example?



**Explanation:** Covering up unethical behavior is wrong.

While you intended to protect your coworker, you allowed harm to occur to the member.

Knowingly entering inaccurate information in a record to ensure compensation is fraud and is a crime under the Federal False Claims Act. If you know or suspect fraud is occurring, you must report it immediately to management or Compliance.

### Example Three



#### **Example Three:**

"One member wanted SunSync® Elite XT with their prescription and it wasn't covered. My coworker in the lab, who knew her, revised the order to include SunSync Elite XT."

## What's wrong with this example?



**Explanation:** Revising an order to include a non-covered product without proper authorization is a violation of compliance policies and can constitute insurance fraud. Even if well-intentioned, such actions undermine fairness, breach professional boundaries, and put the organization at legal and ethical risk.

Sometimes **good intentions** can lead to non-compliance. The key is to always act with **integrity** – doing what is **right**, even when it's **hard** or no one is looking.

[CONTINUE](#)



## **There are many examples of high-risk areas, such as:**

- Agent/broker/delegate misrepresentation
- Appeals and grievance review (e.g., coverage and organization determinations)
- Vision Benefit Statements
- Conflicts of interest
- Claims processing
- Credentialing and provider networks
- Documentation and timeliness requirements
- FDR oversight and monitoring
- Ethics
- Health Insurance Portability and Accountability Act (HIPAA)
- Marketing and enrollment
- Benefit administration
- Quality of care
- IT system access and safeguards
- Claims documentation manipulation

## Let's learn more.

### Documentation and Timeliness

**Example:** "We received a request from a member to access their member records. Our co-worker who handles these requests is out on medical leave for at least two more months. Due to our shortage of staff, these types of requests wait until our co-worker returns."

**Why this is non-compliant:** It is the law that member records must be provided within 30 days of the request.

**Example:** "The mailroom where we send out denial letters has been having issues. We have not told anyone, even though outgoing mail has been delayed for at least two days. This should not be an issue."

**Why this is non-compliant:** This is an issue because denial letters have sensitive timelines. Delays in mailing should be reported immediately.

### Claims Documentation Manipulation

**Example:** "Our member wants a type of contact lens not covered by his insurance as it is not considered medically necessary. A Provider knows the procedure would be covered by insurance for treatment of a specific diagnosis and adds this diagnosis to the insurance claim to ensure the procedure is covered."

**Why this is non-compliant:** Knowingly entering inaccurate information in a record to ensure compensation is fraud and is a crime under the Federal False Claims Act.

If you know or suspect fraud is occurring, you must report it immediately to management or Compliance.

## **Conflicts of Interest**

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**Example:** “A client has given our office tickets to a highly coveted sporting event in appreciation of all the business that we do with them. We know these are expensive and hard to come by—we take the tickets anyway.”

**Why this is non-compliant:** This is a conflict of interest and may create the perception that business is only conducted with those pharmaceutical companies that provide perks, and not those in the best interest of the member/enrollee.

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## **Consequences of Non-Compliance**

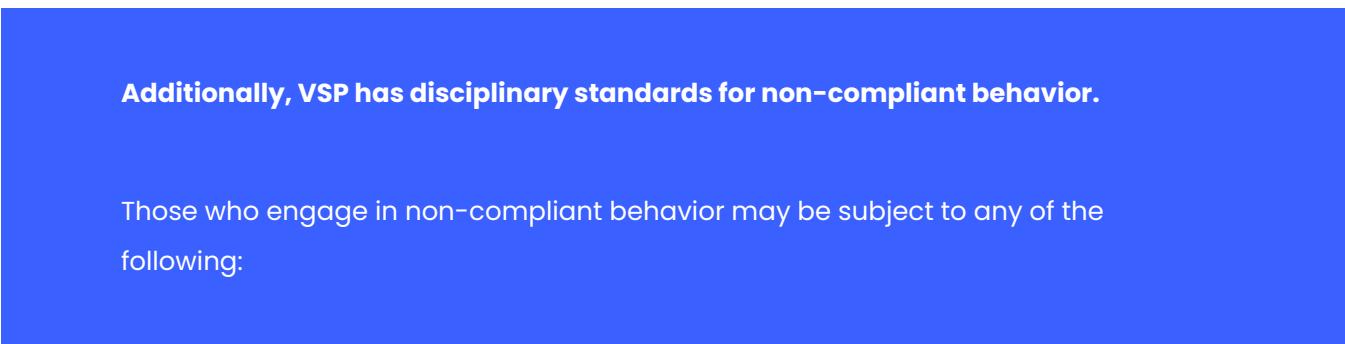
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Failure to follow ethical standards, contractual obligations, legal, and regulatory guidance can lead to serious consequences for the individual and organization, including:

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



**Additionally, VSP has 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



**Non-compliance affects everybody**

Without programs to prevent, detect, and correct non-compliance, we all risk harm to our stakeholders.

## Risks to Members

- Delayed treatment/services
- Denial of benefits
- Increased member financial liability
- Difficulty in using providers of choice
- Other barriers to care

## Risks to All

- High insurance copayments
- Higher premiums
- Lower benefits for individuals and employers
- Regulatory/legal penalties and fines
- Lower star ratings for health plan clients
- Lower profits

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## Reporting Non-Compliance

You have a responsibility to report violations and suspected compliance issues in all areas (Privacy, FWA, Code of Conduct, or non-compliance).



The Standards of Conduct and Policies and Procedures by VSP tell you how to report suspected non-compliance. At a minimum, you can report to your management or to Compliance.



**The bottom line:** It is everyone's responsibility to report non-compliance.

## Methods of Reporting

Need to report something? You can:

- Send an email or mail to your Supervisor or the Chief Compliance Officer.
- Call the Confidential Toll-Free Ethics Reporting Hotline at 1.877.349.7494



Reports of suspected non-compliance may be made anonymously and are kept confidential to the extent allowed by law.

A **whistleblower** is a someone who reports information or activity that is deemed illegal, dishonest, or violates professional or clinical standards.

Whistleblowers and persons who report, in good faith, any suspected violations or issues, are protected from retaliation and intimidation.

## Right or wrong?

After you reported irregularities in your department, your manager begins excluding you from meetings and moves you to an undesirable location in the office.

Is the manager's behavior right or wrong?



The manager's behavior is **inappropriate**, as retaliation or intimidation are not tolerated. It is unacceptable and should be reported to management or to Compliance.

## Anonymity vs. Confidentiality

What's the difference?



Remaining **anonymous** means your identity will not be known and will not be attempted to be known.

All reports, regardless of anonymity, should include as much detail as possible, including any examples, so that investigations can be made thoroughly.

Regardless if you choose to remain anonymous, information shared will be kept **confidential**.

This means that the information about the person who made the report (if not anonymous), and any details about the situation/issue will only be shared with persons on a need-to-know basis and only to the extent allowed by law.

## What happens after non-compliance is detected?

Non-compliance must be investigated immediately and promptly corrected.  
Internal monitoring and auditing should ensure:

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

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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 (e.g., policies and procedures, laws and regulations) used as base measures.

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Compliance is **everyone's** responsibility.





## **Prevent**

Operate within the VSP ethical expectations to prevent non-compliance.



## **Detect & Report**

Report detected potential non-compliance.



## Correct

Correct non-compliance to protect beneficiaries/enrollees and save money.

An effective compliance program fosters a culture of compliance. Organizations must create and maintain compliance programs that meet the **Seven Core Requirements**.

To help ensure compliance, behave ethically and follow the organization's Code of Conduct. Watch out for common instances of non-compliance and report suspected non-compliance.

## The Bottom Line

Know the consequences of non-compliance and fix any non-compliance with a corrective action plan that includes ongoing monitoring and auditing.

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## Knowledge Check

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Time for post-assessment. You will be asked 12 questions about the VSP Compliance Program.

*\*You must achieve a passing score of 90% to pass this course.*

**Question**

**01/12**

You discover an unattended email address or fax machine in your office that receives enrollee appeals requests. You suspect that no one is processing the appeals. What should you do? Check all that apply.

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- Contact law enforcement
- Contact the compliance department (via compliance hotline or other mechanism)
- Wait to confirm someone is processing the appeals before taking further action
- Contact your supervisor

**Question**

**02/12**

A sales agent employed by a VSP Broker (i.e., FDR Entity) 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 enrollee.

What should you do?

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- Refuse to change the date or waive the premiums, but decide not to mention the request to a supervisor or the compliance department
- Make the requested changes because the sales agent determines the enrollee's start date and monthly premiums
- 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
- Process the application properly (without the requested revisions)—inform your supervisor and the compliance officer about the sales agent's request

**Question**

**03/12**

Last month, while reviewing a CMS monthly report for the health plan, you identified multiple individuals not enrolled in VSP but for whom VSP is being paid. You spoke to your supervisor who said not to worry about it. This month you identified the same individuals on the report again.

What should you do?

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- Decide not to worry about it as your supervisor instructed—you notified him last month and now it's his responsibility
- Although you have seen notices about the VSP non-retaliation policy, you are still nervous about reporting—to be safe, you submit a report through your compliance department's anonymous tip line so you cannot be identified
- Wait until the next month to see if the same enrollees appear on the report again, figuring it may take a few months for the client to reconcile its records—if they are, then you'll say something to your supervisor again
- Contact law enforcement and CMS to report the discrepancy
- Ask your supervisor about the discrepancy again

**Question**

**04/12**

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

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True

False

**Question**

**05/12**

These are examples of issues that can be reported to a Compliance Department: suspected Fraud, Waste, and Abuse, a potential health privacy violation and unethical behavior, or employee misconduct.

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False

True

**Question**

**06/12**

Ways to report a compliance issue include:

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- Telephone hotlines
- Report on the VSP website
- In-person reporting to the compliance department/officer
- All

**Question**

**07/12**

VSP, as a Medicare Part C FDR, is not required to have a compliance program.

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True

False

**Question**

**08/12**

What is the policy of non-retaliation?

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- Allows VSP to discipline employees who violate the Code of Conduct
- Prohibits management and supervisor from harassing employees for misconduct
- Protects employees who, in good faith, report suspected non-compliance
- Prevents fights between employees

**Question**

**09/12**

Once a corrective action plan begins addressing non-compliance or Fraud, Waste, and Abuse committed by a VSP employee, contractor, vendor, or a VSP FDR entity's employee, ongoing monitoring of the corrective action is not necessary.

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- False
- True

**Question**

**10/12**

Correcting non-compliance \_\_\_\_\_.

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- protects enrollees, avoids recurrence of the same non-compliance, and promotes efficiency
- ensures bonuses for all employees
- Both

**Question**

**11/12**

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

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- Disciplinary Action
- Termination of employment
- Exclusion from participation in all Federal healthcare programs
- All of the above

**Question**

**12/12**

Who is the VSP Vision Chief Compliance Officer?

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- Jane Smith
- Felicia Jackson
- Stuart Thompson
- Scott Nehs

# **CMS requires that an effective compliance program includes:**

## **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 that will 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 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 that FDRs performing delegated administrative or healthcare 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.

## **Resources**

- [COMPLIANCE EDUCATION MATERIALS: COMPLIANCE 101](#)
- [HEALTHCARE FRAUD PREVENTION AND ENFORCEMENT ACTION TEAM PROVIDER COMPLIANCE TRAINING](#)
- [OIG'S PROVIDER SELF-DISCLOSURE PROTOCOL](#)
- [PHYSICIAN SELF-REFERRAL](#)
- [AVOIDING MEDICARE FRAUD AND ABUSE: A ROADMAP FOR PHYSICIANS](#)
- [SAFE HARBOR REGULATIONS](#)

**Thank you for completing this course.**