

# MOLINA MEDICARE

	<b>Policy and Procedure No.</b> MMCD-06
	<b>Department:</b> Compliance
	<b>Title:</b> Medicare Compliance and FWA Plan
	<b>Effective Date</b> March 1, 2011
	<b>Reviewed and Revised Date:</b>
<b>Approved by:</b> Molina Healthcare, Inc. Board of Directors; Medicare Compliance Officer	<b>Reviewed Only Date:</b>
<b>Signature:</b>	<b>Supersedes and replaces:</b>
<b>Date:</b>	<b>Date:</b>

## I. PURPOSE

To provide a process for updating the Molina Code of Conduct and the Molina Medicare Compliance and Fraud, Waste and Abuse Plan, and distributing it to employees, directors, and contractors.

## II. POLICY

The Molina Medicare Compliance and Fraud, Waste and Abuse Program includes the Molina Code of Business Conduct and Ethics; the Molina Medicare Compliance and Fraud, Waste, and Abuse (FWA) Plan; and the Molina Medicare Compliance/FWA Policies and Procedures. As the cornerstone of the Medicare Compliance Program, these documents are reviewed, updated and revised whenever new or revised CMS policy is issued that affects these documents, but no less than annually. They are made available via the Compliance intranet site to each Molina Medicare employee at the time of hire and every Board member at the time of appointment. They are made available to contractors at the time of contract signature, as well as annually following the update and revision process via the Molina Medicare internet site.

## III. PROCEDURE

### A. Updates

1. **Molina Code of Business Conduct and Ethics.** Because the Molina Code of Conduct applies to Molina Healthcare Inc. and not just Molina Medicare, the responsibility for reviewing, updating and revising it is with the Molina Healthcare, Inc. Board of Directors.
  - a. The Medicare Compliance Officer (MCO) communicates to the Corporate Compliance Officer any changes in law, regulations, policy or guidance that affects the corporate Code of Conduct within 30 days of release of the changes. The MCO works with

the corporate Compliance Officer during the annual update/revision process to ensure the changes in CMS policy and guidance are fully and accurately reflected in the revised Code of Conduct.

- b. In the event that new or revised CMS policy requires an expedited revision to the corporate Code of Conduct, the Medicare Compliance Officer alerts the corporate Compliance Officer of the need for a revision and distribution of the corporate Code of Conduct sooner than the next annual revision and distribution, and indicates the necessary timeframe for revision and distribution.
- c. The Molina Healthcare Board, Inc. of Directors, CEO, chief operating officer (COO), general counsel, chief financial officer (CFO), and other senior officials are directly involved in the development and/or review of the Code of Business Conduct and Ethics.

## **2. Molina Medicare Compliance and Fraud, Waste, and Abuse Plan.**

- a. The Compliance and FWA Plan may require revisions, on an annual or as needed basis due to the following factors:
  - i. new or changed CMS law, regulations, policy and guidance;
  - ii. as a result of deficiencies identified in audits by CMS, other regulatory entities, external auditors hired by Molina, or internal audits conducted by Molina Medicare business units and/or the Medicare Compliance Department.
- b. The Medicare Compliance Department is responsible for identifying the need for updates or revisions to the Medicare Compliance and FWA Plan through either of the factors listed in III.A.2.a.i and ii above. The Medicare Compliance Department will determine the appropriate timeframe for the updates/revisions and distribution of the revised Compliance and FWA Plan (i.e., whether the revisions and distribution can wait for the annual update and distribution process, or if more immediate updating and distribution is necessary, depending on the nature of the changes required).
- c. After making the necessary updates/revisions, the Medicare Compliance Officer distributes the revised Compliance and FWA Plan to the Medicare Compliance Committee for review and approval.
- d. The Medicare Compliance Committee discusses the revised Compliance and FWA Plan at the next meeting and recommends changes or approves the revised Plan as written. If the Medicare Compliance Committee requires material changes to the Plan, the Medicare Compliance Department makes the changes to the Plan and it is distributed prior to the next Medicare Compliance Committee meeting for approval.

- e. After the revisions have been made by the Medicare Compliance Department and approved by the Medicare Compliance Committee, the revised Compliance and FWA Plan shall be added to the agenda of the next Compliance Committee meeting of the Board of Directors, and distributed to all of the Directors prior to the meeting for their review and approval.

3. **Compliance and Fraud, Waste and Abuse policies and procedures.**  
These policies and procedures are updated and distributed in accordance with MM-ADM-02, Policy and Procedure Development.

#### **B. Distribution**

1. The Code of Conduct, Medicare Compliance and FWA Plan, and related policies and procedures are made available via the Compliance intranet site to all new employees within 30 days of hire.
2. Once the revised Code of Conduct and Medicare Compliance and FWA Plan are approved by the Compliance Committee of the Board of Directors, the Medicare Compliance Department makes available via the Compliance intranet site both documents to all Molina Medicare employees. In the event that the Code of Conduct and/or the Medicare Compliance and FWA Plan require revision and distribution sooner than annually due to the urgency of the changes, the Medicare Compliance Department will send all Molina Medicare employees, Directors, and contractors an email notifying them of the revised Code of Conduct and/or Medicare Compliance and FWA Plan. The Medicare Compliance Department will post the Board-approved Code of Conduct, the Molina Medicare Compliance and FWA Plan, and the compliance and FWA policies and procedures to the Medicare provider portal of the Molina intranet for all contractors at the time of contract signature and annually thereafter. The Medicare compliance department ensures that at least annually, all contractors/vendors are notified by blast fax or other means of communication that the Code of Business Conduct and Ethics, the Medicare Compliance and FWA Plan, and the compliance P&Ps are posted to the Medicare provider portal of the Company's internet site.

#### **C. Certification of receipt**

- 1.
2. **Documentation of receipt by employees:**The Medicare Compliance Department ensures that all Molina Medicare employees verify receipt of the Code of Business Ethics and Conduct, the Medicare Compliance and FWA Plan, and the compliance P&Ps via a signed attestation. If, after reasonable attempts, the Compliance Department is not successful in obtaining such verification of receipt, the employee may be subject to disciplinary action, up to and including termination from Molina Medicare.

3. **Documentation of receipt by contractors:** the Medicare Compliance Department shall obtain documentation of distribution to contractors via a signed attestation that the documents were distributed to all employees.

**IV. REFERENCES**

- 42 CFR §422.503(b)(4)(vi)(A)
- 42 CFR § 423.504(b)(4)(vi)(A)
- CMS Prescription Drug Benefit Manual, Chapter 9
- MM-ADM-02, Policy and Procedure Development
- MA-PD Audit Guide, v. 3.0, CP01, CP08