



MHBE Compliance Program
FY2019 4th QUARTER REPORT
TO
MHBE BOARD OF TRUSTEES

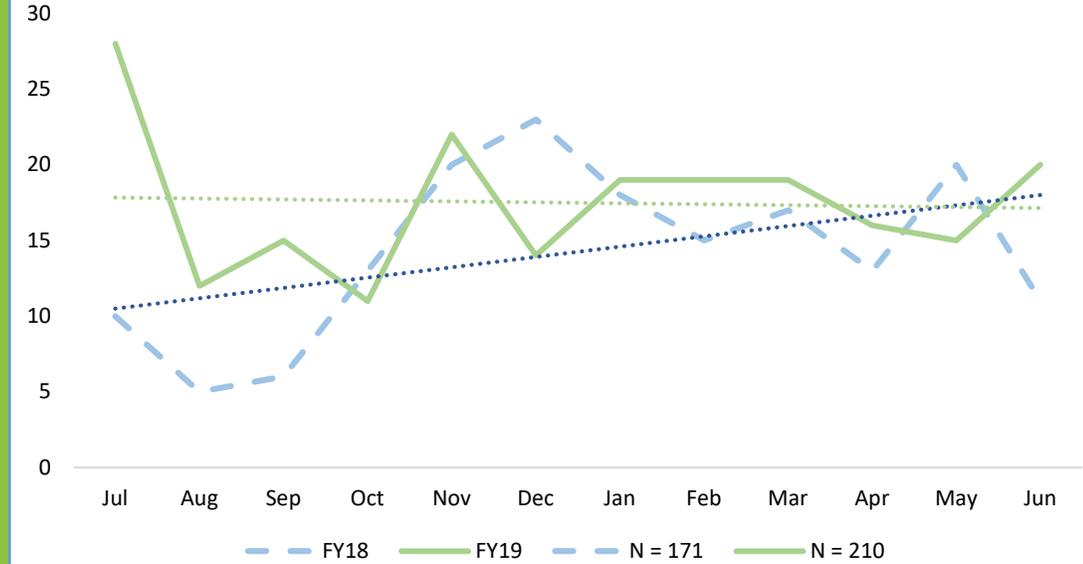
September 16, 2019

Presented by: Caterina Pañgilinan, MHBE CCO/CPO

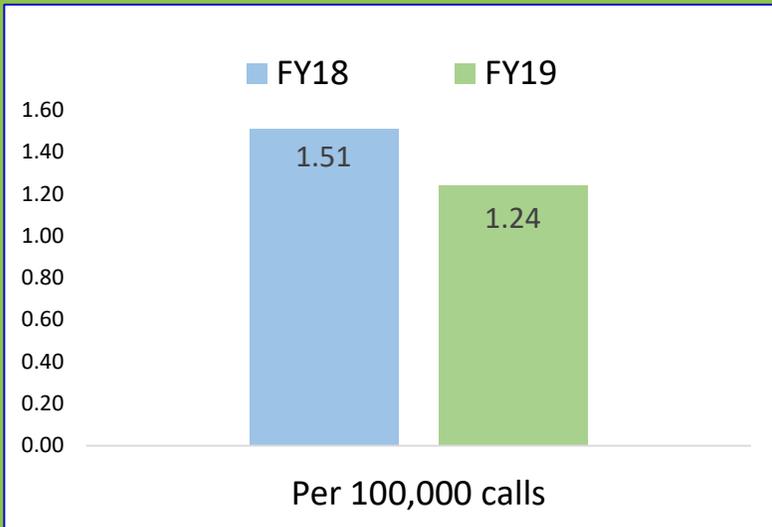
FY 2019 Privacy Program Highlights

- ❖ Execute Revised Non-Exchange Entity & Data Use Agreements
- ❖ Update Fraud, Waste and Abuse, Privacy and IT Security Training
- ❖ Support Incident Investigation and Mitigation Efforts
- ❖ Develop Compliance and Privacy Applications Requirements
- ❖ Perform Internal and On-Site Compliance and Privacy Reviews
- ❖ Enhance Privacy Investigation Practices and Program
- ❖ Collaborate to Implement Federal Tax Information Background

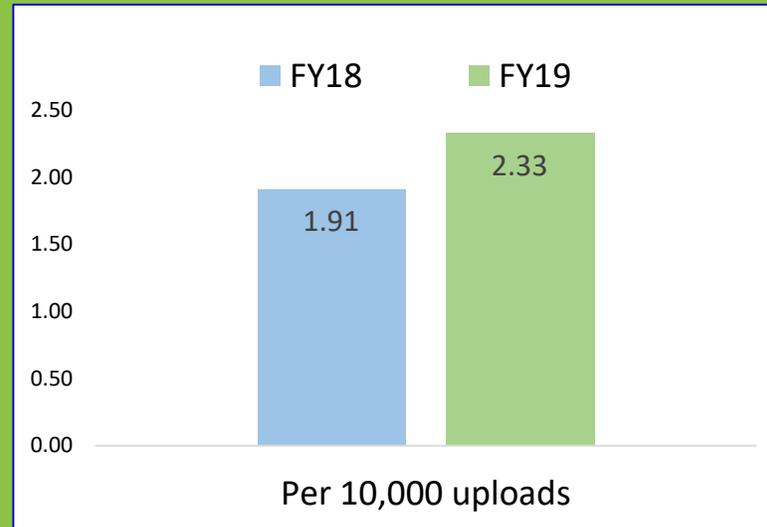
23% Increase in Reported Privacy Incidents



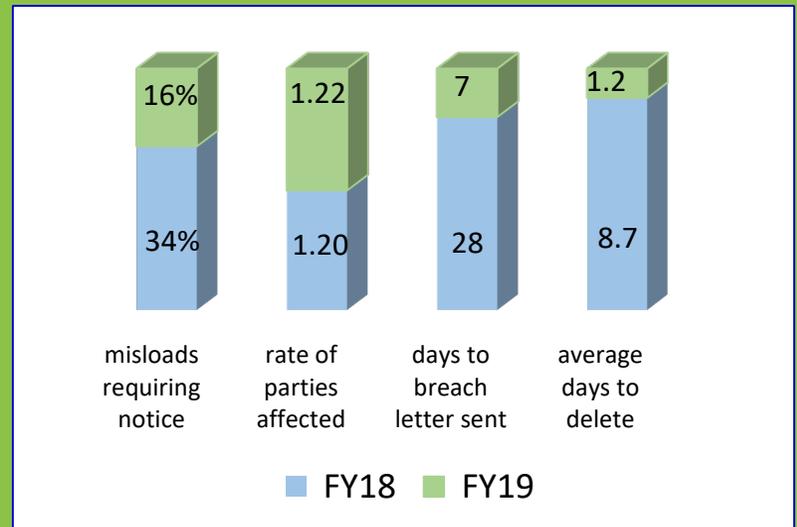
18% Decrease in Rate of CSR Errors



22% Increase in Rate of Misloads



Effective Privacy Incident Mitigation



FY 2019 Audit Status Report

Total Audit Findings

- (0) Independent External Audit Finance FY18
- (0) Recruitment and Evaluation FY18
- (0) Independent External Audit Programmatic PY18
- (1) Security Assessment Report (SAR)**
- (3) (Reported) SMART PY18**
- (1) SMART PY17
- (7) IRS 1075 Safeguards FY17
- (8) OLA Fiscal Compliance Audit FY14 - FY17

Open Findings

OLA

- Medicaid Recipient Income Verification processes
- Revise Board Policy and Procedures

SAR

Destruction of Cloud data

SMART PY18

Employer Notices

Failure to Reconcile (FTR) Flags

*Bold indicates new

FY 2019 Corrective Actions Implemented

OLA Fiscal Compliance

- ✓ Create New User Roles
- ✓ Revamp Privileging Process
- ✓ **Validate Changes to Applications**
- ✓ Enhance Code Tracking System
- ✓ Increase Layered Security
- ✓ Quantify IDIQ Technical Evaluations
- ✓ Backup Documentation from Vendors
- ✓ Enhance Competitive Bid Controls
- ✓ Require SOC 2 Type 2 Audits

SMART and Independent Audit

- ✓ Hierarchy of Denial Reasons
- ✓ Periodic Data Matching
- ✓ Accrual Process
- ✓ Incarceration Status
- ✓ QHP Enrollment Error
- ✓ VLP STEP 3
- ✓ **Sampling ESC Attestations**

IRS Safeguards

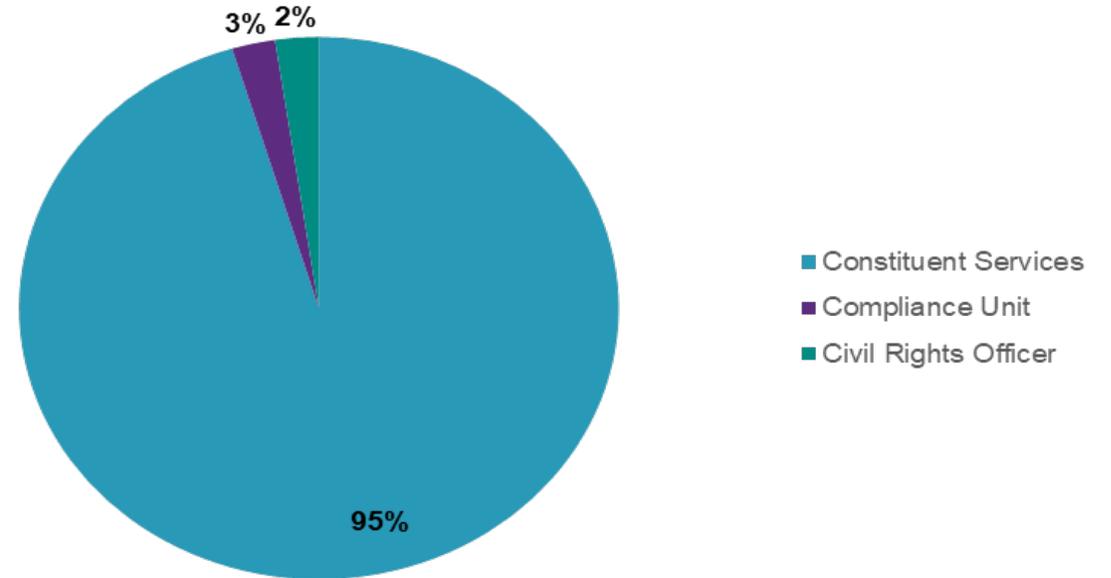
- ✓ Physical Security
- ✓ Access Log
- ✓ FTI Tape Labeling
- ✓ Exhibit 7 Language
- ✓ FTI Training
- ✓ Disclosure Awareness
- ✓ IRS Background Checks

***Bold indicates new**

FY 2019 Compliance Hotline and Fraud, Waste and Abuse

YE FY19 Compliance Hotline Calls

| DEPARTMENT | 4TH QTR CALLS | FY19 CALLS |
|----------------------|---------------|------------|
| Constituent Services | 71 | 326 |
| Compliance Unit | 2 | 8 |
| Civil Rights Officer | 1 | 8 |
| Grand Total | 74 | 342 |



YE FY19 Fraud, Waste & Abuse Allegations

16 - Allegations

- ❖ 10 - Not Founded
- ❖ 6 - Referred to MDH OIG

FY 2019 Audit and Monitoring Program

❖ Performed 7 Internal Reviews

- ✓ Operations (4)
- ✓ Finance/Plan Management (1)
- ✓ Plan Management (1)
- ✓ Marketing (1)

❖ Tested 10 Corrective Actions – Initial implementation

❖ Monitored 12 Corrective Actions

❖ Completed 4 External Audits

❖ Factors reviewed to Mitigate Risk of Fraud, Waste and Abuse

- ✓ Same SSNs
- ✓ Multiple applications, same address
- ✓ Same Caseworker two or more years
- ✓ All documentation for MDH OIG referred cases
- ✓ Document Verifications
- ✓ No Document Identification number

❖ Conducted 6 On-site Reviews of Connector Entities

Questions?

Thank You!