



FDR Compliance Oversight Sub-Committee Charter

Overview:

COMMITTEE PURPOSE: The First Tier, Downstream, and Related Entity (FDR) Compliance Oversight Sub-Committee (“Committee”) was formed to provide oversight, and auditing & monitoring support for First Tier, Downstream and Related Entities (FDRs) of Blue Cross Blue Shield of Massachusetts. The Committee communicates its findings regularly to the Medicare Compliance Committee, as well as the Medicare Compliance Director (Medicare Compliance Officer) and Corporate Compliance Officer.

Operating Guidelines:

EXECUTIVE SPONSOR: Krista Bowers, Senior Vice President, Government Programs

CHAIR: Gerard Donovan, Senior Manager, Medicare Compliance

MEMBERSHIP: The First Tier, Downstream, and Related Entity (FDR) Compliance Oversight Sub-Committee (“Committee”) was formed to provide oversight, and auditing & monitoring support for First Tier, Downstream and Related Entities (FDRs) of Blue Cross Blue Shield of Massachusetts. The Committee communicates its findings regularly to the Medicare Compliance Committee, as well as the Medicare Compliance Director (Medicare Compliance Officer) and Corporate Compliance Officer. A current list of members is available in Appendix A. Business leaders from other areas of the Company will be invited to Committee meetings as appropriate.

Membership will be reviewed and updated no less than annually by the Committee Chair.

MEETINGS:

MEETING FREQUENCY: The Committee meets at least quarterly, as prescribed by the Medicare Compliance Committee. The Committee may meet more frequently whenever determined necessary by the Chair or the voting members. Meetings may take place at a designated physical location, by telephone, and/or other acceptable communication technology. All voting members attending a meeting must be able to be heard and to hear all discussions to conduct a meeting or business.

The Chairperson leads all meetings of the Committee. In the event of the absence of the Chairperson from any meeting, the meeting will be chaired by an alternate Chairperson.

The frequency of the meetings will be reviewed on a yearly basis. Committee members are expected to attend all meetings but may be represented by an appropriate replacement in their absence.

AGENDA: The Chairperson sets the agenda of items to be addressed by the Committee. This includes all standing agenda items and any open items from the last meeting. Input from other members of the Committee should be considered. An agenda of items to be discussed will be sent to all voting and non-voting members prior to each meeting.



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MEETING MINUTES AND COMMITTEE RECORDS: The proceedings of all Committee meetings are documented in a set of written minutes that include meeting attendance details; reports from each of the organizational areas represented on the Committee; a summary of the discussion points presented by Committee members and guests; and a record of any votes or resolutions for action adopted by the Committee. The official record of the Committee meeting includes the agenda, the adopted minutes, and a copy of all documents and other materials presented to the Committee at the meeting. A Medicare Compliance Senior Analyst records the minutes and distributes them to the Committee before its next meeting for review and comment. When adopted by the Committee, the minutes become the official record and history of the work of the Committee. The official record of every meeting is stored securely within Medicare Compliance and retained for no less than ten years in accordance with CMS record retention requirements.

Responsibilities:

OBJECTIVES: The Committee provides oversight of delegated entities serving BCBSMA Medicare Advantage and Prescription Drug Plans through the provision of services and program activities. The Committee's oversight responsibilities extend to the plan sponsors' First Tier and Related Entities as well as all Downstream vendors. Specifically, the Committee is responsible to ensure that all First Tier Entities comply with Medicare requirements and that First Tier delegated entities carry out oversight responsibilities for all Downstream entities serving BCBSMA with regard to Medicare, federal, and state compliance requirements. The operational and clinical departments of BCBSMA are also responsible for monitoring and ensuring compliance not only of their own performance, but that of FDRs within their area of responsibility. Committee duties include the creation and maintenance of an oversight plan and the review and oversight of the following for First Tier Entities:

- a. Clinical and operational performance as well as results of other assessment and monitoring activities
- b. Dissemination and certification of acceptance of the BCBSMA corporate Code of Conduct or a similar Code of Conduct used by the FDR
- c. General Compliance and Fraud, Waste, and Abuse Training
- d. Development, review and approval of the annual FDR Risk Assessment
- e. Effectiveness of monitoring and training efforts
- f. Review, monitoring and oversight of required Medicare compliance contract language
- g. Review, monitoring and oversight of required Medicare attestations
- h. Review, monitoring and oversight of FDR audits
- i. Review, monitoring and oversight of Corrective Action Plans (CAPs)
- j. Review, monitoring and oversight of FDR OIG /GSA Exclusion list reviews



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- k. Review of the FDR WorkPlan
- l. Review of FDR status of newly contracted entities

The Committee reviews information from the following:

- a. Performance deficiencies as reported to and analyzed by the Medicare Operational Departments. These cover operational components and clinical functions within the organizations providing Medicare services to BCBSMA
- b. Reports and statistics related to Medicare compliance contract language.
- c. Completion statistics related to FWA/Compliance training, attestation and OIG /GSA reviews completed
- d. FDR audit reports and statistics generated by FDR area or the Internal Audit area
- e. CAP reports and statistics
- f. The forgoing and other reports as warranted to support actions proposed by the Committee for full Medicare Compliance and Compliance Oversight Committee's consideration

DECISION-MAKING: [Outline decision-making guidelines including how decisions are made, scope of decision-making authority (i.e. financial or other guardrails for decisions that the committee can make) and escalation procedure when decisions fall outside of authority for committee.]

EXPECTED OUTCOMES: Much of the work of the Committee requires review of routine reports on Medicare services prepared as part of performance monitoring as well as ad hoc reports prepared at the Committee's request. Reports may also be prepared by other departments, such as Audit and Risk Management and Pharmacy Operations. These reports are provided to the Committee Chair in full or as an executive summary at the direction of the Committee.

Committee findings and actions are to be communicated regularly, at least quarterly, to the Medicare Compliance Committee and the Corporate Compliance Officer.

REPORTING STRUCTURE OF COMMITTEE: It is the duty of the Committee to report to the Medicare Compliance Committee and the Corporate Compliance Officer and, as necessary and appropriate, to leadership responsible for the management and administration of BCBSMA Medicare programs.

CONFIDENTIALITY

In conducting its business, members of the Committee will take special care, consistent with the Company's Code of Ethics and Conduct (the Blueprint) to protect the confidentiality of sensitive information it receives.



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CONFLICTS OF INTEREST

Committee members will promptly disclose any conflict of interest they may have with respect to any matter to be discussed by the Committee.

POLICIES: In addition to the Charter, the FDR Subcommittee is responsible for reviewing and approving the following policies:

- FDR Oversight: Annual Attestation & Contract Template Review
- FDR Oversight: Medicare Compliance/Fraud Waste and Abuse Training
- FDR Oversight: Compliance & FWA Hotline
- FDR Oversight: Auditing, Monitoring and Corrective Actions
- FDR Oversight: Identification and Setup of First Tier, Downstream and Related Entities
- FDR Oversight: OIG/GSA Exclusion Review of First Tier, Downstream and Related Entities
- FDR Oversight: FDR Risk Assessment

ANNUAL REVIEW: The Committee Charter will be reviewed and updated annually, and when significant changes occur such as leadership changes, changes in focus to respond to revised corporate priorities, changes in reporting, changes in decision making authority and/or structure, and/or responding to external changes such as regulatory updates.

Document Information:

REVISION HISTORY:

Version	Date	Revision Summary
	10/18/2024	Minor grammatical updates

DOCUMENT OWNER:

Name	Organization
Gerard Donovan	Medicare Compliance

REVIEWERS: The Medicare Compliance team completes the initial review of the charter. Final review and approval is required by each member of the FDR Sub-committee.