



Beacon Compliance Manager

**Compliance Centralization And Automation Streamline
Corrective Action, Simplify Audits**

June 2023

Executive Summary

A comprehensive compliance program is necessary for payors to maintain compliance with evolving regulations and HPMS updates. Since ensuring compliance is multifaceted and complex, effective management requires strong visibility and relevant drill-down of KPIs.

However, documentation and policies are often decentralized and stored inconsistently, creating poor communication and ineffective version control. Compliance becomes especially challenging when delegated entities are involved or as the number of operational departments being held accountable increases.

Given the risks and potential penalties or sanctions associated with non-compliance, compliance teams benefit from implementing an effective workflow and compliance program management solution.

The State of Compliance and Operational Management

Often, ensuring compliance is a complex, opaque, multifaceted undertaking with limited visibility. Compliance analysts and compliance managers have many areas and KPIs to track, complicating these efforts. For health plan leadership, continuous monitoring and awareness ensures access to accurate, real-time information for informed decision-making.

Health plan non-compliance and operational challenges carry the potential risk of sanctions and monetary penalties. Audit performance, on average, is in decline, according to CMS data. The percentage of audits without conditions slid from 33.33% in 2020 to just 11.11% one year later in 2021. The second-largest monetary penalty issued by CMS in 2022, at \$142,676, was levied for non-compliance, illustrating the potential severity of compliance enforcement and the financial risk of unprepared compliance programs. Overall, the cumulative value of CMS penalties increased in 2021 and 2022, from \$514,969 in 2020 to \$1,043,953 in 2021 and \$1,188,223 in 2022. Staying compliant with applicable regulations and HPMS updates requires a comprehensive compliance program because compliance needs are constantly evolving for health plans.

Unfortunately, documentation and policies are often stored inconsistently in different places and programs. As a result, competing versions of policies and procedures are in circulation internally and departments are unsure of the latest policies and regulatory issues impacting them.

Poor communication and a lack of clarity leads to non-compliant, untimely responses to memos from HPMS. Lack of follow-through and accountability or uncertainty around responsibility for taking corrective action

If delegated entities are involved (such as a Pharmacy Benefits Manager) or if there are multiple operational departments, additional quality outcomes and related compliance KPIs must also be tracked and monitored, adding to the complexity and responsibilities associated with compliance.

Transforming Compliance Programs

Primarily, compliance programs benefit from centralization of monitoring, documentation, auditing, and communications. To rethink compliance programs with a view towards greater alignment with the true risks payors face, organizations should look carefully at internal controls and processes.

An Effective Compliance Program Addresses These Seven Metrics:

1. **Written policy:** Without a centralized policy, organizations cannot guarantee full access by team members to written policy.
2. **Compliance officer:** Ownership of the compliance program helps ensure effective management.
3. **Effective training and education program:** An emphasis on training and team education promotes consistency and implementation of best practices.
4. **Effective line of communication:** Prevent departmental silos and ensure effective plan administration.
5. **Well-publicized standards:** Member satisfaction and effective participation requires transparent and accessible standards.
6. **Effective system for routine auditing and monitoring:** Consistent, meaningful auditing and trend monitoring supports management decision making.
7. **System and procedures in place for prompt responses to compliance issues:** The organization can quickly address and contain compliance problems.

Developed according to these standards, Beacon Compliance Manager ensures that payors benefit from workflow and operational best practices.

Beacon Compliance Manager Benefits

Beacon Compliance Manager is designed to support health plan compliance programs with input from SMEs, taking proactive steps to ensure payors avoid potential penalties and maintain the trust of their members and stakeholders.



Consolidation – Unify compliance program activities and documentation. Compliance teams need easy-to-find, version-controlled documents. CMS memos, audit trail, compliance exceptions, and more can be managed from one platform



Transparency – Compliance team can quickly find information and determine priority items and corrective actions. At-a-glance results of self-audits, exceptions lists and compliance dashboards.



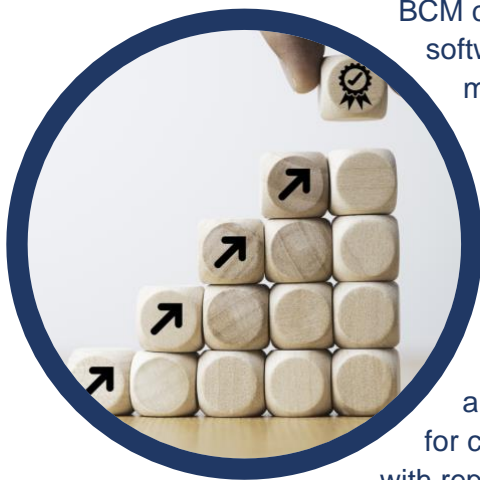
Simplicity – Checklists and deadline management built-in to automate and streamline more of the compliance process.



Accuracy – Reduce the risk of human error, improve accountability, and increase awareness.

Beacon Compliance Manager incorporates best practices for documentation, reporting, and monitoring that can help health plans streamline their operations, reduce administrative burden, and increase staff productivity.

What is Beacon Compliance Manager (BCM)?



BCM centralizes operational and compliance data in a single software platform for compliance teams. The organization can manage audits, track corrective action plans, and monitor compliance in real time and immediately take corrective action for issues of non-compliance.

Beacon Compliance Manager gives compliance departments a centralized workflow and data management system so documentation, memos, and the latest compliance information are readily available. BCM facilitates collaboration among compliance teams and provides a single source of truth for compliance and operational data. At-a-glance dashboards assist with reporting and enhance visibility, providing a clear and concise overview of performance.

Key Components of BCM Include:



- Central location for all policies
- Dashboards for tracking KPIs
- Assign and manage tasks
- Audit trail
- Auditing: automated, ad hoc, and self-audits
- Receive and integrate regulatory guidance and memos
- Real-time transactional data
- Customizable

BCM Advantages:

- Product is created by subject matter experts
- Workflow process is designed around compliance best practices
- Access to a full regulatory library and guidance center is available
- Audit monitoring solution is built in for ongoing self-audits
- You can track the paper trail of changes, additions, and usage
- You can manage and track corrective action plans from one central location
- Dashboard reporting capabilities and user-friendly access to data is included
- You can monitor multiple operational areas from one place, with real-time compliance statistics
- Daily upload of all HPMS memos included
- Weekly Beacon Alert summarizing all HPMS memos is distributed the previous week
- You can reduce noncompliance with built in communication functionality, reminders, and task assignment
- You can ensure HPMS Memos, policies and procedures, guidance, and other compliance documents are assigned to the right departments, teams, and individuals
- There is a centralized access to documents and track updates with version control
- You can adopt a compliance workflow designed according to best practices
- Marketing module add-on is available for Medicare materials
- For Regulatory Audits, you have the ability to upload data directly to the auditor's SFTP site

Addressing core compliance issues, BCM can help improve compliance outcomes and reduce the risk of adverse audit findings for health plans. Using communication functionality, reminders, and task assignment, this solution reduces non-compliance and ensures tasks are assigned to the right departments and employees.

By providing a centralized location for policies, customizable dashboards for tracking KPIs, and ongoing self-audits, BCM offers a range of features that support compliance teams.

What Clients are Saying About Beacon

“The Guidance Center is very easy to implement. It’s easy to set up users. We use it daily. Five days a week, 60 memos a month. We also use it for distribution. If a person needs to take action, we can see if their response was sufficient.”

“Virtual Compliance Manager was very helpful during a program audit. We were able to take the auditors into the tool to show where the info was distributed and what the actionable items are all without exposing ourselves.”

“VCM really saved us in our CMS program audit. We were able to demonstrate within Guidance Center that memos had been properly distributed, tasks had been assigned, and completed by the due date.”

About Beacon Healthcare Systems

Beacon Healthcare Systems is home to the healthcare industry’s leading compliance and risk management technologies, providing health plans of all sizes and sponsorships with customizable and scalable SaaS solutions that ensure accountability, accuracy, and operational efficiency.

With a focus on appeals, grievances, compliance, and analytics, the Beacon approach allows each client to reduce its costs, grow its revenues and achieve its strategic goals. Founded in 2011, Beacon is a privately held California-based company with headquarters in Huntington Beach.

For more information about Beacon Healthcare Systems and our solutions, visit our website at beaconhcs.com.