Rebecca is comprised of companies including Regence BlueShield of Idaho, Regence BlueCross BlueShield of Oregon, Regence BlueShield, and Regence BlueCross BlueShield of Utah, all of whom offer Medicare Advantage or Part D Prescription Drug plans.

This document outlines the plan’s policy and procedure needed to comply with the following:

- Prescription Drug Benefit Manual, Chapter 9, 50.3.2, 50.5.3, 50.6.5, 50.6.11
- Medicare Managed Care Manual, Chapter 21, 50.3.2, 50.5.3, 50.6.5, 50.6.11

**POLICY**

Regence contracts with the Centers for Medicare & Medicaid Services (CMS) to provide health care services to Medicare members through our Medicare Advantage and Medicare Part D prescription drug products. A condition of our contract requires the Plan and our FDRs to retain any books, contracts, records and documents related to Plan’s contract with CMS for a period of ten (10) years from the final date of the contract period or the completion of any audit, whichever is later.

**PROCEDURE**

**Maintenance of records.** The MA organization agrees to maintain for 10 years books, records, documents, and other evidence of accounting procedures and practices that—

1. Are sufficient to do the following:
   - (i) Accommodate periodic auditing of the financial records (including data related to Medicare utilization, costs, and computation of the bid) of MA organizations.
   - (ii) Enable CMS to inspect or otherwise evaluate the quality, appropriateness and timeliness of services performed under the contract, and the facilities of the organization.
   - (iii) Enable CMS to audit and inspect any books and records of the MA organization that pertain to the ability of the organization to bear the risk of potential financial losses, or to services performed or determinations of amounts payable under the contract.
   - (iv) Properly reflect all direct and indirect costs claimed to have been incurred and used in the preparation of the bid proposal.
   - (v) Establish component rates of the bid for determining additional and supplementary benefits.
   - (vi) Determine the rates utilized in setting premiums for State insurance agency purposes and for other government and private purchasers; and

2. Include at least records of the following:
   - (i) Ownership and operation of the MA organization's financial, medical, and other record keeping systems.
   - (ii) Financial statements for the current contract period and 10 prior periods.
(iii) Federal income tax or informational returns for the current contract period and 10 prior periods.
(iv) Asset acquisition, lease, sale, or other action.
(v) Agreements, contracts, and subcontracts.
(vi) Franchise, marketing, and management agreements.
(vii) Schedules of charges for the MA organization's fee-for-service patients.
(viii) Matters pertaining to costs of operations.
(ix) Amounts of income received by source and payment.
(x) Cash flow statements.
(xi) Any financial reports filed with other Federal programs or State authorities.

Access to facilities and records. The MA organization agrees to the following:

(1) HHS, the Comptroller General, or their designee may evaluate, through inspection, audit, or other means—
   (i) The quality, appropriateness, and timeliness of services furnished to Medicare enrollees under the contract;
   (ii) Compliance with CMS requirements for maintaining the privacy and security of protected health information and other personally identifiable information of Medicare enrollees;
   (iii) The facilities of the MA organization to include computer and other electronic systems; and
   (iv) The enrollment and disenrollment records for the current contract period and 10 prior periods.

(2) HHS, the Comptroller General, or their designees may audit, evaluate, or inspect any books, contracts, medical records, patient care documentation, and other records of the MA organization, related entity, contractor, subcontractor, or its transferee that pertain to any aspect of services performed, reconciliation of benefit liabilities, and determination of amounts payable under the contract, or as the Secretary may deem necessary to enforce the contract.

(3) The MA organization agrees to make available, for the purposes specified in paragraph (d) of this section, its premises, physical facilities and equipment, records relating to its Medicare enrollees, and any additional relevant information that CMS may require.

(4) HHS, the Comptroller General, or their designee's right to inspect, evaluate, and audit extends through 10 years from the end of the final contract period or completion of audit, whichever is later unless—
   (i) CMS determines there is a special need to retain a particular record or group of records for a longer period and notifies the MA organization at least 30 days before the normal disposition date;
   (ii) There has been a termination, dispute, or allegation of fraud or similar fault by the MA organization, in which case the retention may be extended to 6 years from the date of any resulting final resolution of the termination, dispute, fraud, or similar fault; or
   (iii) CMS determines that there is a reasonable possibility of fraud or similar fault, in which case CMS may inspect, evaluate, and audit the MA organization at any time.

Annual Review/Revision
March 2017