

# MHBE Director of Compliance and Privacy

## Annual Report to the

## Board of Trustees

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Presented by

Scott R. Brennan, Director of Compliance and Privacy

July 15, 2024

# Compliance Department Metrics, Reports and Initiatives

1. Board Oversight of Compliance and Privacy
1. MHBE Policy Update and Revision Initiative
1. Fraud, Waste and Abuse Report
1. Privacy Program Metrics, External Audits, Corrective Actions and Internal Reviews

# 1. Board Oversight of Compliance and Privacy

## Board Oversight of Compliance

- Ensure compliance leadership has direct access to the Board. This is accomplished by regularly reporting to the Board and by establishing an open line of communication.
- Adhere to an established reporting schedule to the Board
- Maintain the independence of Compliance Leadership to manage MHBE's compliance and ethics functions and establish autonomy from management, as necessary.



## 2. MHBE Policy Update and Revision Initiative

# Policy and Procedure Reviews, Revisions, and Updates

- The Compliance Department is responsible for policy and procedure oversight.
- A formal policy update and revision process is projected to be completed by December 31, 2024.
- A defined protocol is in place which culminates in finalizing policies through bi-monthly Compliance Committee meetings.
- After Compliance Committee review, policies undergo legal sufficiency review, as well as grammar and form review and before execution.
- Policies are then saved in a location accessible to all employees and stakeholders and are disseminated as appropriate.
- MHBE has approximately **89** policies that govern the Exchange.

# Policy and Procedure Reviews, Revision, and Updates (cont'd)

## Executed & Posted Prior to Execution

1. Policy on Policies  
Procurement Review Group
2. Authorized Use & Disclosure of PII  
Procedures
3. Incident Handling & Breach Notification
4. Director of Compliance and Privacy  
Cooperative Purchasing
5. FTI Access  
Source Procurement
6. Acceptable Use Policy
  
7. Background Checks  
Disclosures
8. Invoice Processing  
Reconciliation
9. Emergency Procurement
10. Contract Modification

## Under Final Review

- 1.
2. General Accounting
3. Fiscal Year-End Accruals
4. Intergovernmental
  
5. Sole
6. Faxing PII and FTI
7. Accounting of
  
8. 1095 A
9. Capital Inventory
10. Code of Conduct

# 4. Fraud, Waste and Abuse



# FY24 YTD Fraud, Waste, & Abuse Investigations and Monitoring

## 15 FWA Allegations (via the Compliance Hotline), No other FWA Allegations

- 1 Substantiated and forwarded to MDH for investigation
- 1 Unfounded and forwarded to MDH for update
- 13 Unsubstantiated and closed

## Debarment and Sanctions Screening

- ✓ **HHS OIG LEIE – All clear**
  - 110 IDIQ Master Contractors
  - All non-IDIQ Vendors
  - 6 Carriers
  - 67 MHBE Employees

# 4. Privacy Program Metrics, External Audits, Corrective Actions and Internal Reviews

# FY24 PRIVACY OVERVIEW

## Executed Agreements

DHS Eligibility & Enrollment DUA  
University of Pittsburgh DUA  
Wellpoint NEEA  
Hamilton Enterprises

## Assessments

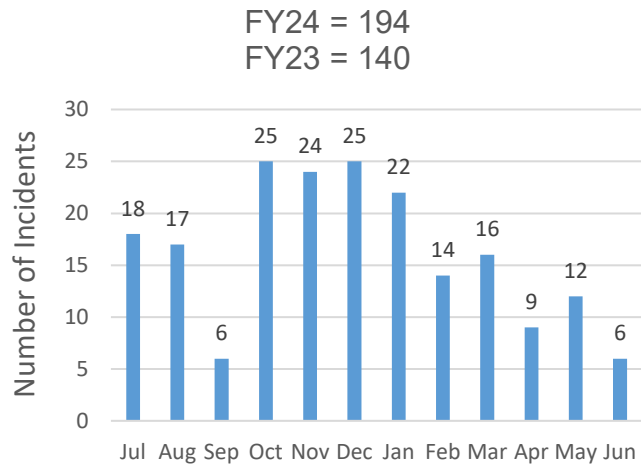
Privacy Impact Assessment  
MARS-E Self Assessment & Privacy Attestation

## Procedures

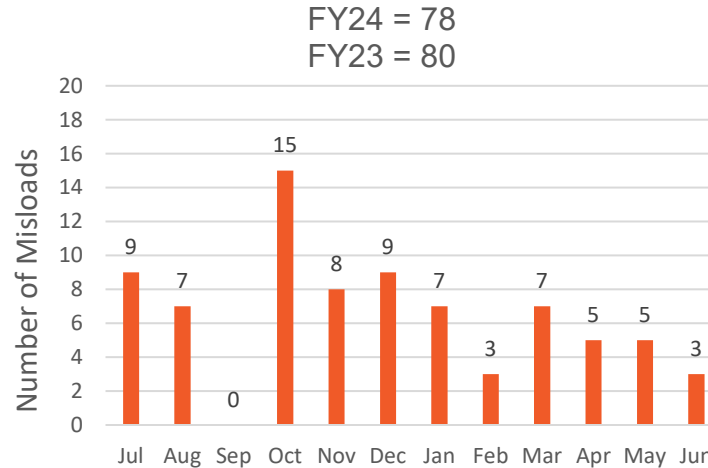
Annual Compliance, Privacy, FWA and Cybersecurity Training  
Role-based Trainings (MHBE & MD Think FTI Training & Attestation)

## FY24 PRIVACY NUMBERS – 07/01/23 Through 06/30/2024

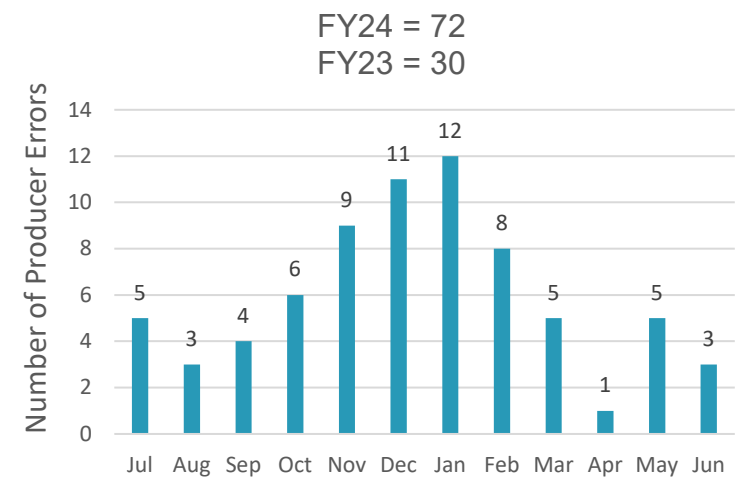
### Number of Incidents



### Number of Misloads



### Number of Producer Errors



# MHBE FY24 External Audit Timeline

MHBE Internal Assessment and External Audit Timeline - Fiscal Year 2024															
Audit Activity	Start Date	End Date	Status	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Improper Payment Pre-Testing and Assessment	1/18/2024	Present	In Progress												
MDH PERM AUDIT PY23	7/1/2023	Present	In Progress												
DBM-RED Audit	11/14/2023	1/31/2024	Complete												
System Security Report / IRS Corrective Action Plan	7/1/2022	5/31/2024	Complete												
Independent External - Financial Audit - FY 2023	2/14/2024	3/21/2024	Complete												
Independent External - Programmatic Audit - PY 2023	2/14/2024	5/30/2024	Complete												
SMART – Plan Year 2023	1/1/2024	7/1/2024	Complete												
Office of Legislative Audits (OLA)	6/28/2023	Present	In Progress												

# FY24 YTD Audit Status Report: Findings and Corrective Actions

## Audit Findings

- (1) Independent External Audit – Corrective Action Underway
- (4) DBM - RED Audit – Corrective Action Underway
- (3) CMS - MDH Payment Error Rate Measurement (PERM) FY24 – Corrective Action Underway

## Internal Reviews

- Internal Reviews were paused for FY24 at the discretion of the Executive Director and Director of Compliance and Privacy due to the intensive commitment required for the Office of Legislative Affairs Audit and departmental resource issues.
- Internal Reviews are scheduled to resume in September 2024, with OLA due to have concluded its triennial audit, and with the addition of our new Compliance and Audit Manager, who began on July 10, 2024.

# Questions?

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