

Medicare Compliance FDR newsletter

Quarter 1, 2026

Strengthening compliance program effectiveness

We want to thank our First-Tier, Downstream, and Related Entities (FDRs) for your hard work and dedication. Your efforts ensure compliance with important rules and regulations, helping us provide quality care to our members.

In 2025, we saw several findings in our Compliance program assessments for exclusion screening failures across prior hire, contract and monthly. To support our FDRs, we provide **self-assessment tools** and resources that outline who must be screened, when it must occur, and what documentation is needed.

Ensuring proper exclusion screening is a priority for CVS Health® and our FDRs. Exclusion screening failures can lead to rule violations, financial penalties and reputational risks. Understanding these issues helps strengthen your oversight and prevent future compliance risks for us.

Exclusion Screening Requirements

Our FDRs must screen all medical and non-medical staff involved in the administration or delivery of Medicare benefits they are contracted to provide, including clinical personnel and administrative or operational support staff.

This includes, but is not limited to:

- Clinical personnel (e.g., providers, pharmacists, and other licensed practitioners)
- Administrative or operational support staff (e.g., customer service, billing, enrollment, IT support, finance, executives, temporary staff, and contracted personnel)

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Quick links

- **[Medicare Managed Care Manual](#)**
- **[Medicare Prescription Drug Benefit Manual](#)**
- **[CVS Health Code of Conduct \(updated December 2025\)](#)**

Exclusion list links:

- **[OIG list of excluded individuals and entities \(LEIE\)](#)**
- **[GSA System for Award Management \(SAM\)](#)**

Link not working? Go to **[SAM.gov/SAM](#)** to access the site directly.

- Downstream entities supporting Medicare-related functions

Screening must be completed against the OIG List of Excluded Individuals and Entities (LEIE) and the GSA System for Award Management (SAM):

- Prior to hire or contracting
- Monthly thereafter

You must maintain documentation of screening results and be able to provide evidence upon request.

To stay compliant, be sure to complete required exclusion screening timely. Report any concerns right away. If you have questions email us at [**MedicareFDR@Aetna.com**](mailto:MedicareFDR@Aetna.com).

FDR guidebooks updated

We want you to understand what we expect from you and help you understand how to comply with our policies and CMS regulations.

Our guidebooks provide our FDRs with a summary of the FDR compliance program requirements applicable to their organization.

The **Aetna® FDR Guidebook** and the **CVS Health® FDR Guidebook** were both recently updated. In addition, we developed a Fraud, Waste and Abuse (FWA) training resource. This resource is available to help FDRs understand how to identify, prevent, and report potential FWA. The Centers for Medicare & Medicaid Services (CMS) requires that FDRs involved in Medicare Parts C and D provide **General Compliance training** and **FWA** training within 90 days of hire, contracting and annually thereafter. FDRs need to be able to demonstrate that this type of training has been provided.

As a part of FDR toolbox, we provide both **General Compliance** and **FWA** training materials to help FDRs understand compliance expectations and FWA requirements.

FDRs receive our guidebooks through initial and annual training. The **Aetna® FDR Guidebook** is always available online, and the **CVS Health® FDR Guidebook** is available upon request.

We encourage review of the **FDR toolbox** in the **Aetna® FDR Guidebook**; there are several tools that could be leveraged to support compliance oversight processes.

If you have any questions or need a copy of the **CVS Health® FDR Guidebook**. Please reach out to us at **MedicareFDR@Aetna.com**.

Support oversight and compliance

Understanding which subcontractors qualify as a downstream entity is a key component of effective Medicare compliance oversight. Not every subcontractor automatically meets the definition of a downstream entity, and applying the correct designation is critical to meeting CMS requirements and your contract with us.

Downstream entities that provide administrative or health care services related to Medicare Advantage or Medicare Prescription Drug Plan products may be considered downstream entities. To support this determination, CVS Health has included a **Downstream Entity Grid** in the FDR Guidebook to help organizations assess whether any of their subcontractors meet the downstream entity definition.

In addition, FDRs are encouraged to leverage the Compliance program **self-assessment** tool included in our FDR Guidebook. This tool is designed to help organizations evaluate how they fulfill Medicare compliance program requirements and may also be adapted to assess the compliance of their downstream entities.

Together, these resources are intended to support consistent application of requirements, strengthen monitoring and oversight practices,

and promote a clear understanding of FDR responsibilities.

If you have questions or need assistance, please contact us at [**MedicareFDR@Aetna.com**](mailto:MedicareFDR@Aetna.com).

OIG general compliance program guidance

In February 2026, the U.S. Department of Health and Human Services Office of Inspector General (OIG) released updated **Medicare Advantage Industry Segment-Specific Compliance Program Guidance (ICPG)**. This guidance reflects current compliance expectations across the Medicare Advantage industry and outlines key risk areas and recommended mitigation strategies.

While the guidance does not create new regulatory requirements, it highlights areas where organizations should evaluate and strengthen their compliance programs.

Key compliance focus areas

The updated guidance emphasizes the following risk areas:

- Risk adjustment data accuracy and documentation integrity
- Marketing and enrollment practices
- Access to care and network adequacy
- Utilization management and prior authorization practices
- Oversight of third parties
- Data reporting and recordkeeping accuracy

What this means for CVS Health® FDRs

As an FDR supporting CVS Health you are expected to:

- Maintain an effective compliance program aligned with CMS Chapters 9 of the Prescription Drug Benefit Manual and Chapter 21 of the Medicare Managed Care Manual Ensure accurate documentation and reporting of services provided
- Conduct appropriate monitoring and oversight of your own downstream entities

- Maintain policies and procedures addressing fraud, waste, and abuse prevention
- Perform exclusion screening in accordance with federal requirements
- Promptly report compliance concerns or potential issues

CVS Health will continue to monitor regulatory updates to ensure alignment with compliance expectations.

If you have questions regarding this update or your compliance responsibilities as an FDR, us at [**MedicareFDR@Aetna.com**](mailto:MedicareFDR@Aetna.com).

Looking for resources?



Our relationship with you — a First Tier, Downstream or Related Entity (FDR) — is important to us. We need you to help fulfill our contracts with CMS. And you can rely on us for the teamwork and support you need.

Read our [**Aetna FDR Guide**](#); it includes a toolbox of resources. If you need the **CVS Health FDR Guide**, contact us.

Past newsletters are available on [**\(Aetna.com\)**](https://www.aetna.com)

Need to report noncompliance or potential fraud, waste and abuse (FWA)?

Here are the different ways to report:

- **Call** the CVS Health Ethics Line at **1-877-287-2040 (TTY: 711)**
- **Visit** [**CVSHealth.com/Ethicsline**](https://www.CVSHealth.com/Ethicsline)
- **Write to** Chief Compliance Officer, CVS Health, One CVS Drive, Woonsocket, RI 02895

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