



AMERIHEALTH CARITAS

# 2023/2024 CORPORATE COMPLIANCE PROGRAM

# CORPORATE COMPLIANCE PROGRAM

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## A. Introduction

The AmeriHealth Caritas Family of Companies (Company) has established a comprehensive corporate Compliance Program (Compliance Program) committed to ensuring all organizational areas of the Company are, and remain, compliant with applicable contractual obligations, as well as state and federal regulatory requirements. The Compliance Program has been established to further strengthen the Company's commitment to maintaining and observing high standards of ethical conduct in its business and operational practices. The goal of the Compliance Program is to demonstrate the Company's commitment to a culture that promotes the prevention, detection, and correction of conduct that does not comply with the Company's standards of conduct (which includes the guidelines and rules described in the Company's Code of Conduct and Ethics, Associate Guidebook, related policies and procedures, and applicable federal and state laws and regulations).

The Compliance Program is structured to encourage and elicit collaborative participation and transparency at all levels of the Company. The Compliance Program has been designed and implemented to foster an environment in which those who are subject to it ensure its application to all aspects of the business models the Company supports and the members the Company serves.

The Compliance Program outlined below incorporates each of the elements set forth by the U.S. Department of Health and Human Services, Office of Inspector General, for an effective compliance program, including the requirements of a fraud, waste, and abuse program.

The Company reviews the Compliance Program at least annually and more frequently as may be necessitated by business need or contractual or other regulatory requirements. Following any such revision and adoption by the Audit, Risk and Compliance Committee of the board of directors, all updates are posted in a timely manner to the Company's corporate intranet site. In addition, those changes are communicated through the compliance policies and procedures and communications plan, and within the annual Corporate Compliance trainings.

## B. Compliance Program elements

### 1. Code of Conduct and Ethics and written policies and procedures

#### a. Code of Conduct and Ethics

The Company maintains a Code of Conduct and Ethics that governs the conduct of all associates; contractors; subcontractor-vendors; first-tier, downstream, and related entities (FDRs); and members of the Board(s) of Directors (collectively referred to herein as "Recipients"). The Code of Conduct and Ethics is made available to the Recipients who are required to attest that they have read, understood, and will abide by the Code of Conduct and Ethics upon hire or engagement and annually thereafter. The Code of Conduct and Ethics provides a detailed framework for how those subject to it can adhere to the Compliance Program.

#### b. Policies and procedures

The Compliance Program has established written standards, including policies and procedures (Policies) to support the Compliance Program that articulate the Company's commitment to complying with all applicable federal and state rules, regulations, laws, and contractual requirements. The policies include functional oversight of compliance; privacy; and fraud, waste, and abuse prevention, correction, and detection within the Company. All Policies are reviewed at least annually.

### 2. Designation of a compliance officer

#### a. Chief Compliance and Privacy Officer

The Company's Vice President (VP), Chief Compliance and Privacy Officer has the primary authority and responsibility for the operations of the Compliance Program. The VP, Chief Compliance and Privacy Officer reports directly to the Executive Vice President (EVP), Chief Risk Officer, and the EVP, Chief Risk Officer reports directly to the Chief Executive Officer of the Company. The VP, Compliance and Privacy Officer and the EVP, Chief Risk Officer are accountable to report the activities of the Compliance Program to the Board of Directors' Audit, Risk and Compliance Committee at least quarterly. The Company's Board of Directors, through its respective Audit, Risk, and Compliance Committee, provides strategic direction and oversight of the Compliance Program and is responsible for annually reviewing and approving the Code of Conduct and Ethics, the Compliance Program, and the Corporate Compliance Work Plan.



### 3. Regulatory Compliance Committee

#### a. Corporate Compliance, Audit, and Risk Committee

The Company has established the Corporate Compliance, Audit, and Risk (CAR) Committee, which meets at least quarterly to inform the executive and senior operational, clinical, and legal leadership teams on the status of the Company's compliance metrics, standards of operation, and areas of risk concern. The EVP, Chief Risk Officer serves as Chair of the CAR. The Chair reports on the activities of the Compliance Program to the Audit, Risk, and Compliance Committee of the Company's Board of Directors and functions in accordance with its approved charter.

#### b. Plan and line of business Regulatory Compliance Committees

Each Plan or line of business has established a Regulatory Compliance Committee. The Plan's Compliance leadership serves as Chair to this committee and provides updates regarding their compliance program and compliance activities. The Regulatory Compliance Committees will be responsible for approving the Plan and line of business compliance work plans annually. The Plan Compliance leadership will report on the activities presented at the Regulatory Compliance Committee to the Board of Directors of the Plan or line of business.

### 4. Effective training and education

#### a. Compliance training

The Corporate Compliance department, in cooperation with other business units, develops and implements communication and training programs to ensure ongoing education on the Company's Code of Conduct and Ethics; confidentiality and security; compliance; privacy; and fraud, waste, and abuse protocols upon hire and annually thereafter. All who are subject to the Compliance Program will be educated on the Company's expectation of strict compliance with the Company's Code of Conduct and Ethics as a condition of their employment or doing business with the Company. The successful completion of the annual compliance trainings is mandatory within 30 days of issuance. Failure to complete trainings in a timely manner may result in disciplinary and/or remedial actions.

The Company has incorporated the following substantive areas of focus into its annual compliance training:

- The Federal and state False Claims Acts
- The Anti-Kickback Statute
- The Deficit Reduction Act
- The Fraud Enforcement and Recovery Act (FERA)
- The Health Insurance Portability and Accountability Act (HIPAA)
- The Health Information Technology for Economic and Clinical Health Act (HITECH)

In addition to the annual compliance training, additional communications and training may be recommended to address topical needs.

### 5. Effective lines of communication

The Compliance Program has implemented a collection of Compliance communication tools that provide each person subject to the standards of conduct the knowledge with which to timely escalate any suspected incidents of noncompliance; privacy infractions; and fraud, waste, and abuse allegations.

#### a. Anonymous hotline and online reporting

The Company maintains two anonymous reporting mechanisms: online and via phone. Both mechanisms allow the Company to receive, record, and respond to compliance questions and concerns; reports of improper conduct; privacy issues; or suspected incidents of fraud, waste, and abuse. Both options provide a means of confidential communication for associates, contingent workforce members, subcontractor-vendors, FDRs, and external individuals (via the Company's external facing websites) who seek an additional level of confidentiality. These hotlines are available 24 hours a day, seven days a week:



- 800-575-0417 for compliance, privacy, or ethics concerns
- 866-833-9718 for any suspected incidences of fraud, waste, or abuse

Online reporting tools are available at [www.amerhealth.ethicspoint.com](http://www.amerhealth.ethicspoint.com) for Compliance and Privacy or at [home.kmhp.com/index.asp?go=/fraud](http://home.kmhp.com/index.asp?go=/fraud) for suspected incidences of fraud, waste, or abuse.

In addition, the following dedicated email addresses should be used to escalate issues:

- Compliance: [corpcompliance@amerihealthcaritas.com](mailto:corpcompliance@amerihealthcaritas.com)
- Privacy: [privacy@amerihealthcaritas.com](mailto:privacy@amerihealthcaritas.com)
- Fraud: [fraudtip@amerihealthcaritas.com](mailto:fraudtip@amerihealthcaritas.com)
- Medicare: [macompliance-general@keystonefirstpa.com](mailto:macompliance-general@keystonefirstpa.com)

All mechanisms for reporting are routinely distributed through ongoing educational initiatives and compliance communications. All reported concerns are investigated in a timely manner and are documented in accordance with the Policies adopted by the Company and defined within the Compliance Investigations, Inquiries, and Nonretaliation Policy. As such, the Company has adopted and enforces a strict nonretaliation policy for any reporting of such concerns made in good faith.

#### **b. Investigations of potential misconduct**

Compliance leadership is responsible for investigating reports of potential compliance and privacy infractions. The Program Integrity team is accountable for the timely investigation of all allegations of fraud, waste, and abuse.

If, through the investigation of potential issues, it is determined that disciplinary or other corrective measures need to be taken, this action will be applied consistently; it will be coordinated with Human Resources and Legal Affairs, as appropriate; and it will be undertaken in accordance with the protocols defined in the Company's Policies that address these measures, including the Company's Progressive Disciplinary Policy and the Associate Guidebook. Policies on investigations are maintained and reviewed annually.

### **6. Enforcement of standards through disciplinary guidelines**

The Company enforces its compliance and ethical standards through well-publicized disciplinary guidelines. These guidelines reflect clear and specific disciplinary policies and provide the consequences of violating the Company's Compliance Program and the Code of Conduct and Ethics.

The Company has adopted a Progressive Disciplinary Policy and an Associate Guidebook that is applicable to any substantiated allegation of noncompliance with the Company's standards of conduct. The Progressive Disciplinary Policy is maintained by the Company's Human Resources department and details a systematic step-by-step disciplinary process focused on clear and prompt communication.

These guidelines and policies are made available upon hire and annually thereafter by various means, including the Company's formalized training program, and are always available on the corporate Intranet.

Each Recipient subject to the Company's standards of conduct is responsible for immediately escalating any suspected incidents of noncompliance or violations. In addition, the Company prohibits hiring or contracting with individuals or entities identified as debarred, excluded, or otherwise ineligible for participation in state or federal health programs. The Company does not pay for medical services or prescription drugs prescribed by a provider excluded by the Office of Inspector General, the General Services Administration, or a relevant state regulatory agency. Individuals failing to report a suspected violation of the standards of conduct will be subject to the Company's Progressive Disciplinary Policy.



## 7. Internal and external auditing and monitoring

To evaluate the Company's compliance performance, the Company will:

- Conduct an annual risk assessment of the compliance; privacy; and fraud, waste, and abuse prevention, detection, and correction functions within the Company to identify areas of the Company that may present risk to the Company's compliance with its contractual obligations and to the integrity of the Compliance Program.
- Include additional activities designed to audit and monitor the Company's compliance with the Compliance Program, federal and state laws, and contracts in the Corporate Compliance annual work plan.
- Ensure that additional internal auditing, monitoring, and controls are in place to promptly identify potential instances of noncompliance and to monitor ongoing compliance with the Company's standards of conduct.
- Develop and maintain tools that will allow ongoing monitoring of contractual and other performance metrics, as may be required of each line of business.
- Monitor and audit the consistency in the application of Company Policies with the requirements of the standards of conduct, federal and state laws, and contracts.
- Timely engage the business and issue corrective actions, as defined within the Company's Corrective Action Plans, Remedial Action Plans, and Warning Letters Policy when noncompliance is detected, ensuring prompt steps are taken to remediate the issues appropriately and timely, as well as ensuring appropriate measures and internal controls are implemented to ensure the issue does not recur.
- Provide oversight, as appropriate, on the investigation and enforcement of the Company's standards of conduct and Code of Conduct and Ethics and the ongoing compliance with the Compliance Program.
- If investigation warrants, partner with state and federal law enforcement and regulatory agencies, as appropriate or required.

## C. Privacy

### 1. Ensuring protection of confidential information

The Corporate Compliance department develops and enforces Policies that ensure the safeguarding of confidential information from inappropriate or unlawful disclosure by associates, contractors, subcontractor-vendors, and FDRs in compliance with all applicable federal and state privacy laws. Corporate Privacy's Authorization to Use or Disclose Protected Health Information Policy defines who may disclose Protected Health Information (PHI), under what circumstances, and the required protocols surrounding the disclosure of PHI.

### 2. Document retention and destruction

The Records Management Office develops and distributes consistent guidelines for the retention and destruction of Company information and documents as defined by the Records Retention Policy and Schedule. These guidelines include company minimum retention periods as required by law and/or contractual obligations.



## D. Conflicts of Interest

All who are subject to the Compliance Program are required to abide by the policy and procedure on Conflicts of Interest. This includes the requirement of associates and contractors to submit, upon hire or engagement, annually thereafter, and supplementally as required, a conflict of interest disclosure for activities, actions, or relationships that influence, potentially influence, or appear to influence their ability to make objective job-related decisions. The corporate Privacy department, a unit within Corporate Compliance, is responsible for collecting, reviewing, analyzing, and investigating actual or potential conflicts of interest in accordance with this policy. In addition, associates and contractors are substantively trained through training programs as well as corporate communications on the importance of disclosing situations that may pose a conflict of interest to the Company.

## E. Fraud, waste, and abuse

### 1. Program integrity

Program integrity and the implementation of a comprehensive fraud, waste, and abuse oversight program are integral to the effectiveness of the Compliance Program. The Company has implemented a hybrid model that includes both monitoring and auditing tools to ensure the timely detection and mitigation of suspected fraud, waste, and abuse. Such tools consist of:

- Proactive validation of a provider's eligibility to participate in federal and state health care programs through monthly monitoring of all federal (Office of Inspector General List of Excluded Individuals/Entities [OIG-LEIE], General Services Administration System for Award Management [GSA-SAM], and Office of Foreign Assets Control [OFAC]) and state exclusion and sanction lists, the Social Security Death Master (SSDM) file, and the National Plan and Provider Enumeration System (NPPES)
- Ongoing monitoring of claims, both prospectively and retrospectively, to trend behavior and detect aberrant patterns in billing, prior authorizations, and utilization
- Prepayment review of providers suspected of fraud, waste, and abuse to ensure the documentation presented for review supports the services billed
- The retrospective review, both random and focused, of claims to determine and validate the propriety of payments through sophisticated data mining efforts
- Program Integrity Plans are developed for each line of business and contain detailed information on the monitoring and auditing activities, tools, and vendors used to detect, correct, and prevent fraud, waste, and abuse. Examples of the activities detailed in the program integrity plans include the following:
  - Federal and state exclusion check screening of employees, subcontractor-vendors, and FDRs
  - Prospective and retrospective claim reviews, data mining, and claim edits performed by internal teams and third parties to assist the Company in the timely identification of potential fraud, waste, and abuse
  - Member service verification process
  - Implementation of internal and external processes and mechanisms to report suspected fraud, waste, and abuse

In addition to the Compliance Program and the Program Integrity Plans, Compliance and the Fraud, Waste, and Abuse teams coordinate the development and implementation of policies and procedures that articulate the Company's commitment to detecting, correcting, and preventing fraud, waste, and abuse.