



Insurance Company, Inc.

Policy and Procedure Name: Compliance Program Policy	Policy Number: COM-001.1	
Functional Business Owner's Name: Nakia Smith, Director of Compliance	Effective Date: 10/1/2015	Last Review Date: 12/20/2019
Approver's Name: Wendy Karsten, Chief Executive Officer	Approval Date:	

PURPOSE:

Care N' Care Insurance Company, Inc. ("Care N' Care") hereafter known as the "Company", understands that participation in federal programs is a tremendous responsibility. As such, the Company is committed to conducting business ethically, with integrity, and in compliance with applicable state and federal laws and regulations. The Company has designed and implemented a formal compliance program (Program). The Program's purpose is to integrate business conduct, compliance and ethics, standards into the daily business activities of the Company through communication, education and training, monitoring, investigation, detection, and reporting of perceived, potential, or actual violations including, fraud, waste, and abuse (FWA).

This policy serves to formally establish the guiding principles for the Program's overall effectiveness and accountability and serves as the link to all other Company policies and procedures related to matters of ethics, business conduct, and compliance with legal, regulatory and sub-regulatory requirements.

SCOPE

This policy applies to all members of the board of directors, employees, first tier, downstream and related entities (FDRs), contractors, and agents of Care N' Care Insurance Company, Inc.

DEFINITIONS:

Abuse: Actions that may, directly or indirectly, result in unnecessary costs to the Medicare Program. Abuse involves payment for items or services when there is no legal entitlement to that payment and the provider has not knowingly and/or intentionally misrepresented facts to obtain payment. Abuse cannot be differentiated categorically from fraud, because the distinction between fraud and abuse depends on specific facts and circumstances, intent and prior knowledge, and available evidence among other factors.

First-Tier Entity: Any party that enters into a written agreement, acceptable to CMS, with a Medicare Advantage organization, Part D plan sponsor, or contract applicant (hereinafter referred to as a "Sponsor") to provide administrative services or health care services for a Medicare eligible individual under the Medicare Advantage or Part D programs.

Downstream Entity: Any party that enters into a written arrangement, acceptable to CMS, below the level of the arrangement between a Sponsor and a first-tier entity. These written arrangements continue down to the level of the ultimate provider of both health and administrative services. Examples include, but are not limited to, mail order pharmacies, firms providing agent/broker services, agents, brokers, marketing firms, and call center firms.

Related Entity: Any entity that is related to a Sponsor by common ownership or control and (1) performs some of the Sponsor's management functions under contract or delegation; (2) furnishes services to Medicare enrollees under an oral or written agreement; or (3) leases real property or sells materials to the Sponsor at a cost of more than \$2,500 during a contract period. (See 42 C.F.R. §423.501).

Fraud: Knowingly and willfully executing, or attempting to execute, a scheme or artifice to defraud any health care benefit program or to obtain (by means of false or fraudulent pretenses, representations, or promises) any of the money or property owned by, or under the custody or control of, any health care benefit program.

Waste: Overutilization of services, or other practices that, directly or indirectly, result in unnecessary costs to the Medicare program. Waste is generally not considered to be caused by criminally negligent actions but rather the misuse of resources.

RESPONSIBILITIES

The Board of Directors is knowledgeable and responsible for oversight of the Company's Program and conducts a review of the Company's compliance program annually to:

- Evaluate the efficiency and effectiveness of the program;
- Evaluate employee, officer, and director compliance with the program and the company's systems to monitor compliance with the program;
- Recommend to the Medicare Compliance Officer (MCO) improvements to the program as necessary;
- Monitor the findings of any audits by regulatory agencies and the corrective actions taken by the Company to address the findings;
- Monitor procedures for handling complaints regarding any violations of the program and for confidential, anonymous submission of concerns by employees, including those regarding accounting and auditing matters;
- Receive suggestions from directors and officers for improvement of the compliance program;
- Meet at least four times annually with the MCO to discuss the status of the compliance program, including employee training and education, reports of suspected violations of the program, reports of FWA, and investigations of such reports, and discipline or other actions resulting from such investigations, and confirm that remediation has occurred;
- Meet, at least four times annually, with the MCO to review the status of the Company's compliance with Medicare requirements and periodically to review compliance with other federal and status regulatory requirements;
- Approve the appointment and the replacement of the MCO;
- Provide input to the annual evaluation of the performance of the MCO; and

In addition to the Board of Directors, the Company has an internal Compliance Committee referred to as the Health Plan Compliance Council. The Health Plan Compliance Council is charged with the following the responsibilities:

- Oversee the Program's implementation and operation, including the development of strategies to promote compliance and detect any potential violation, the implementation of corrective and preventive action, when required, and the use of internal controls designed to ensure compliance in daily operations;
- Foster and promote a culture that encourages ethical conduct and a commitment to compliance with the Code of Conduct and laws, regulations, policies and procedures;
- Review reports from the MCO, and other compliance personnel, including dashboards, self-assessments, scorecards and similar tools that would reveal compliance issues;
- Ensure that the Program has up-to-date compliance policies and procedures;
- Ensure that the Company has a system for workforce to ask compliance questions and report potential instances of non-compliance and potential FWA confidentially or anonymously without fear of retaliation;
- Ensure that the Company has a method for employees, beneficiaries and others to report potential FWA;

- Review and address reports of monitoring and auditing of areas in which the Company is at risk for noncompliance or potential FWA and ensure that corrective action plans are implemented and monitored for effectiveness;
- Serve as a conduit for elevating operational compliance issues, risks, barriers, and opportunities that may impact the business;
- Monitor the status of issues, critical incident reports, audit findings, and potential process issues;
- Identify resource and funding needs for elevation to appropriate senior leadership for resolution; and
- Coordinate and share information from meetings with functional areas and key governance committees to facilitate the timely and accurate reporting to senior leadership and to the Boards of Directors.

The MCO, is a full-time employee of CNC and does not have operational accountability as the facilitator and the focal point for the day-to-day operation of the Company's compliance program, is responsible for:

- Implementing the Compliance Program, including defining the program structure, educational requirements, reporting and complaint mechanisms, response and correction procedures, and compliance expectations of all personnel and FDRs.
- Submitting to the CEO and senior management and/or ensuring that senior management receives reports of risk areas facing the Company, strategies being implemented to address them and the results of those strategies, and reports on Medicare program noncompliance and FWA for issues identified, investigated and resolved; and
- Advising the CEO of all governmental compliance enforcement activity from Notices of Non-compliance to formal enforcement actions.
- Create and coordinate (or delegate) educational training programs to ensure that officers, directors, managers, employees, FDRs, and other individuals working in the government programs are knowledgeable about the Compliance Program, written Code of Conduct, compliance policies and procedures, and all applicable statutory and regulatory requirements.
- Coordinate personnel issues with Human Resources to ensure that covered persons are checked against the OIG exclusion lists and GSA debarment lists monthly. CNC will require FDRs to provide signed attestation/certification of their compliance with this requirement.
- Oversee the development and monitoring of corrective action plans.

The Compliance Department is responsible for:

- Facilitating with the Compliance Program Policy and applicable Company procedures;
- Providing effective training and education, including FWA to the workforce within 90 days of hiring, appointment and/or contracting and annually thereafter;
- Maintaining a system to receive, record and respond to and track compliance questions or concerns and reports of potential FWA from the workforce, including anonymous good-faith reports of potential or actual misconduct and maintaining confidentiality to the extent possible; and, enforcing a no-tolerance policy for retaliation or retribution against the workforce for good-faith reporting of noncompliance and FWA;
- Ongoing oversight of all first tier, downstream and related entities activities;
- Conducting reasonable, well-documented inquiries into all compliance incidents and potential FWA;
- Assisting in removing barriers within the organization to meeting compliance with the Program;
- Assisting in ensuring required changes to processes and/or internal controls are implemented to maintain effective and appropriate compliance with the Program;
- Establishing and maintaining an effective continuous improvement process for identification, correction and reporting of systemic problems related to compliance of the Program.
- Communicating changes to laws, regulations, and/or compliance requirements to impacted areas and through the Health Plan Compliance Council; and
- Determining the appropriate area responsible for communication with regulatory agencies on issues relating to the Company's compliance.

Management is responsible for:

- Ensuring their respective areas are performing their compliance responsibilities according to the applicable requirements;
- Operational oversight of the compliance process and program components;
- Developing and maintaining appropriate written policies and procedures for their areas of accountability which incorporate compliance requirements; having internal controls in place for all affected business processes and effective monitoring, evaluation and improvement of all business processes;
- Periodic training on internal processes related to functional responsibilities and FWA risks which include review of applicable state and federal laws, regulatory and sub-regulatory requirements, their relationship to the functional areas' responsibilities including SOPs, desk procedures, internal controls and individual avoidance of unlawful or unethical occurrences;
- Training of the workforce when there are changes to laws, regulations and accreditation or compliance requirements which impact the area's responsibilities;
- Promoting methods to report good-faith allegation of suspected or actual wrongdoing, including FWA, and the policy of non-intimidation and non-retaliation;
- Developing and implementing a corrective action plan for a business area at the direction of the Compliance department; and
- Reinforcing to the workforce its responsible for reporting to the MCO any activity that it is believed, in good faith, may violate this policy.

CROSS-REFERENCED DOCUMENTATION:

N/A

REVISION HISTORY		
Description of Change	Author	Effective Date
Revised to align with corporate compliance structure	Nakia Smith	3/1/2020

RELEVANT REGULATORY CITATIONS	
Document	Title
Code of Federal Regulations	42 C.F.R. §§ 422.503(b)(4)(vi), 423.504(b)(4)(vi)
Medicare Managed Care Manual	Chapter 21 – Compliance Program Guidelines
Prescription Drug Benefit Manual	Chapter 9 – Compliance Program Guidelines

Review/Approval Date:

Signature on File

Signature

Approval Date