

A young woman with voluminous, dark curly hair is smiling warmly. She is looking slightly off-camera to the right, with her hand resting under her chin. She is wearing a white sleeveless top. In the foreground, the top edge of a laptop screen is visible. The background is a blurred office or modern building interior with large windows and soft lighting.

AMERIHEALTH CARITAS

**2021/2022 CORPORATE
COMPLIANCE PROGRAM**

CORPORATE COMPLIANCE PROGRAM

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A. Introduction

The AmeriHealth Caritas Family of Companies (AmeriHealth Caritas) has established a comprehensive corporate Compliance Program (Compliance Program) committed to ensuring all organizational areas of AmeriHealth Caritas 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, applicable policies and procedures, and applicable federal and state laws and regulations).

The Compliance Program is companywide and is structured to encourage and elicit collaborative participation and transparency at all levels of the organization. The Compliance Program has been designed and implemented to foster an environment in which all 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 implements 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 within each of the elements.

AmeriHealth Caritas reviews the Compliance Program at least annually, and more frequently as may be mandated by contractual or other regulatory requirements. Following any such revision and adoption by the Audit and Compliance Committee of the board of directors, all updates are posted in a timely manner to the AmeriHealth Caritas corporate intranet site. In addition, all revisions, as appropriate, are built into the compliance policies and procedures and an ongoing compliance communications plan, and are specifically addressed within the annual Compliance Program training initiative.

B. Compliance Program elements

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

a. Code of Conduct and Ethics

AmeriHealth Caritas maintains a Code of Conduct and Ethics that governs the conduct of associates and others who are subject to the Compliance Program and adherence to the ethical and legal standards defined by the company and applicable state and federal laws. The Code of Conduct and Ethics is made available to all associates; contractors; subcontractor-vendors; first-tier, downstream, and related entities (FDRs); and members of the board(s) of directors who 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 detailed guidance and instructions on the requirements of strict adherence to the Compliance Program.

b. Policies and procedures

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

2. Designation of a compliance officer

a. Corporate Compliance and Privacy Officer

The AmeriHealth Caritas Corporate Compliance and Privacy Officer has the primary authority and responsibility for the operations of the Compliance Program. The Corporate Compliance and Privacy Officer reports directly to the Senior Vice President and Chief Administrative and Compliance Officer, and the Senior Vice President and Chief Administrative and Compliance Officer reports directly to the Chief Executive Officer of AmeriHealth Caritas. The Corporate Compliance and Privacy Officer and the Senior Vice President and Chief Administrative and Compliance Officer are accountable to report the activities of the Compliance Program to the board of directors' Audit and Compliance Committee at least quarterly. The company's board of directors, through its respective Audit 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

AmeriHealth Caritas has established the Corporate Compliance, Audit, and Risk Committee (CARC), which meets at least quarterly to inform the executive and senior operational, clinical, and legal leadership team on the status of AmeriHealth Caritas compliance metrics, standards of operation, and areas of risk concern that may require remediation. The Senior Vice President and Chief Administrative and Compliance Officer serves as Chair of the CARC. The Chair reports on the activities of the program to the Audit and Compliance Committee of AmeriHealth Caritas' 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 Compliance leadership will serve as Chair to this committee and will provide updates regarding their compliance program and compliance activities. The Regulatory Compliance Committees will be responsible to approve 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

Compliance training

The Corporate Compliance department, in cooperation with other business units, develops and implements communications and training programs to ensure ongoing education on the company's Code of Conduct and Ethics and 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.

AmeriHealth Caritas is committed to complying with all applicable federal and state statutory, regulatory, contractual, and other requirements and has incorporated the following into the 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 include up-trainings, as required, and subject-specific training and educational programs, which may be identified as needed in high-risk business areas.

5. Effective lines of communication

The Compliance Program has implemented a network of Compliance communications tools that provide each person subject to the standards of conduct the opportunity to timely escalate any suspected incidents of noncompliance; privacy infractions; and fraud, waste, and abuse allegations. Such tools include, but are not limited to, a confidential and dedicated toll-free phone line; dedicated email addresses to escalate issues to Compliance electronically through the Compliance and Privacy intake forms via Insight, as well as the plan-level websites; dedicated Compliance, Privacy, and Program Integrity teams; and an open-door policy of both corporate- and plan-level Compliance personnel for in-person reporting.

Each individual subject to the company's standards of conduct is responsible to immediately escalate any suspected incidents of noncompliance or violations. In addition, the company prohibits hiring or entering into contracts with individuals or entities identified as debarred, excluded, or otherwise ineligible for participation in state or federal health programs. AmeriHealth Caritas 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 will be subject to the company's Progressive Disciplinary Policy.



The organization has adopted and enforces a strict nonretaliation policy for any reporting of such concerns made in good faith.

a. Anonymous hotline and online reporting

AmeriHealth Caritas maintains two anonymous reporting mechanisms: online and via phone. Both mechanisms allow the organization 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, and FDRs who seek an additional level of confidentiality. The phone hotlines are available 24 hours a day, seven days a week, at:

- **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 for Compliance and Privacy or at 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 to Compliance; Privacy; Fraud; and the Medicare teams:

- Compliance: corpcomp@amerihealthcaritas.com.
- Privacy: privacy@amerihealthcaritas.com.
- Fraud: fraudtip@amerihealthcaritas.com.
- Medicare: macompliance-general@keystonefirstpa.com.

All mechanisms for reporting are publicly posted throughout AmeriHealth Caritas facilities and are periodically distributed through ongoing educational initiatives and compliance communications. All reported concerns are investigated in an expeditious manner and are documented in accordance with the policies and procedures adopted by the company and defined within the Compliance Investigations, Inquiries, and Nonretaliation Policy.

b. Investigations of potential misconduct

Compliance leadership is responsible for investigating reports of potential compliance and privacy infractions by officers, associates, contingent workforce members, subcontractor-vendors, and FDRs. 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 policies and procedures that address these measures, including the company's Progressive Disciplinary Policy and the Associate Guidebook. Policies and procedures on investigations are maintained and reviewed annually.

6. Enforcement of standards through disciplinary guidelines

AmeriHealth Caritas 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 AmeriHealth Caritas' 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 number 115.600 is owned 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 AmeriHealth Caritas formalized training program, and are always available on the corporate intranet.

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 organization to identify areas of the organization 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 and procedures 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 and procedures that ensure the safeguarding of confidential information from inappropriate or unlawful disclosure or other handling by associates, contractors, subcontractor-vendors, and FDRs in compliance with all applicable federal and state privacy laws. Corporate Compliance's Authorization to Use or Disclose Protected Health Information Policy defines who may disclose, under what circumstances, and the required protocols surrounding the disclosure of protected health information.

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 the terms of specific contracts or customer directives.



3. Conflicts of interest

All who are subject to the Compliance Program are required to abide by the corporate Compliance Policy and Procedure on Conflicts of Interest. This includes the requirement of associates and contractors to submit, upon hire or engagement and annually thereafter, a conflict of interest disclosure for activities, actions, or relationships that actually influence, may 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 trained on the importance of disclosing situations that may pose a conflict of interest to the company.

D. 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. AmeriHealth Caritas 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] and General Services Administration System for Award Management [GSA-SAM]) 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 some 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.