Santa Clara Family Health Plan™

Regular Meeting of the

Santa Clara County Health Authority Compliance Committee

Thursday, November 19, 2020, 2:00 PM – 3:00 PM
Santa Clara Family Health Plan
6201 San Ignacio Ave, San Jose, CA 95119

Via Teleconference

(408) 638-0968
Meeting ID: 926 7326 4839
Passcode: Comp1120
https://zoom.us/j/92673264839

AGENDA

Item	Presenter	Time	Duration
1. Roll Call	Mr. Haskell	2:00	5 min
2. Public Comment Members of the public may speak to any item not on the agenda; two minutes per speaker. The Compliance Committee reserves the right to limit the duration of the public comment period to 30 minutes.	Mr. Haskell	2:05	5 min
3. Meeting Minutes Review minutes of the September 4, 2020 Compliance Committee meeting. **Possible Action:** Approve September 4, 2020 Compliance Committee minutes	Mr. Haskell	2:10	5 min
4. Regulatory Audit Report Discuss status of the following audits: **a.** CMS Revalidation Audit **b.** Status of State Regulatory Audits	Mr. Haskell	2:15	10 min
5. Oversight Activity Report Review the following oversight activities: **a.** Compliance Dashboard and Corrective Action Plans **b.** Internal Audits and Corrective Action Plans **c.** Delegation Audits and Corrective Action Plans	Ms. Nguyen/ Mr. Quan	2:25	15 min
6. Compliance Program Documents Review the following documents: **a.** Compliance Program **b.** Standards of Conduct **c.** Policies • CP.07 Corrective Actions • CP.10 Compliance Training • CP.12 Annual Compliance Program Effectiveness Audit • CP.15 Standards of Conduct	Mr. Haskell	2:40	5 min

- CP.17 Risk Assessments
- DE.04 Communication Between SCFHP and FDRs/Delegated Entities
- DE.05 Joint Operations Committee Meetings Between SCFHP and FDRs /Delegated Entities
- DE.12 FDR Delegated Entity Reporting

Possible Action: Approve Compliance Program, Standards of Conduct, and Policies CP.07, CP.10, CP.12, CP.15, CP.17, DE.04, DE.05, and DE.12

7.	**Fraud, Waste, and Abuse Report** Discuss FWA activities and investigations.	Ms. Nguyen	2:45	15 min
8.	**Adjournment**		3:00	

Notice to the Public—Meeting Procedures

- Persons wishing to address the Executive/Finance Committee on any item on the agenda are requested to advise the Recorder so that the Chairperson can call on them when the item comes up for discussion.
- The Committee may take other actions relating to the issues as may be determined following consideration of the matter and discussion of the possible action.
- In compliance with the Americans with Disabilities Act, those requiring accommodations in this meeting should notify Rita Zambrano 48 hours prior to the meeting at (408) 874-1842.
- To obtain a copy of any supporting document that is available, contact Rita Zambrano at (408) 874-1842. Agenda materials distributed less than 72 hours before a meeting can be inspected at the Santa Clara Family Health Plan offices at 6201 San Ignacio Ave, San Jose, CA 95119.
- This agenda and meeting documents are available at www.scfhp.com.

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Regular Meeting of the

Santa Clara County Health Authority Compliance Committee

Friday, September 4, 2020, 2:00 PM – 3:00 PM
Santa Clara Family Health Plan, Teleconference
6201 San Ignacio Ave, San Jose, CA 95119

MINUTES

Members Present
Tyler Haskell, Interim Compliance Officer
Neal Jarecki, Chief Financial Officer
Sue Murphy, Board Member
Laurie Nakahira, D.O., Chief Medical Officer
Christine M. Tomcala, Chief Executive Officer
Chris Turner, Chief Operating Officer
Laura Watkins, VP, Marketing and Enrollment

Members Absent
Ngoc Bui-Tong, VP, Strategies and Analysis
Teresa Chapman, VP, Human Resources
Jonathan Tamayo, Chief Information Officer

Staff Present
Barbara Granieri, Controller
Sylvia Luong, Audit Program Manager
Mai-Phuong Nguyen, Oversight Manager
Anna Vuong, Compliance Manager
Vanessa Santos, Compliance Coordinator
Megha Shah, Compliance Coordinator
Leanne Kelly, Delegation Oversight Analyst
Jayne Giangreco, Manager, Administrative Services
Rita Zambrano, Executive Assistant

1. Roll Call

Tyler Haskell, Interim Compliance Officer, called the meeting to order at 2:01 pm. Roll call was taken and a quorum was established.

2. Public Comment

There were no public comments.

3. Meeting Minutes

The minutes of the May 27, 2020 Regular Compliance Committee meeting were reviewed.

It was moved, seconded, and the May 27, 2020 Regular Compliance Committee minutes were **unanimously approved** with the removal Jeff Robertson, Medical Officer, as a committee member.

Motion: Ms. Murphy
Second: Ms. Tomcala
Ayes: Mr. Haskell, Mr. Jarecki, Dr. Nakahira, Ms. Turner, Ms. Watkins
Absent: Ms. Bui-Tong, Ms. Chapman, Mr. Tamayo

4. Compliance Staffing Update

Mr. Haskell provided an update on several staffing changes within the Compliance Department noting that Jordan Yamashita, Director of Compliance, has relocated and that he would be filling in as the Interim Compliance Officer until a new Compliance Officer is in place. Daniel Quan has been hired as the new Medicare Compliance Manager.

5. Regulatory Audit Report

Mr. Haskell discussed the status of the CMS Program Audit Revalidation for the CMC line of business, noting we are working through the Corrective Action Plans (CAPs), and there are a couple of areas that still need to be closed out. The final data validation webinar for the Case Management conditions took place on August 31, 2020, and 15 cases from the universe were submitted, five passed, and the remaining ten are on hold, pending documentation they have requested us to submit by September 14, 2020.

One of the conditions has to do with the Interdisciplinary Care Teams (ICT). Because our software program was unable to demonstrate that the ICT members had been trained and that their credentials were current, we will submit those records. We plan to review the documentation that will be submitted and believe we have taken those actions and fulfilled them according to the corrective actions submitted by the auditors and hope that satisfies the request.

Mr. Haskell reported on the second component of the Revalidation Audit, which is related to the Coverage Determinations, Appeals, and Grievances (CDAG) portion, noting we are preparing for the clean period for the CDAG re-test closed at the end of August and related audit fieldwork will begin in September with ATTAC. The final Revalidation Audit report will be submitted to CMS by September 25, 2020.

Anna Vuong, Compliance Manager, gave a brief update on the DHCS audit noting the plan recently completed the on-site audit in March of this year. Ms. Vuong stated the final audit report was received late August, and there were a total of six findings, a 57% reduction from our 14 findings in our 2019 audit. We are currently working on the CAPs and have 60 days to submit our response to DHCS. They will review and request additional documentation if needed to close out the audit.

Sue Murphy, Board Member, asked if the CAPs are an ongoing problem or if they have been resolved. Chris Turner, Chief Operations Officer, spoke to the oversight of the transportation vendor, noting the state had findings that 15 members missed or had a late ride. The state's expectation seems to be that our vendors will never miss a pickup or be late. The Plan can demonstrate increased oversight and adding to the list of transportation vendors, so that in the event a member has a missed ride, they can be accommodated more quickly. We hope this will be enough to demonstrate to the state that we are doing everything we can to facilitate transportation. Increasing the completion of Initial Health Assessment (IHA) is also a challenge, for which the Plan is working with local health plans to ensure the member goes to their first appointment with the provider within their first 120 days. Ms. Murphy suggested determining a goal for eradicating repeat findings.

6. Oversight Activity Report (team)

a. Mai-Phuong Nguyen, Oversight Manager, presented the Compliance Dashboard and CAPs, explaining green signifies the compliance goal is met, yellow signifies “substantially met” 98-99.9% compliance, and red represents anything less than 98%.

b. Sylvia Luong, Compliance Audit Program Manager, provided an update on internal audits, noting the Plan is on schedule for conducting audits based on the three-year audit schedule created based on the risk assessment. The audit schedule was updated to accommodate organizational needs, such as the departmental needs of the CMS revalidation audit. The oversight team has issued the final report, along with CAP workbooks for the customer service, marketing website, and utilization management audit. The internal audit of claims, which included both the Medi-Cal and CMC lines of business, has been conducted and is currently in the reporting phase. The upcoming quarter three internal audit for pharmacy and marketing are in the planning phase.

c. Leanne Kelly, Delegation Oversight Analyst, reported on external audits and noted the Plan is on schedule in conducting delegation audits for FDRs and Delegated Entities according to the 3-year Audit Plan. The Final Reports for the 2019 delegation audits of Focus Care, Vision Service Plan, PMG, PCNC and Kaiser have been issued. Ms. Kelly said Hanna and Language Line, which are interpretation and translation vendors, are currently in the active auditing phase. The audits for MedImpact, the Plan’s PBM, and the

vision provider VSP are also in progress. The quarter three audits of Premier Care and New Direction are in the planning phase. The CAPs from the previously closed audits are monitored closely until completion.

d. Ms. Luong stated that the Plan is currently conducting a pre-delegation audit prior to delegating functions to California IPA. The audit included a review of all delegated activities to be performed by the proposed delegate, and subject matter experts from the internal departments were used to assess and conduct the audit. This audit has been completed and the preliminary report is pending management approval prior to submission to the proposed delegate.

7. Fraud, Waste, and Abuse Report

Ms. Nguyen reported on Fraud, Waste, and Abuse (FWA), noting since the last meeting, the plan has informed T&M Protection, the Plan's FWA vendor that the contract will terminate on November 30, 2020 as the FWA program will be brought in-house. Ms. Nguyen noted she is working with internal business units, such as finance, claims, and PNM on a transition plan to bring all monitoring and investigating of FWA back to the Plan, which should be completed by the end of November.

8. Adjournment

The meeting was adjourned at 2:54pm

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Susan G. Murphy, Secretary

Compliance Report

November 19, 2020

AUDIT UPDATE

- **Centers for Medicare & Medicaid Services (CMS) Program Audit**

  The Plan has closed out our CMS Program Audit Revalidation (Revalidation Audit). After working throughout the year to achieve full compliance with all previously identified findings, SCFHP received the final Revalidation Audit report from ATTAC, the firm conducting audit activities on behalf of CMS, in September, which included no findings. SCFHP submitted the report to CMS, and subsequently received from CMS a letter which recognized that we had sufficiently corrected all 31 of the Program Audit findings and officially closed the audit.

- **Department of Health Care Services (DHCS) Medi-Cal Managed Care Audit**

  DHCS issued its final report for our 2020 annual Medi-Cal audit, which includes a total of six findings. SCFHP submitted Corrective Action Plans (CAPs) addressing the six deficiencies to DHCS in September, and has recently been communicating with DHCS about the status of the CAPs.

- **Compliance Program Effectiveness (CPE) Audit**

  In accordance with CMS requirements, the Plan recently began its annual Compliance Program Effectiveness Audit (CPE).

- **Department of Managed Health Care (DMHC) Medi-Cal Managed Care Audit**

  The DMHC has indicated that the Plan is scheduled for a follow-up audit in March 2021.

Compliance Summary 2020-2021

Cal MediConnect

Measure	Goal	Q3-20	Q4-20	Q1-21	Q2-21
CLAIMS					
Non-Contracted Providers					
Clean Claims from Non-Contracted Providers paid or denied within thirty (30) calendar days	95%				
All Other Claims from Non-Contracted Providers or enrollees must be paid or denied within sixty (60) calendar days	100%				
Contracted Providers					
Clean Claims from Contracted Practitioners paid or denied within thirty (30) calendar days	90%				
Clean Claims from Contracted Providers paid or denied within ninety (90) calendar days	99%				
Provider Disputes					
Non-Contracted Provider Disputes Processed within thirty (30) calendar days	95%				

Measure	Goal	Q3-20	Q4-20	Q1-21	Q2-21
CUSTOMER SERVICE					
Call Stats					
Member Queue					
Member Average Hold Time in Seconds	≤120 Seconds				
Member Service Level	80% in ≤30 sec				
Disconnect Rate from CMS Quarterly Report (part C)	≤5%	n/a			

Measure	Goal	Q3-20	Q4-20	Q1-21	Q2-21
ENROLLMENT					
Enrollment Materials					
New member materials mailed within 10 calendar days of receipt of enrollment confirmation on TRR or by last calendar day of the month prior to the effective date, whichever occurs later	100%				
Out of Area Members					
% of compliance with member outreach process within 10 calendar days of notification of possible OOA for members	100%				

Measure	Goal	Q3-20	Q4-20	Q1-21	Q2-21
FINANCE					
Monthly submission of encounter data	100%				

Medi-Cal

Measure	Goal	Q3-20	Q4-20	Q1-21	Q2-21
CLAIMS					
All Claims					
Misdirected Claims forwarded within ten (10) working days	95%				
Processed Claims that receive acknowledgement timely	95%				
All Claims paid or denied to ALL providers within forty-five (45) working days	95%				
Clean Claims					
Clean Claims paid or denied to Practitioner within thirty (30) calendar days	90%				
Clean Claims paid or denied to All Providers within ninety (90) calendar days	95%				
Provider Claim Dispute Requests					
Provider Disputes acknowledged within fifteen (15) working days	95%				
Provider Disputes resolved within forty-five (45) working days/sixty-two (62) calendar days	95%				
Overturned Cases					
Overturned Cases with check provided within five (5) working days	95%				

Measure	Goal	Q3-20	Q4-20	Q1-21	Q2-21
CUSTOMER SERVICE					
Call Stats					
Member Queue					
Member calls that are answered in ≤ 10 minutes	100%				

Measure	Goal	Q3-20	Q4-20	Q1-21	Q2-21
ENROLLMENT					
Enrollment Materials					
New member Information mailed within 7 calendar days of the effective date of member's enrollment, or within 7 calendar days of receipt of enrollment, if enrollment is retroactive	100%				
New member ID mailed within 7 calendar days of the effective date of member's enrollment, or within 7 calendar days of receipt of enrollment, if enrollment is retroactive	100%	n/a			

Yellow = at least 98% for measures with a goal of 100%

Compliance Summary 2020-2021

Cal MediConnect

Measure	Goal	Q3-20	Q4-20	Q1-21	Q2-21
HEALTH SERVICES - CASE MANAGEMENT					
HRAs and ICPs					
Total IPC Completion	100%				
Total HRA Completion	100%				
Members with timely annual HRA completion	100%				

Measure	Goal	Q3-20	Q4-20	Q1-21	Q2-21
HEALTH SERVICES - MEDIMPACT/PHARMACY					
Standard Part D Authorization Requests					
Standard Prior Authorization requests (part D) completed within seventy-two (72) hours of request	100%				
Expedited Part D Authorization Requests					
Expedited Prior Authorization requests (part D) completed within twenty-four (24) hours of request	100%				
Expedited Initial Determination Notification (part D) sent to Provider/Member verbally within 24 hours from receipt and in writing within 3 calendar days from verbal notification	100%				
Non Part D Drugs Authorization Requests					
Non Part D Drugs Prior Authorization completed within twenty-four (24) hours of request	100%				
Call Monitoring					
Provider/Pharmacy Average Hold Time in Seconds	100%				
Provider/Pharmacy Service Level	100%				
Disconnect Rate	100%				

Measure	Goal	Q3-20	Q4-20	Q1-21	Q2-21
HEALTH SERVICES - UTILIZATION MANAGEMENT					
Concurrent Organization Determinations					
Concurrent Review of Authorization Requests (part C) completed within five (5) working days of request	100%				
Concurrent Initial Determination Notification (part C) sent to Provider/Member within five (5) working days of request	100%				
Pre-Service Organization Determinations					
Standard Part C					
Standard Pre-Service Prior Authorization Requests (part C) completed within five (5) working days	100%				
Standard Pre-Service Prior Authorization Notification (part C) sent to Provider/Member within 5 working days of request	100%				

Medi-Cal

Measure	Goal	Q3-20	Q4-20	Q1-21	Q2-21
HEALTH SERVICES - CASE MANAGEMENT					
HRAs and ICPs for SPDs					
Newly enrolled SPD members who were due for risk stratification and were statified timely during the reporting month	100%				
Total High Risk SPD HRA Completion	100%				
Total Low Risk SPD HRA Completion	100%				
Total High Risk SPDs with ICP completion	100%				

Measure	Goal	Q3-20	Q4-20	Q1-21	Q2-21
HEALTH SERVICES - PHARMACY					
Standard Authorization Request					
Standard Prior Authorization requests (RX) completed within twenty-four (24) hours	100%				
Expedited Authorization Request					
Expedited Prior Authorization requests (RX) completed within twenty-four (24) hours of request.	100%				

Measure	Goal	Q3-20	Q4-20	Q1-21	Q2-21
HEALTH SERVICES - QUALITY					
Facility Site Reviews					
Annual Managed Care Division DPL 14-005 Facility Site Reviews/Physical-Accessibility Report submitted by Aug 1 each year	100%				
IHAs completed within 120 calendar days of enrollment	100%				

Measure	Goal	Q3-20	Q4-20	Q1-21	Q2-21
HEALTH SERVICES - UTILIZATION MANAGEMENT					
Medical Authorizations					
Conncurrent Review					
Concurrent Review of Authorization Requests completed within 5 working days of request	100%				

Yellow = at least 98% for measures with a goal of 100%

Compliance Summary 2020-2021

Cal MediConnect					
Measure	**Goal**	**Q3-20**	**Q4-20**	**Q1-21**	**Q2-21**
HEALTH SERVICES - UTILIZATION MANAGEMENT (cont.)					
Pre-Service Organization Determinations (cont.)					
Expedited Part C					
% of Expedited Pre-Service Prior Authorization Requests (part C) completed within sevety-two (72) hours	100%				
Expedited Initial Determination Notification (part C) sent to Provider/Member verbally within 72 hours from receipt & in writing within 3 calendar days from verbal notification	100%				
Post Service Organization Determinations					
Retrospective Requests (part C) completed within thirty (30) calendar days	100%				
Part B Drugs Organization Determinations					
Standard Prior Authorization Requests (part B drugs) completed within seventy-two (72) hours of request	100%				
Standard Prior Authorization Notification (part B drugs) sent within seventy-two (72) hours of request	100%				
Expedited Prior Authorization requests (part B drugs) completed within twenty-four (24) hours of request	100%				
Expedited Initial Determination Notification sent to Provider/Member verbally within 24 hours from receipt & in writing within 3 calendar days from verbal notification	100%				
GRIEVANCE & APPEALS					
Grievances, Part C	**Goal**				
Standard Grievances Part C					
Standard Grievances (Part C) that provided Acknowledgment Letters within five (5) calendar days	100%				
Standard Grievances (Part C) that provided Resolution Letters within thirty-day calendar (30) days	100%				
Expedited Grievances Part C					
Expedited Grievances (Part C) that provided Verbal or Written Resolution within twenty-four (24) hours	100%				
Grievances, Part D					
Standard Grievance Part D					
Standard Grievances (Part D) that provided Acknowledgment Letters within five (5) calendar days	100%				
Standard Grievances (Part D) that provided Resolution Letters within thirty (30) calendar days	100%				
Expedited Grievance Part D					
Expedited Grievances (Part D) provided Verbal OR Written Resolution within twenty-four (24) hours	100%				
Reconsiderations, Part C					
Standard Pre-Service Part C					
Standard Pre-Service Reconsiderations (Part C) that provided Acknowledgment Letters within five (5) calendar days	100%				
Standard Pre-Service Reconsiderations (part C) that provided Resolution Letters within thirty (30) calendar days	100%				
Standard Post-Service Part C					
Standard Post-Service Reconsiderations resolved within 60 days	100%				
Expedited Pre-Service Part C/Part B Drug					
Expedited Reconsiderations (part C) that provided Verbal AND Written Resolution within seventy-two (72) hours	100%				

Medi-Cal					
Measure	**Goal**	**Q3-20**	**Q4-20**	**Q1-21**	**Q2-21**
HEALTH SERVICES - UTILIZATION MANAGEMENT (cont.)					
Medical Authorizations (cont.)					
Routine Authorizations					
Routine Prior Authorization Requests completed within five (5) working days of request	100%				
Expedited Authorizations					
Expedited Prior Authorization Requests completed within seventy-two (72) hours of request	100%				
Retrospective Review					
Retrospective Requests completed within thirty (30) calendar days of request	100%				
Member Notification of UM Decision					
Member Notification of UM decision in writing within two (2) working days of the decision.	100%				
Provider Notification of UM Decision					
Provider Notification of UM decision by phone, fax or electronic mail and then in writing within 24 hours of making the decision	100%				
GRIEVANCE & APPEALS					
Grievances					
Standard Grievances					
Standard Grievances that provided Acknowledgement Letters within five (5) calendar days	100%				
Standard Grievances that provided Resolution Letters within thirty (30) calendar days	100%				
Expedited Grievances					
Expedited Grievances that provided Verbal AND Written Notifications within seventy-two (72) hours	100%				
Appeals					
Standard Appeals					
Standard Appeals that provided Acknowledgement Letters within five (5) calendar days	100%				
Standard Appeals that provided Resolution Letters within thirty (30) calendar days	100%				
Expedited Appeals					
Expedited Appeals that provided Verbal AND Written Notifications within seventy-two (72) hours	100%				

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Compliance Summary 2020-2021

Cal MediConnect					
Measure	Goal	Q3-20	Q4-20	Q1-21	Q2-21
Reconsiderations, Part C (cont.)					
Expedited Pre-Service Part C/Part B Drug (cont.)					
Expedited Pre-Service Reconsiderations (upheld & untimely) submitted to IRE within 24-hours of decision	100%				
Appeals, Part B					
Part B Drug Appeals that provided Verbal OR Written Resolution within seven (7) calendar days	100%				
Redeterminations, Part D					
Standard Part D					
% of Standard Redeterminations (part D) that provided Resolution Letters within seven (7) calendar days	100%				
Expedited Part D					
Expedited Redeterminations (part D) that provided Verbal AND Written Resolution within seventy-two (72) hours	100%				
Untimely Expedited Redeterminations (part D) submitted to IRE within twenty-four (24) hours of decision	100%				
Direct Member Reimbursement Redeterminations (Part D) resolved within fourteen (14) calendar days	100%				
Complaint Tracking Module (CTM) Complaints					
CTM Conplaints Resolved Timely	100%				

Medi-Cal					
Measure	Goal	Q3-20	Q4-20	Q1-21	Q2-21

Yellow = at least 98% for measures with a goal of 100%

Compliance Summary 2020-2021

Cal MediConnect

Measure	Goal	Q3-20	Q4-20	Q1-21	Q2-21
MARKETING & OUTREACH					
Required Materials posted to the Plan's website by the first of each month	100%				
Required Member Materials posted to the Plan's website by October 15 each year	100%	n/a			
Annual member materials distributed or notified by October 15 each year	100%				
Annual Medicare Communications & Marketing Guidelines training completed	100%				
PROVIDER NETWORK MANAGEMENT					
PROVIDER DATABASE & REPORTING					
Provider Directories updated monthly by the first day of the month	100%				
Annual Health Service Delivery Tables submitted by September 30 of each year	100%				
GENERAL COMPLIANCE					
Exclusion Screenings					
Individual Exclusion Screening					
New Eligible Individuals screened prior to start date	100%				
Eligible Individuals who are screened monthly	100%				
FDR Exclusion Screening					
Initial Exclusion Screening Completed for FDRs prior to contracting	100%				
Monthly Exclusion Screening Completed for existing FDRs	100%				
Provider Monthly Screenings					
Monthly Exclusion Screening completed for the Plan's Contracted Providers	100%				
Monthly Exclusion Screening completed for Non-Contracted Providers	100%				
Compliance Training					
New Eligible Employees completed trainings within ninety (90) days of initial hiring (SCFHP's operational standard = 5 working days)	100%				
Annual Employee Training completed within sixty (60) calendar days of issuance	100%	n/a			
Annual Board Training completed within sixty (60) calendar days of issuance	100%	n/a			
Standards Of Conduct And Compliance Policies					
New Eligible Employees receive Standards of Conduct and P&Ps within five (5) working days of initial hiring	100%				
Current Employees receive Standards of Conduct and Compliance P&Ps annually	100%	n/a			

Medi-Cal

Measure	Goal	Q3-20	Q4-20	Q1-21	Q2-21
MARKETING					
Training and certification for Marketing Representatives completed timely	100%	n/a			
Medi-Cal Provider Directory posted on the Plan's website by the first of the month	100%				
INFORMATION TECHNOLOGY					
Encounter Files Successfully Submitted to DHCS by end of month	100%				
Monthly Eligibility Files successfully submitted to Delegates Timely	100%				
PROVIDER NETWORK MANAGEMENT					
PROVIDER NETWORK RELATIONS					
% of New Providers who received orientation within ten (10) working days after being placed on active status	100%				
PROVIDER NETWORK ACCESS & DATABASE					
Annual Network Certification submitted by March 31 of each year	100%	n/a			
Timely Access Compliance Report submitted by March 31 of each year	100%	n/a			
GENERAL COMPLIANCE					
Personnel Filings					
Key Personnel filings completed within five (5) calendar days of effective date	100%				
Department Of Fair Employment & Housing Training					
Employees who complete the CA harassment training course once every two years	100%	n/a			
Temporary Employees completed the CA harassment training within 30 calendar days from start date or 100 hours of work	100%	n/a			

Yellow = at least 98% for measures with a goal of 100%

SANTA CLARA COUNTY HEALTH AUTHORITY
d/b/a
SANTA CLARA FAMILY HEALTH PLAN

Compliance Program
2021~~0~~

Governing Board approval date: ~~December 12, 2019~~TBD

Compliance Program Overview

Santa Clara County Health Authority d/b/a Santa Clara Family Health Plan (“SCFHP” or “Plan”) has developed this Compliance Program to provide guidance and ensure its activities as a Medi-Cal and a Cal MediConnect Managed Care Plan are conducted in an ethical and legal manner, in accordance with the 3-way Contract between the United States Department of Health and Human Services Centers for Medicare and Medicaid Services (“CMS”), the California Department of Health Care Services (“DHCS”), and the Plan;~~,~~ the Plan’s Medi-Cal contract with DHCS;~~,~~ the Plan’s Standards of Conduct and policies and procedures;~~,~~ and with applicable State and Federal law and regulations. The Compliance Program includes seven core elements ~~with a particular~~and focus o~~i~~n ~~each of~~ the following areas: oversight of first tier, downstream and related entities (FDRs), ~~compliance program effectiveness measures,~~ and fraud, waste and abuse (FWA) prevention, detection and correction principles. These elements serve as the directional basis and source of guidance for development of operational and oversight policies and procedures for all Plan lines of business. This Compliance Program also articulates the framework and guiding principles for how the Plan will effectively ensure its compliance with applicable program requirements. The Compliance Program reflects the Plan's commitment to compliance with all applicable program requirements, including all applicable Federal and State standards. It is updated annually, and as appropriate from time-to time, and such updates are reviewed, approved and adopted by the Plan’s Compliance Committee and Governing Board (“Board”).

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The Compliance Program described herein governs the activities of the Plan’s employees (including temporary staff), contractors and volunteers, as well as Board and Committee members, collectively referred to as “Personnel~~:~~.”

The Compliance Program also applies to any subcontractors, vendors, agents or entities otherwise defined as FDRs under the Centers for Medicare & Medicaid Services (CMS) regulations and guidance, to whom Plan has delegated administrative or health care service functions relating to the Plan’s 3-Way contract, and their employees (including temporary staff) and contractors who provide health and/or administrative services in connection with Plan's Cal Medi-Connect plan or that relate to Plan's Medicare functions.

The information contained in this Compliance Program is effective as of the date of approval by the Board.

Element I: Written Policies and Procedures and Standards of Conduct

SCFHP's Standards of Conduct is a policy and reference guide that describes the Plan's Standards of Conduct and Code of Ethics, including by way of practical application of the organization's core values and cultural attributes. This document sets forth the expectation of employees to report instances of potential non-compliance and Fraud Waste and Abuse ("FWA"). The Standards of Conduct, together with Plan's policies and procedures, are accessible to all employees within a shared location and demonstrate the Plan's commitment to comply with all applicable Federal and State laws and regulations. It is the Plan Leadership's expectation that all Personnel and FDRs shall adhere to the Plan's Standards of Conduct and policies and procedures, as well as applicable law, in the course of performing their duties on behalf of the Plan and its enrolled beneficiaries. This expectation is promoted through communications and training, and enforced through disciplinary, contractual and other standards.

The Standards of Conduct emphasize the need to maintain a high ethical standard for individual and organizational behavior and legal business practices. In addition, the Standards of Conduct and our policies and procedures provide practical guidance for Personnel and FDRs for effectuating compliance with law and promoting ethical and business practices in their daily roles. In doing so, the Standards of Conduct and our policies and procedures support the Plan's FWA prevention, detection and correction efforts, including but not limited to ~~through emphasis on compliance with~~:

- Federal and state False Claims Acts;
- Federal and state Anti-Kickback Statutes;
- Health Insurance Portability and Accountability Act of 1996, as amended;
- Prohibition on inducements to beneficiaries; and
- Plan Conflict of Interest rules.

The Standards of Conduct, as well as SCFHP's policies and procedures, also describes the process that any and all Personnel and FDRs (and their employees) are expected to use to report possible compliance and FWA issues to management, or anonymously using the Plan's free hotline, and includes a statement of non-intimidation and non-retaliation for good faith participation in the Compliance Program. Disciplinary actions, such as suspension or termination of employment, termination of contractual relationship or removal from office or Board membership may be taken for failure to comply with the Standards of Conduct. Reported issues are investigated and resolved in accordance with Plan's established policies and procedures.

FDRs to whom Plan has delegated administrative or health care service functions relating to the Plan's Three-way contract may either adopt the Plan's policies and procedures (as relevant to delegated functions) and Standards of Conduct (as provided upon contracting and annually thereafter) or implement their own policies, procedures, and/or standards of conduct consistent with Plan's and in full compliance with DHCS, DMHC and CMS requirements. FDRs shall distribute such Standards of Conduct and/or policies and procedures to their employees upon hire, appointment or contracting, at any time material revisions are made, and annually thereafter. The FDR's compliance program, policies, procedures and standards of conduct are subject to review upon audit by the Plan.

The Standards of Conduct is presented to Personnel at the time of hire, appointment or contracting and any time material revisions are made. All Personnel must attest that they have read and agree to comply with the Standards of Conduct and guidelines. Such attestations are kept with the employee or other individual's record. Attestations of FDRs and their employees concerning receipt of the relevant materials are maintained by the FDRs and can be audited by the Plan at any time.

In addition to the Standards of Conduct, Plan has issued and implemented policies and procedures that are detailed and specific, and describe the operation of the Compliance Program. Compliance policies and procedures are reviewed and updated as necessary, but no less than annually, to incorporate any relevant changes in applicable laws, regulations and other program requirements. Proposed revisions are developed under the direction of the Chief Compliance Officer, referred to the Compliance Committee for review and approval, and reported to the Board.

Element II: Compliance Officer, Compliance Committee and High Level Oversight

The success of the Compliance Program is the responsibility of many individuals within the Plan. The Chief Compliance Officer, Senior Management, the Compliance Committee and the Board all play an important role in the implementation and success of the Compliance Program. As used in this Compliance Program, the phrase "Senior Management" refers to the Chief Executive Officer, the Chief Operating Officer, the Chief Financial Officer, the Chief Medical Officer, the Chief Information Officer, the Vice President of Human Resources, the Vice President of Marketing and Enrollment, and such other executive level staff as may join the organization.

The sections below serve to describe the responsibilities of the Chief Compliance Officer, Compliance Committee, the Board and Senior Management.

A. The **Chief Compliance Officer** (CCO) serves as the Compliance Officer (as the term is used within Chapters 9 and 21 of the Prescription Drug Benefit Manual and Medicare Managed Care Manual, respectively) and is an employee of, and reports directly to, the Plan's CEO and Board. The CCO has detailed involvement in, and familiarity with, the Plan's operational and compliance activities (but shall be independent from, and not have direct responsibility over~~,~~ program operations). The CCO ~~directs the Plan's day-to-day operations and execution of~~ is responsible for implementing the Compliance Program to define the program structure, educational requirements, reporting and compliant mechanisms, response and correction procedures, and compliance expectations of all Personnel and FDRs, in accordance with regulatory requirements.. The CCO is also a member of Senior Management and has direct access to the Plan's Chief Executive Officer (CEO) and the Board, and is provided with sufficient resources and authority to effectively carry out his or her duties.

The CCO shall have the authority to:

- Provide periodic written and/or in-person reports (as appropriate) directly to the Governing Board;
- Interview or delegate the responsibility to interview Plan employees and other relevant individuals;
- Review and retain company contracts and other documents pertinent to the Medi-Cal and Cal MediConnect programs;
- Review or delegate the responsibility to review the submission of data to CMS and DHCS to ensure that it is accurate and in compliance with their respective reporting requirements;
- Independently seek advice from legal counsel;
- Report misconduct and potential FWA to CMS, its designee and/or law enforcement;
- Conduct and direct audits and investigations of any first tier entities, downstream entities, or related entities;
- Conduct and/or direct audits of any area or function involved with Medi-Cal or Cal MediConnect plans (excluding those conducted under the purview of SCFHP's Executive/Finance Committee, such as external financial audits);
- Recommend policy, procedure and process changes;
- Enforce compliance program requirements at all levels of the Plan organization.

The duties for which the CCO is responsible include, but are not limited to:

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- Communicating regularly with and reporting to the Board, Senior Management and the Compliance Committee on the status of the Compliance Program, including issues identified, investigated and resolved;
- Developing, implementing, managing, and monitoring the effectiveness of the Compliance Program and ensuring that the Board and Senior Management are aware of performance metrics and potential issues and their potential solutions;
- Identification and resolution of potential or actual instances of noncompliance or FWA;
- Creating, coordinating, and/or participating in educational training programs to ensure Personnel and FDRs are knowledgeable of Plan's Compliance Program, Standards of Conduct, operational and compliance policies and procedures, and applicable statutory, regulatory, and other program requirements;
- Monitoring Federal and State legal and regulatory developments (including but not limited to, Fraud Alerts and Advisory Opinions issued by the U.S. Department of Health and Human Services' Office of Inspector General (OIG) and Health Plan Management Systems (HPMS) memos and updating the Compliance Program as appropriate);
- Developing, maintaining and promoting use of retribution-free methods and programs for reporting in good faith suspected Medicare program non-compliance, misconduct or potential FWA by Personnel, FDRs or others;
- Working with Human Resources to ensure that the Plan conducts appropriate background checks, including routine screening, against all required exclusion lists;
- Developing risk analyses that are used to focus Compliance Program efforts in a manner designed to promote overall effectiveness;
- Developing and monitoring the implementation of, and adherence to, compliance policies and procedures through the creation and implementation of a compliance work plan (Work Plan) that defines internal monitoring, audit requirements, schedule and methodology;
- Maintaining documentation and tracking of each report of potential non-compliance and FWA received through any of the reporting methodologies or as self-identified through monitoring, auditing or other means;
- Conducting self-evaluations of the Compliance Program to assess overall effectiveness and identify areas for improvement;
- Conducting (or evaluating information obtained from) exit interviews; and,
- Responding to reports of potential instances of FWA, including through coordination of internal investigations and the development of appropriate corrective or disciplinary actions, or referral to law enforcement, as necessary.

B. The **Compliance Committee** assists the Plan's Board in the oversight of the Compliance Program and is accountable to provide support and guidance necessary to the CCO in overseeing the outcomes and performance of activities initiated under the Compliance Program. The Compliance Committee, through the CCO, shall periodically report directly to the Board on the activities and status of the Compliance Program, including issues identified, investigated, and resolved by the Compliance

Program.

The Compliance Committee shall include individuals ~~with~~ from a variety of backgrounds to ~~ensure~~ support the CCO in implementing the Compliance Program~~'s functional representation~~. Such members shall have both decision-making authority and understanding of vulnerabilities within their areas of expertise. Members shall include representatives from areas including, but not necessarily limited to, finance, health plan operations (including enrollment, appeals and grievances, and customer service), medical management, pharmacy services, quality improvement, marketing and sales, information technology and legal counsel. The Compliance Committee is a Brown Act Committee. The CCO will act as the Compliance Committee chairperson.

The Committee may invite other individuals, such as members of management, auditors, or other technical experts to attend meetings and provide pertinent information, as necessary.

The Committee has been delegated by the Board to uphold certain responsibilities, including but not limited to:

- Meeting on a quarterly basis, or more frequently as necessary, to enable reasonable oversight of the Compliance Program;
- Development, implementation and annual review and approval of compliance policies~~ and procedures~~;
- Reviewing and approving relevant compliance documents, including but not limited to:
    - CCO's performance goals;
    - Compliance and FWA training;
    - Compliance risk assessment;
    - Compliance and FWA monitoring and auditing Work Plan and audit results; and
    - Corrective action plans resulting from audits or other means of identification (and monitoring of their effectiveness);
- Developing strategies to promote compliance and the detection of any potential compliance violations, especially as they relate to core beneficiary protection issues such as, but not limited to, appeals and grievances, enrollment, transition, coverage determinations and exceptions;
- Reviewing effectiveness of the system of internal controls, such as dashboards, scorecards, self-assessment tools, etc. designed to reveal compliance issues or FWA issues, and metrics concerning operational compliance with key Medicare regulatory requirements, such as, but not limited to, those governing enrollment, appeals and grievances, and prescription drug benefit administration; and
- Ensuring that SCFHP has an easy to use system for employees and FDRs to ask compliance questions and report potential instances of noncompliance and potential FWA confidentially or anonymously (if desired) without fear of retaliation

The Compliance Committee will collect and review measurable evidence (using tools such as dashboards reports, scorecards and key performance indicators) concerning Compliance Program performance as a concrete means of measuring/demonstrating the extent to which the Compliance

Program is detecting and correcting noncompliance and FWA on a timely basis, and providing insights into any potential needed process improvements. The CCO will provide the Compliance Committee with data showing the status of organizational compliance through:

- Use of monitoring tools to track and review open/closed corrective action plans, FDR compliance, Notices of Non-Compliance, Warning Letters, CMS sanctions, marketing material approval rates, training completion/pass rates, results of CMS readiness checklist review, past performance review metrics, etc.;
- Implementation of new or updated Medicare program requirements (*e.g*., tracking HPMS memo from receipt to implementation) including monitoring or auditing and quality control measures to confirm appropriate and timely implementation;
- Increase or decrease in number and/or severity of complaints from employees, FDRs, providers, or beneficiaries through customer service calls or the Complaint Tracking Module (CTM), including those relating to alleged marketing misrepresentations, etc.;
- Timely response to reported instances of potential noncompliance and FWA (including issues raised by CMS), and effective resolution (*i.e.,* non-recurring issues);
- Application of consistent, timely and appropriate disciplinary action; and
- Detection of noncompliance and FWA issues through monitoring and auditing:
    - Whether root cause was determined and corrective action appropriately and timely implemented and tested for effectiveness;
    - Detection of FWA trends and schemes via, for instance, daily claims reviews, outlier reports, pharmacy audits, etc.; and
    - Actions taken in response to non-compliance or FWA reports submitted by FDRs.

C. The governing body providing appropriate oversight of the Compliance Program is SCFHP's Board. The Board reviews and approves the Compliance Program and subsequent updates as revisions are made. As mentioned previously, the Board has delegated certain responsibilities to the Compliance Committee, but the Board as a whole remains accountable for Compliance Program oversight.

In addition to the above, the duties for which the Board is responsible include, but are not limited to, active oversight of the effectiveness of the Compliance Program and compliance results as follows:

- Understanding the Compliance Program structure, content and operation (including through appropriate training that educates Board Members regarding the Compliance Program operations, compliance risks and strategies and methods of gauging Compliance Program effectiveness);
- Evaluation of SCFHP's Senior Management team's commitment to ethics and the Compliance Program;
- Reviewing, understanding and questioning information provided within reports presented to them, including by the CCO, at least quarterly, on the activities of the Compliance Program. Such activities include, but are not limited to, actively considering:
    - Compliance Program outcomes (such as results of internal and external audits);

  - The effectiveness of corrective action plans implemented in response to identified issues;
  - Governmental compliance enforcement activity, such as Notices of Non-Compliance, Warning Letters, Corrective Action Plan requests, contract actions and/or other sanctions;
  - Reports of potential noncompliance and/or FWA issues identified, investigated, and resolved;
  - Identified risks and mitigation performed; and
  - The results of performance and effectiveness assessments (including self-assessments) of the Compliance Program;
- Conducting follow-up on issues and taking appropriate action when necessary; and
- Approval of Standards of Conduct and Compliance Program (and modifications thereto).

The Board shall document in meeting minutes and related records its active engagement in the oversight of the Compliance Program and include documentation of the Board’s discussion, follow-up on issues and actions taken in response and to ensure an effective Compliance Program.

D. Senior Management

The CCO shall provide SCFHP's CEO with periodic reports of risk areas facing the organization, the strategies being implemented to address them, and the results of those strategies. The CCO shall notify the CEO and the Senior Management team, as appropriate, of all governmental compliance enforcement activity, including the issuance of Notices of Non-compliance, Warning Letters, Corrective Action Plan requests, and contract actions and/or other sanctions, and seek consultation and assistance regarding how best to respond to and address the same.

Element III: Effective Training and Education

A. General Compliance Training

SCFHP provides a comprehensive education and training program to ensure communication and understanding of the Compliance Program and SCFHP's Standards of Conduct and Compliance policies and procedures. The education, training and communication program is designed to ensure that all Personnel (including without limitation the CEO, Senior Management and Board members), and any other applicable individual acting on behalf of SCFHP in connection with its Medicare program(s), such as FDRs and their employees, are fully capable of carrying out their duties in compliance with the Compliance Program, Standards of Conduct and relevant policies and procedures. The education program includes general Compliance Program awareness training, and specific training and education tailored to individuals' roles and responsibilities, delivered by the Compliance Department or operational business units. For example, employees whose job primarily focuses on enrollment or claims would receive additional training in these areas.

Compliance Program education and training occurs within ninety (90) days of hire (or appointment to Board), and, at a minimum, annually thereafter. The education and training may be provided through a variety of teaching methods, including classroom study, computer-based training, and distance learning. Additional tools may be used to communicate the Compliance Program process, such as use of posters, written Compliance Program updates, internet and intranet resources, and topical newsletters and other publications. SCFHP shall document and/or maintain records of Personnel who complete the required Compliance Program education and training in a format that is easily accessible. SCFHP shall implement controls to ensure that all Personnel are trained, as required. SCFHP shall review and update the general Compliance Program training, as necessary, whenever there are material changes in statute, regulation or Medicare Part C or Part D program guidance, and at least annually.

B. FWA Training

SCFHP provides Personnel with standard FWA training within ninety (90) days of initial hiring (or appointment to the Board), and annually thereafter. SCFHP may require that particular individuals participate in specialized or refresher training on issues posing FWA or other risks relevant to the individual's particular job function. Training may be required, as appropriate, when the Plan's program requirements change, when an individual is found to be non-compliant or needs additional training, or when training is appropriate to address an identified organizational deficiency or with respect to an area where FWA was identified in the past or presents heightened risk.

C. First Tier, Downstream and Related Entity Training

SCFHP requires FDRs, to whom SCFHP has delegated administrative or health care service functions relating to SCFHP's regulatory contract(s), to conduct training that meets CMS training requirements and is consistent with SCFHP's training materials. SCFHP shall accept the

certificate of completion of the CMS Standardized General Compliance Program Training and Education Module as satisfaction of the training requirement.

Any FDR that has met the FWA certification requirements through enrollment into the Medicare program or accreditation as a Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) supplier is deemed to have met, and fully satisfied, SCFHP's training and educational requirements related to FWA. In such context, no additional documentation beyond the documentation necessary for proper credentialing is required to establish that an employee or FDR or employee of an FDR has met SCFHP's FWA training requirements. In the case of chains, such as chain pharmacies, each individual location must be enrolled into Medicare Part A or B to be deemed. Such deemed individuals must, however, participate in the CMS general Medicare compliance training. FDRs that do not qualify for deeming status must take both the General Compliance and the FWA training programs offered by CMS.

Element IV: Effective Lines of Communication

SCFHP has established numerous mechanisms to ensure effective lines of communication exist between the CCO, members of the Compliance Committee, Personnel (including the Board) and SCFHP's FDRs (and their employees).

For instances, in order to facilitate communication among all Personnel, FDRs and the CCO, SCFHP offers a phone hotline, available 24 hours a day, 7 days a week, which can be used anonymously if preferred, through which an individual may seek guidance or disclose information about potential compliance or FWA issues. Through Compliance Program activities, Personnel and FDRs are encouraged to ask compliance and FWA related questions through various means, such as direct contact with the CCO, in order to assist such individuals in evaluating and dealing with suspected, detected or reported compliance or FWA issues. ~~If requested and as appropriate, the~~The CCO shall treat ~~such~~ all communications confidential~~ly~~. The CCO also communicates with Personnel, FDRs and enrollees concerning compliance and FWA issues through various educational mechanisms, as discussed more fully below.

A. Procedures for Reporting Noncompliant or Unethical Behavior

All Personnel and FDRs are required to report compliance concerns and suspected or actual violations related to SCFHP's programs to SCFHP. The reporting process set forth in this Compliance Program, as well as CCO name and contact information, is communicated to Personnel and FDRs and their employees through various means, including general Compliance Program training. An individual may confidentially report compliance and FWA concerns in multiple ways, at their option, including: 1) directly to his/her supervisor or manager (as applicable), 2) to SCFHP's CCO, or 3) anonymously using SCFHP's toll-free phone hotline reporting tool (available 24/7). SCFHP's non-intimidation and non-retaliation policy provides the individual who makes a report, complaint, or inquiry in good faith with protection from retaliatory action, including with respect to reporting of False Claims Act complaints and/or reporting to appropriate officials. SCFHP has a no tolerance policy for intimidation of, or retaliation taken against, individuals making such good faith reports, complaints or inquiries and shall take disciplinary action against individuals who are determined to have intimidated or retaliated against such individuals.

SCFHP recognizes that enrollees, contracted providers and FDRs are important sources for identifying potential non-compliance and/or FWA. SCFHP widely publicizes the methods by which individuals and entities outside the SCFHP organization can report possible instances of fraud, waste, abuse or non-compliance to the organization and can ask questions, including through the hotline (which is accessible to all).

Hotline information is provided to enrollees through the quarterly enrollee newsletter FDRs receive quarterly informational bulletins containing, as a standing item, hotline availability and reasons for use (including for compliance questions). The CCO's contact information is also

always contained within these materials. SCFHP customer service representatives, who intake calls from both enrollees and FDRs, including providers, have also been trained to recognize potential instances of non-compliance or FWA, and to properly memorialize and direct issues within the Plans Sponsor organization for appropriate follow-up by the CCO or others.

B. Education

The CCO engages in active communication with Personnel, FDRs and enrollees concerning a wide range of compliance issues, including the standards for compliance with laws, regulation and guidance; changes in legal authorities and/or compliance policies and procedures; and guidance on how to identify and report FWA issues. Such communication is accomplished through various educational means, including through newsletters and posters, SCFHP Websites, formal training, and individual and group meetings.

C. Follow-Up and Tracking

Once received, issues of potential non-compliance or FWA will be documented and forwarded to the CCO and/or his or her designee for investigation/resolution and reporting to the Compliance Committee and the applicable State and/or Federal agency, or law enforcement, as required.

D. Integrated Communications

To enhance SCFHP's day-to-day communication, understanding and focus on its actual compliance, and to ensure that potential compliance and FWA issues are examined early and corrective actions are implemented timely, each department maintains a set of compliance "dashboard" metrics that are routinely shared with the CCO. These dashboard results are i) reported to department staff to increase their attention to compliance, and ii) reported to the CCO for monitoring and auditing activities (such as trend analysis and identification of anomalies), and to provide status of any corrective actions undertaken and implemented (including barriers to implementation). Reports on these and other compliance activities will be routinely reviewed by Senior Management and reported to the Compliance Committee and the Board at each meeting, as appropriate.

Element V: Well-Publicized Disciplinary Standards

Compliance training, in its various forms (*e.g.* mandatory formal training, newsletters, websites and posters), demonstrates practical application of the Standards of Conduct. These training programs provide instruction regarding various regulations and laws pertinent to our business, as well as "Questions and Answers" that describe the expectation that SCFHP has of Personnel when confronted with certain situations, including appropriate reporting and the duty to assist in issues resolution. These programs set forth the expectation by SCFHP of Personnel and FDRs and their employees to report illegal or unethical behavior and potential compliance and/or FWA issues, as well as to assist in their resolution. They also encourage Personnel to contact the CCO or others if they have questions concerning potential compliance or FWA issues.

In various communications, SCFHP explains the ramifications faced by SCFHP for non-compliance with regulations and laws affecting its business, as well as disciplinary action to be taken against individual(s) or entities who have either committed a crime and/or participated in or knew about potential non-compliance, unethical behavior and/or FWA, but failed to report it to SCFHP. *Disciplinary action will be assessed based on the infraction and could range from retraining of the individual/entity, up to termination of employment/Board membership/contract.*

Enforcement of the standards will be timely, consistent and effective when non-compliance or unethical behavior (such as fraud) is determined. As set forth in Element IV, Part A, employees have an affirmative obligation to identify non-compliance and unethical behaviors, and failure to meet this obligation will result in appropriate action according to the disciplinary standards. Records of enforcement of standards will be maintained for ten years for all disciplinary actions based on compliance violations or FWA (or the failure to report the same), and such records will capture the date the violation was reported, a description of the violation, the date(s) of investigation, a summary of findings, the disciplinary action taken and the date it was taken. SCFHP may, from time-to time, review such records to ensure that discipline is appropriate to the seriousness of the offense, fairly and consistently applied, and imposed within a reasonable time frame after the infraction and/or discovery of such.

Finally, compliance is a measurement on SCFHP's annual employee performance evaluation to reinforce the importance that compliance plays in each individual's role within the organization. Issues of non-compliance will be considered by SCFHP in connection with whether to renew or continue any particular arrangement with an FDR.

Element VI: Effective System for Routine Monitoring, Auditing and Identification of Compliance Risks and FWA

SCFHP will establish and implement an effective system for identification of non-compliance or unethical behavior (such as activities involving fraud and abuse) and evaluation of the Compliance Program through risk analysis, engagement in monitoring and auditing activities and review of reported issues (including any issues identified by CMS). The system will include, among other things, routine and targeted internal monitoring and auditing of operational areas and auditing and monitoring of FDRs. SCFHP may from time-to-time engage external auditors to assist with focused review of particular areas where it deems such appropriate (*e.g.,* because of expertise required or resource limitations).

Multiple methods will be employed to facilitate monitoring and auditing of operational areas in a focused and efficient manner, including without limitation conducting risk assessments, developing annual Work Plans, engaging in on-site audits or desk reviews, conducting monitoring, including through periodic reports, and analyzing and responding to such monitoring and auditing results.

A. Risk Assessment

SCFHP will regularly conduct a risk assessment of all business operational areas, and those of FDRs to whom SCFHP has delegated functions under its regulatory contract(s). Each operational area (including those delegated to FDRs) will be assessed for the types and levels of risks the area presents to the Medi-Cal and CMC programs, to SCFHP and to its Medicare-Medi-Cal beneficiaries, paying close attention to those areas CMS considers high risk, such as but not limited to:

- enrollment and disenrollment non-compliance;
- appeals and grievances;
- benefit and formulary administration;
- credentialing;
- quality assessment;
- organization determinations;
- coverage determinations;
- transition and protected class policy;
- utilization management;
- accuracy of claims processing;
- previously identified areas of vulnerability for potentially fraudulent claims;
- outbound enrollment verification calls;
- marketing and enrollment violations, agent/broker misrepresentation, and selective marketing; and
- FDR oversight and monitoring.

In addition, SCFHP's risk assessment(s) will take into account information received from the OIG's annual work plan and Medicare Managed Care Manual and Medicare Prescription Drug

Benefit Manual chapter guidance updates, as well as other CMS program ~~instructions~~guidance, Fraud Alerts, CMS audits and other CMS indicators regarding plan performance (such as Warning Letter, Deficiency Notices, audit results, etc.). The risk assessment will expressly take into account CMS guidance provided concerning its prior year audits findings and any recent interim sanction or civil monetary penalties assessed by the agency, as well as DHCS Policy, All Plan and Dual Plan Letters, and DHCS and DMHC audit findings. The CCO will rank those risks identified during this process in order to identify those areas presenting the greatest potential risk to SCFHP. Risks identified through CMS audits and oversight, as well as SCFHP's own monitoring, auditing and investigations, will be considered priority items in the overall risk analysis. The CCO will develop the proposed annual Work Plan in consultation with the Compliance Committee and/or departmental staff as appropriate, taking into account the results of the risk assessment.

B. Annual Monitoring and Auditing Work Plan

An annual Work Plan, based on the results of the risk assessment, will be developed and brought to the Compliance Committee for review, input and approval. The Work Plan will include the audits to be performed (both of SCFHP and FDRs), the audit schedule, methodology to be used, if it is to be performed desktop and/or onsite, and the responsible party for performing the audit, as well as specify routine monitoring to be conducted. Such monitoring and auditing activities are designed to test controls and prevent, detect and correct compliance issues and FWA through verification of compliance standards and adherence to State and Federal laws, contractual requirements, Medicare regulatory requirements, Part C and Part D program instruction, SCFHP Compliance Program policy and procedures, and Standards of Conduct. During the course of the year, the CCO may propose modifications to the Work Plan to the Compliance Committee, as developments warrant (such as changes in law or identified compliance or FWA issues).

C. Audits

The Compliance Department, which is independent from the Plan's daily operations, will perform, or will arrange for independent, external parties to perform, audits of SCFHP's internal operations and FDRs. The CCO shall coordinate with auditors regarding audit design and related considerations, and receive regular reports from the auditors regarding audit status and results. Auditors will be directed to use a standard audit report format addressing audit objectives, scope and methodology, findings (including regarding condition, cause and effect), and recommendations. They will use care in selecting sample and sample size, based on whether a targeted or statistically valid sample is intended. Auditors shall be knowledgeable about CMS and DHCS operational requirements for the operational areas (whether internal or of FDRs) under review. Operations staff may assist auditors, as long as such assistance does not interfere with the auditors' independent review. Such assistance can take the form of gathering data for samples or providing other basic information to auditors. Auditors shall have access to relevant Personnel, records and areas of operation under review, including the operational departments at SCFHP, as well as FDR employees and operations. All Personnel and FDRs have a duty to cooperate with monitoring and auditing efforts directed by the CCO.

D. Monitoring

Routine operational metrics relative to regulatory standards and compliance measures will be maintained by the business units and the results reported to the CCO. Monitoring will also be conducted in each instance to determine whether corrective action plans are effective in addressing the compliance issue identified.

E. Analyzing and Responding to Monitoring and Auditing Results

Results of audits and monitoring, and any required root cause analyses and corrective action plans will be reported by the CCO (or his or her designee) to the Compliance Committee and, as appropriate, Senior Management (including the CEO) and/or the Board. Audit findings will also serve to identify Personnel, business units and/or FDRs requiring additional training (general or focused); the need for clarification or amendment of policies and/or procedures; the need for correction of system logic; and/or other necessary actions. The CCO shall be responsible for overseeing follow-up reviews of areas found to be non-compliant, as necessary, to determine if implemented corrective action has fully addressed the underlying problem identified. If applicable and appropriate, the CCO will consider whether to voluntarily self-report audit findings of non-compliance and/or potential fraud or misconduct related to the Plan's programs to CMS or its designee, such as the National Benefit Integrity Medicare Drug Integrity Contractor (NBI MEDIC), DHCS or DMHC.

F. Excluded Parties

SCFHP, in an effort to prevent FWA, shall screen Personnel against United States Department of Health & Human Services' (DHHS) OIG List of Excluded Individuals and Entities and the General Services Administration's (GSA) Excluded Parties Lists System, prior to hiring or contracting and monthly thereafter, to ensure that such individual or entity does not appear on such list(s) (*i.e.,* is not an excluded individual or entity). SCFHP also requires its FDRs to have a similar policy and audits accordingly to ensure compliance with such requirements.

G. Compliance Program Effectiveness

SCFHP is committed to a process of continual process improvement with respect to its Compliance Program. As such, SCFHP will conduct an annual audit of the effectiveness of the Compliance Program. After completion of a baseline compliance program effectiveness audit, such audit will be conducted by external auditors (or Personnel not part of the Compliance department). To assist in determining effectiveness, the Compliance Committee will annually evaluate whether activities under the Work Plan were completed in a timely and appropriate manner, actual performance of the CCO against performance goals (if relevant), CMS compliance assessments *(e.g.,* Warning Letters, Notices of Non-compliance, CAP requests, audits, sanctions), results of CMS readiness checklist assessment, and past performance review measurements as they relate to compliance. Results of this audit will be shared with the Compliance Committee, Senior Management and the Board. Either the CCO, Compliance Committee and/or the Board may recommend modifications, such as enhancing or increasing internal monitoring frequency in

areas that have previous low threshold results or areas that have become the subject of increased scrutiny (through regulation, audit or guidance), by state and/or federal regulatory agencies, including but not limited to CMS or the OIG.

<u>**Element VII: Procedures and System for Prompt Response to Compliance and FWA Issues**</u>

SCFHP has established and will maintain a process for assuring prompt response to reports or other identification of potential non-compliance and/or FWA, including timely investigation of potential problems, implementation of corrective actions to address past issues and mitigate future occurrences; appropriate self-reporting of fraud and misconduct, and processes to ensure appropriate action is taken with regard to identified overpayments.

A. Investigations of Compliance and FWA Issues

SCFHP will establish and implement procedures and a system for promptly responding to potential compliance and FWA issues as they are raised. Compliance or FWA problems identified in the course of self-evaluations, reports or complaints to the SCFHP, audits and/or other means and verified through investigation will be corrected promptly and thoroughly to address the issue, reduce the potential for recurrence, and promote ongoing compliance with CMS requirements. ~~If a potentially serious violation is identified, SCFHP will consult with its designated FWA/SIU vendor for assistance to determine the type and extent of the potential violation and liability. SCFHP may invoke attorney-client privilege at any time during the investigation as determined by legal counsel.~~ External legal counsel, auditing, and other expert resources may be engaged to provide additional services and guidance, as applicable. SCFHP will immediately cease, or instruct its FDR to immediately cease, questionable practices upon knowledge or clear indication of a violation. In addition:

- SCFHP will conduct a timely, reasonable inquiry into any evidence of misconduct related to a payment or delivery of items or services under the contract with CMS and/or DHCS (with such inquiry initiated within 2 weeks after the date the potential non-compliance or FWA incident is identified);
- SCFHP will conduct appropriate corrective actions (for example, repayment of overpayments and/or disciplinary actions against responsible individuals) in response to the potential violations referenced above; and,
- SCFHP will have procedures to consider whether to voluntarily self-report fraud or misconduct related to the Plan's programs to CMS or its designee (such as NBI MEDIC), DHCS and DMHC in appropriate situations, consistent with guidelines and time frames.

SCFHP and its Pharmacy Benefit Manager (PBM) shall monitor Fraud Alerts and will review its contractual agreements (or direct the PBM to review contractual agreements) with the identified parties, as appropriate, to determine whether any additional action should be taken. SCFHP and/or its PBM will review past paid claims from the identified entities to determine if there are any claims that it may have paid that were not payable (*e.g.,* related to an Excluded Individual) and should be removed for prior sets of prescription drug event drug submissions.

Responses to detected offenses will vary according to the offense and circumstance; however the response will always be in accordance with requirements of regulation and law. The CCO shall maintain a record of reported issues, including documentation of the status, investigation, finding

and resolution of each issue. This information shall be reported to the Compliance Committee regularly.

Any determination that potential FWA related to the Plan's programs has occurred will be referred to the appropriate regulatory agency, as appropriate, for further investigation after the determination that a violation may have occurred. SCFHP will, as appropriate, provide information timely in response to follow-up requests for information.

B. Corrective Action Plans (CAPs)

Corrective action plans will be implemented whenever it is determined by the CCO and the Compliance Committee that any Personnel, FDRs or their employees have engaged in an activity that violated SCFHP policies and procedures, federal or state laws or regulations or CMS contractual or other requirements. These corrective action plans will be in writing and developed based on a root cause analysis conducted in response to any wrongful activity discovered by way of investigation resulting from any report, complaint, and/or internal or external audit or monitoring efforts, or as identified by CMS. Through the root cause analysis, SCFHP will undertake to determine what caused or allowed the non-compliance or FWA to occur so that an appropriate and effective remedy can be developed.

The goal of any CAP implemented is to remedy underlying issues and prevent future recurrence. Each CAP will be tailored to the particular misconduct identified and include specific time frames for completion. SCFHP will immediately cease any non-compliant practice upon knowledge or clear indication of a violation. When developing a corrective action plan to address non-compliance by an FDR, the elements of the corrective action plan, and the ramifications for non-compliance, will be included in a written CAP provided to the FDR. Corrective actions may include, for instance, disciplinary action against any Personnel; prompt identification and refund of any overpayment to the government or any enrollee; and/or suspension or termination of any FDR contract (or delegated functions thereunder).

CAPs will be monitored to ensure the required remediation has been carried out, and is sustained over time. All corrective action plans recommended, in progress, and implemented, along with results of ongoing monitoring will be documented and reported at least quarterly to the Compliance Committee and to the Board.

C. Government Investigations

SCFHP's policy is to be forthright and cooperative when dealing with government investigations, inquiries, or requests for information. Any Personnel or FDR made aware of a government investigation, inquiry or request for information is required to notify the CCO and/or Compliance Department immediately to ensure prompt response to the request(s).

Appendix A
Fraud, Waste and Abuse (FWA)
(Measures for Prevention, Detection and Correction)

SCFHP employs multiple measures to prevent, detect and correct potential instances of FWA. Many of these measures are outlined in the Compliance Program, including, for instance:

- Communicating standards of individual and organizational ethical and legal business practices in the,including compliance with Federal laws and regulations designed to prevent or ameliorate fraud, waste, and abuse;
- Educating Personnel and FDRs about FWA issues through appropriate training and the sharing of educational materials;
- Communicating to all (including FDRs and enrollees) the availability of an anonymous compliance hotline for potential FWA issue reporting and asking fraud related questions;
- Engaging in monitoring and auditing of Part C and Part D operations, based on risk analyses conducted that expressly consider FWA concerns;
- Engaging in timely and vigorous investigation of suspected FWA, in whatever manner reported to SCFHP;
- Responding to identified FWA, including as appropriate, by reporting to the MEDIC and/or returning identified overpayments and making adjustments to prescription drug event or other claims payment data.

SCFHP actively engages FDRs to assist in its FWA prevention, detection and correction efforts. Thus, for instance, FDRs perform compliance and FWA related activities on SCFHP's behalf, such as monitoring, auditing and training. SCFHP performs oversight of the FWA and compliance related activities of each FDR and has processes in place to revoke delegated functions in accordance with 42 C.F.R. § 42.422.504(i)(5) and42 C.F.R. § 423.505(i)(4) and its contractual rights if such functions are not being performed satisfactorily.

If identified instances of FWA are discovered, SCFHP, directly or through its FWA/SIU vendor, engages in vigorous investigation and will, as it determines appropriate, report to CMS, the MEDIC or other appropriate regulatory or law enforcement entities.

The purpose of this Appendix is to provide additional information concerning specific measures SCFHP will use to prevent, detect and correct FWA.

Targeted Efforts

A. Credentialing

SCFHP's credentialing program for contracted providers and pharmacies is comprehensive and includes elements that have both a direct and indirect effect on the quality, delivery, and outcome of health care provided to SCFHP’s members. SCFHP’s credentialing program is based on National Committee for Quality Assurance (NCQA) standards and in accordance with CMS requirements.

SCFHP has contracted with a PBM to provide pharmacy benefits to its members enrolled in the Plan. By contract, the PBM employs a similar, vigorous credentialing program for each pharmacy in

SCFHP's network, with each pharmacy needing to partake in the credentialing and re-credentialing process, performed at a minimum every three years, for participation, or continued participation, within the SCFHP's network.

B. Claims Adjudication

The Plan's claims are processed on a system using adjudication rules which employ FWA edits. Thus, for instance, such adjudication rules are designed to eliminate duplicate payments for services and make payment (or denial) of claims based on SCFHP eligibility rules, contracted provider pricing, referrals and authorizations and Correct Coding Initiative (CCI) edits. In addition, Local Coverage Determinations (LCDs) and national coverage determinations (NCDs) are also reviewed to ensure payment consistent with Medicare guidelines. Claims processes also ensure claims submitted, intentionally or unintentionally, by providers who have opted out of Medicare are not paid. Finally, certain check run controls are also in place to prevent inappropriate payments under Medicare or Medi-Cal.

Similarly, Part D has point of sale system edits that ensure appropriate authorizations are in place before dispensing and that prevent SCFHP from paying for prescriptions written by excluded prescribers.

C. Auditing and Data Analytics

SCFHP engages in auditing -- directly or through contracted entities -- pursuant to the terms of the annual compliance Work Plan. As part of its standing audit practice, SCFHP, by engagement of an external consultant and use of internal coding staff, performs Part C retrospective coding reviews annually. The reviewers substantiate the documentation of the Hierarchical Condition Categories (HCCs) supporting the Risk Adjustment Factors (RAF) scores submitted to CMS for member premium payment. SCFHP submits "additions" *and* "deletions" as appropriate dependent upon its ability to substantiate the HCCs within the audited documentation. In addition to ensuring accurate payment is received by the SCFHP ("adds"), and paid by CMS ("deletes"), these reviews can reveal potential fraudulent provider documentation practices and allow SCFHP to take corrective actions, as appropriate. It also allows SCFHP to identify providers who may need additional training regarding the appropriate provision of encounter data.

Where claims administration is delegated to an FDR, SCFHP audits the FDR annually for proof of data integrity, timeliness of claims payment, proper payment consistent with contractual and other requirements, and proper payment amounts.

Similarly, SCFHP has engaged its PBM to engage in analysis of pharmacy, prescribing provider, and beneficiary data to detect potentially defective claims. Such data analysis is a tool for identifying coverage and payment errors, and other indicators of potential FWA and non-compliance. To gather and analyze data to protect against FWA, on behalf of the SCFHP, the PBM, among other audits, performs retrospective (post-pay) audits. Standardized algorithms are applied to root out overpayments or erroneous payments to pharmacies. Through use of sophisticated modeling

techniques, auditors can identify patterns in the data that may indicate potential FWA that may not be readily apparent. Such data mining activities will focus on areas of concern identified by CMS in guidance and entities identified by the MEDIC, as well as known areas of potentially aberrant behavior or high incidence of fraud based on industry experience. SCFHP's PBM employs staff pharmacists, physicians and others (as appropriate) to engage in follow-up research and investigation of suspect claims.

Pharmacies within the SCFHP's network are also subject to desk top and/or onsite audit. Pharmacies can be chosen for a variety of reasons, such as aberrant claims patterns revealed through the modeling techniques noted above. Claim sample selection will focus on identifying claims and/or claims patterns that potentially deviate from the norm. SCFHP can designate particular pharmacies for in-depth audits, upon request.

If FWA is found through any of the auditing methodologies applied by the PBM, the SCFHP will receive a FWA alert and take appropriate follow-up action in a prompt manner.

In addition to PBM audits, SCFHP receives various reports daily, weekly and monthly from the PBM. The reports are reviewed promptly and on a routine basis by the SCFHP's Pharmacy Department. Review of these reports can reveal potential fraudulent activity requiring investigation and action. Examples of reports received and reviewed regularly include (but are not limited to): summaries of controlled substances claims per member; top 3% prescribers; prescriber dispensing patterns; and FWA reports, which include results of all claims adjusted or reversed during the quarter due to audit results.

Santa Clara Family Health Plan
Standards of Conduct

Approved by the ~~SCFHP~~ Governing Board, September 27, 2018

40196

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Santa Clara County Health Authority dba Santa Clara Family Health Plan

Code of Ethics

Integrity is the cornerstone of Santa Clara Family Health Plan's (SCFHP) reputation and an important asset. We build and retain our integrity through the ethical behavior of every SCFHP employee and Governing Board member. To help strengthen the foundation, this code of ethics identifies and explains the key standards we strive to meet.

Personal and Professional Integrity

Each SCFHP employee and Governing Board member is expected to act in accordance with professional standards, as well as with honesty, integrity, openness, accountability, and a commitment to excellence. Each individual is expected to conduct SCFHP activities in accordance with this Standards of Conduct, exercising sound judgment to support SCFHP's mission and serving the best interests of SCFHP, its members and the community.

SCFHP promotes a working environment that values respect, fairness and integrity. We act in accordance with these values by treating our colleagues, members, and others with whom we interact with dignity, civility, and respect. Employees of SCFHP exercise responsibility appropriate to their position and delegated authorities. We strive for excellence in all of our activities and acknowledge that we are responsible to each other, to the health plan and it's Governing Board for our actions. We are each responsible for being aware of and complying with applicable professional standards that govern our conduct, including those that relate to our particular discipline.

Our conduct in the workplace

We recognize the diversity of fellow employees/co-workers, consultants, temps, job applicants, vendors, subcontractors, and other stakeholders. We refrain from harassment and discrimination based on gender, race, creed, color, national origin, and sexual orientation. We treat each other as we want to be treated – with fairness, honesty and respect.

Maintaining confidentiality and security

We honor the privacy of members' and employees/co-workers' personal information, whether medical or otherwise, just as we expect our privacy to be protected. We take appropriate precautions to protect the confidentiality and security of member, employees/co-workers and company information and transactions. We promise to protect confidential information, otherwise known as "intellectual property," that belongs to SCFHP. We refrain from divulging information that could be harmful to SCFHP or that could provide an advantage to our competitors.

Respecting company property and resources

We treat company property and resources respectfully while working at or serving SCFHP and after leaving. We protect and preserve company property and refrain from using it for personal gain. We understand that company property includes, but is not limited to, SCFHP's intellectual property, physical property and electronic communications systems.

Avoiding conflict of interest
SCFHP encourages employee participation in non-profit activities. However, representing oneself as an employee of SCFHP through associations or activities that might conflict or appear to conflict with SCFHP's interests is prohibited. We avoid doing business with competitors or other organizations that might conflict with the values at SCFHP. We do not accept material gifts from contractors or customers, or give gifts to them if doing so might compromise, or give the appearance of compromising, our business decisions. We do not take advantage of our association with SCFHP for personal gain.

Addressing health care resources
We strive to provide health care services, prescription drug coverage, products, and supports that are appropriate, efficient and cost effective. We apply proven evidence-based principles as we balance the needs of the many with the needs of the individual. We commit to working with providers and using our resources to continuously improve the health of our members and the community.

Obeying the law
We always uphold the law while working at or serving SCFHP. We commit to obeying all federal, state and local regulations with regard to our health plan and all our business units. We do not tolerate the use and/or abuse of illegal substances, discrimination, harassment, fraud, embezzlement or any other illegal activities.

Introduction

At Santa Clara Family Health Plan (SCFHP), business conduct is as important as business performance. Our behavior – both as individual employees (coworkers/employees, temporary employees, consultants, and contractors) and Governing Board members, and collectively as an organization – affects our success, shapes our reputation, and communicates our shared commitment to ethics, integrity and honesty.

Our Compliance Program guides us in making business decisions in alignment with the Plan's mission, vision, and values. One of the program's integral components is defining our expectations of each employee's personal conduct and workplace behavior. To communicate these expectations, we have developed this Standards of Conduct document.

This booklet is a quick reference guide on the standards of conduct that you must uphold as an SCFHP employee, Governing Board member or agent. It first introduces you to SCFHP's Code of Ethics, which includes:

1. Conduct in the workplace
2. Maintaining confidentiality and security
3. Respecting company property
4. Avoiding conflicts of interest
5. Addressing health care resources
6. Obeying the law.

These elements, which we refer to as our business conduct guidelines, define our standards of workplace behavior.

The information in this booklet focuses primarily on the code and guidelines. To expand your knowledge and understanding of expected behavior, we encourage you to review the Plan's policies and procedures. For more detailed information on how to comply with SCFHP's requirements for workplace conduct, refer to company-level and department-level policies and procedures and/or talk to your supervisor or Human Resources representative.

Our reputation for integrity is an invaluable long-term advantage. Fostering an ethical work environment that enhances SCFHP's reputation should be your call to action – your personal pledge to maintain the highest ethical standards as an SCFHP employee.

Our conduct in the workplace

"We recognize the diversity of fellow employees/co-workers, consultants, temps, job applicants, vendors, subcontractors, and other stakeholders. We refrain from gender or racial bias, creed, color, national origin, sexual or other discrimination or harassment. We treat each other as we want to be treated – with fairness, honesty and respect."

Equal employment

SCFHP believes in hiring, promoting and compensating employees without regard to race, color, national origin, age, gender, religious preference, marital status, sexual orientation, handicap or disability or any other characteristic protected by law. We are an equal opportunity employer committed to employment practices that comply with all laws, regulations and polices related to non- discrimination.

Freedom from harassment

SCFHP prohibits unlawful discrimination against any employee, applicant, individual providing services in the workplace pursuant to a contract, unpaid intern, and volunteer based on their actual or perceived race, color, religious creed, color, religion, sex, military and veteran status, civil air patrol status, marital status, registered domestic partner status, age (40 and over), national origin or ancestry, pregnancy (including childbirth and related medical conditions, and including medical conditions related to lactation) physical or mental disability, medical condition, genetic information, sexual orientation, gender, gender identity and expression (including transgender individuals who are transitioning, have transitioned, or are perceived to be transitioning to the gender with which they identify), military and veteran status or any other consideration protected by federal, state or local laws. An applicant's or employee's immigration status will not be considered for any employment purpose except as necessary to comply with federal, state or local laws. For purposes of this policy, discrimination on the basis of "national origin" also includes discrimination against an individual because that person holds or presents the California driver's license issued to those who cannot document their lawful presence in the United States. Our commitment to equal employment opportunity applies to all persons involved in our operations and prohibits unlawful discrimination and harassment by any employee (including supervisors and co-workers), agent, client, member, or vendor.

Because harassment means different things to different people, we must refrain from any behavior that can be construed as offensive or inappropriate. Examples of inappropriate and offensive behavior include degrading jokes, intimidation, slurs, and verbal or physical conduct of a sexual nature, and harassment, including unwelcome sexual advances and requests for sexual favors. If an employee feels that he or she has been harassed he or she should immediately report the harassment to his or her supervisor, the supervisor's supervisor, compliance or human resources. Reports will be promptly investigated, and employees found to be engaging in this behavior will be disciplined, up to and including termination of employment.

Freedom from Retaliation

SCFHP prohibits retaliation against any employee, individual providing services in the workplace pursuant to a contract, volunteer or other person who, in good faith, reports perceived harassment, ethical violations, noncompliance, or Fraud, Waste or Abuse.

Safe environment

At SCFHP, we are each responsible for creating a safe working environment. All employees are expected to work safely, utilizing available materials and devices. Employees are expected to report any of the following potential or actual problems to supervisors:

- Injuries or other illnesses;
- Hazards such as facilities and equipment malfunctions or dangers;
- Security violations or criminal activity on company premises; and
- Actual or threatened acts of violence or intimidation.

Violence or criminal activity should be reported to police and building security immediately, regardless of the availability of a supervisor

Maintaining confidentiality and security

"We honor the privacy of members' and employees'/co-workers' or employees'/co-workers' personal information, whether medical or otherwise, just as we expect our privacy to be protected. We take appropriate precautions to protect the confidentiality and security of member, employees/co-workers and company information and transactions. We promise to protect trade secrets and confidential information, otherwise known as "intellectual property," that belongs to SCFHP. We refrain from divulging information that could be harmful to SCFHP or that could provide an advantage to our competitors."

Confidentiality and security

To protect SCFHP and our members and employees, we are committed to preserving the privacy, confidentiality and security of information, except where we are permitted or required to share certain information in accordance with the Brown Act or other legal or regulatory requirements. The following information is always confidential, and may never be shared outside the Plan, and in connection with a legitimate business purpose:

- Members' protected health information, including diagnoses and treatments, personal data, billing and contact information; and
- Employee information, including personnel files, evaluations, disciplinary matters and psychological assessments.

When using or sharing such information, you must secure all data (electronic or otherwise) and follow all applicable laws and company policies. Failure to maintain confidentiality and appropriate security of information could subject an employee personally and/or SCFHP to civil and/or criminal penalties, regulatory sanctions and lawsuits, and undermine the trust our members and the community place in us.

Respecting company property and resources

"We treat company property and resources the same while working at SCFHP and after leaving. We protect and preserve company property and refrain from using it for personal gain. We understand that company property includes, but is not limited to, SCFHP's intellectual property, physical property and electronic communications systems."

Use of resources

SCFHP's facilities, equipment, technology and resources are for business purposes – to help employees do their work. Employees must use SCFHP's company property in a professional, productive, and lawful manner. Employees must act responsibly, reasonably and maturely, and use good judgment regarding all company-provided communications and computing devices, including, but not limited to:

- The Internet;
- All forms of printed and electronic media;
- Copying devices (scanners and copy machines);
- Telephones (including cell phones);
- Portable devices (iPads);
- Desktop and laptop computers; and
- Remote access hardware and software devices.

Employees must not use the computer to transmit, store or download material that includes, but is not limited to, harassing, threatening, maliciously false or obscene information. The computer should also not be used for any unauthorized activities.

Internal Controls

SCFHP has established control standards and procedures to ensure that company property and equipment is protected and properly used. Control standards are also in place to ensure that financial records and reports are accurate and reliable. All employees of SCFHP share the responsibility for maintaining and complying with required internal controls.

SCFHP takes all necessary steps to keep our Information Systems secure and inaccessible to outside interference and attack. Employees receive guidance to help protect the integrity of the system and the data stored therein.

Travel and entertainment

Travel and entertainment expenses should be consistent with the employees' duties and SCFHP's needs and resources. Employees are expected to exercise reasonable judgment in the use of SCFHP's funds. Employees must comply with SCFHP guidelines relating to all purchasing procedures, payment limits and travel and entertainment expense.

Avoiding conflicts of interest

"SCFHP encourages employee participation in non-profit activities. Representing oneself as an employee of SCFHP through associations or activities that might conflict or appear to conflict with SCFHP's interests is prohibited. We avoid doing business with competitors or other organizations that might conflict with the values at SCFHP. We do not accept gifts of any material value from contractors or members, or give gifts to them. We do not take advantage of our association with SCFHP for personal gain."

Activities and relationships beyond SCFHP

As SCFHP employees, and Governing Board members and committee members, we must make certain that our outside activities do not in any way conflict with, appear to conflict with, or pose a hazard to SCFHP. To ensure that SCFHP leadership is apprised of any activities that may create an actual or apparent conflict, it is SCFHP's policy that employees, Governing Board members and committee members must advise the CEO of any non-SCFHP activity, associations or investment that might influence the individual's business decisions or ability to carry out his or her duties objectively.

Entertainment, gifts and gratuities

SCFHP understands that entertaining – including meals, social events or training and educational activities – is an overall accepted practice of many businesses, but at SCFHP it is not. As a government contracted entity, we may not accept gifts or gratuities of any material value. If such are received, they may be donated to charities, made available to all employees, or returned to the sender with acknowledgement of their support and return of the item(s).

Refrain from giving or accepting gifts to or from vendors, customers and other business associates. It is the employee's responsibility to report or seek counsel should the employee receive or give gifts.

Procuring services from vendors and suppliers

As an SCFHP employee, you must procure services or products consistent with applicable legal and regulatory requirements and SCFHP policies and procedures. Employees must offer fair and equal opportunity to vendors and suppliers seeking to do business with SCFHP, and employees must negotiate and buy products and services without prejudice or favoritism. At SCFHP employees should not procure services for personal gain or to enhance personal relationships.

Fundraising and solicitation activities

To avoid conflicts of interest and to ensure that required business activities are performed in an effective and efficient manner, distributing leaflets, flyers, or other forms of printed or written materials during work time is prohibited. Notwithstanding this prohibition, the Union shall have the right to post notices of activities and matters of Union concern on the designated bulletin board.

For further direction as to the requirements for fundraising and solicitation activities please refer to the employee handbook or talk with a Human Resources representative.

Participation on Governing Boards/Board of Trustees

Upon request, an employee shall disclose services as a member of the Governing Board/Board of Trustees of any organization. A director, officer, or other employee must notify the CEO prior to beginning service as a member of the Governing Board of any organization whose interests may conflict with those of SCFHP. SCFHP reserves the right to prohibit such membership where there might be a conflict or appearance of conflict. The CEO will consult with the Compliance Committee and/or legal counsel to determine if participation may conflict with the interests of SCFHP.

Addressing health care resources

"We strive to provide members with health care services and products that are appropriate, efficient and cost effective. We commit to working with providers and using our resources wisely to continuously improve the health of our members."

Use of health care resources and quality improvement

SCFHP continually looks for ways to improve health outcomes for our members while effectively managing our resources. Our methods include making evidence-based decisions, fairly administering benefits to members and educating members and providers. Our goal is to assure that members receive the right care at the right time in the right place.

We promote continuous quality improvement and are committed to complying with state and federal regulations regarding health care.

Fraud, waste, and abuse

SCFHP is committed to ensuring that our employees, plan members, providers, suppliers, vendors, and anyone else doing business with or associated with SCFHP complies with federal and state anti- fraud and abuse laws. The following are some examples of prohibited activities:

- Direct, indirect or disguised payments in exchange for the referral of potential members;
- Submitting false, fraudulent reports to any government entity to substantiate a request for payment to SCFHP, including stating that services were provided that were not rendered, reports that characterize the service differently than the service actually rendered, or other submissions of information or data that does not otherwise comply with applicable program or contractual requirements;
- Submission by providers of claims for payment by SCFHP for services that were not rendered, or substandard care or care that did not meet generally recognized standards of practice; and
- False representations by potential members in order to gain or retain participation in a SCFHP program or to obtain payment for any service.

Obeying the law

"We always uphold the law while working at SCFHP. We commit to obeying all federal, state and local regulations with regard to our health plans and all our business units. We do not condone the use of illegal substances, the abuse of legal substances, fraud, embezzlement or any other illegal activities."

Regulatory obligations

As a consumer health service organization and a government contracted entity, SCFHP is heavily regulated by federal, state and local agencies. Some of our regulated business practices include:

- Ensuring that medical services and business practices meet quality assurance standards and protect member rights and confidentiality;
- Managing provider networks and health care delivery systems to make certain they meet contractual requirements and are accessible to our members;
- Monitoring the appropriate utilization of health care resources and ensuring that the most cost effective, medically necessary, covered services are not inappropriately denied;
- Providing for expeditious handling of members' complaints and appeals;
- Processing claims accurately and promptly;
- Conducting sales and marketing activities ethically and within established regulations and guidelines;
- Ensuring accurate and timely administration of membership accounting, including enrollment, disenrollment, member status and other requirements;
- Promoting a work environment for employees that is safe, ethical and founded on principles of equal employment and non-discrimination; and
- Ensuring the accuracy of SCFHP's financial statements and business activities in general.

External audits and reviews

Frequently we will have outside parties on site to perform financial and regulatory audits and reviews of our financial statements, operations and business practices. These outside parties include independent auditors and federal and state government regulators and inspectors. It is SCFHP's policy to fully cooperate with these auditors and provide them with all necessary information.

Prior to and during these audits or inspections, you must:

- Never conceal, destroy or alter any documents;
- Never give any false or misleading statements to inspectors;
- Never provide inaccurate information; and
- Never obstruct, mislead or delay communication of information or records about a possible violation of law.

Illegal activities

SCFHP and our employees must not engage, directly or indirectly, in any corrupt business practices or other illegal activities, including, among other things, fraud, embezzlement, kickback arrangements or drug use.

Fraud includes such things as falsifying documents or misappropriating company assets. Health care fraud occurs when someone uses false pretenses, representations, promises or other means to defraud or otherwise obtain money, service or property from any health care benefit program.

Embezzlement involves the attempt to take, for personal use, money or property, which has been entrusted to you by others without their knowledge or permission.

A kickback arrangement involves accepting or offering bribes or payoffs intended to induce, influence or reward actions of any person or entity in a position to benefit SCFHP. Such persons or entities include customers, contractors, vendors and government personnel.

Financial Reporting

All financial reports, accounting records, research reports, expense accounts, time sheets and other documents accurately and clearly represent the relevant facts or the true nature of a transaction. Improper or fraudulent accounting, documentation or financial reporting is contrary to the policy of SCFHP and may be in violation of applicable laws. SCFHP abides by all relevant tax laws and files reports in a manner consistent with applicable laws and regulations.

Political and lobbying activities
Officers, directors, and general employees are restricted from engaging in activities that may jeopardize the tax exempt status of SCFHP, including participation in various lobbying or political activities.

Individuals shall not make agreements to contribute monies, property, or services of any officer or employee at SCFHP's expense to any political candidate, party, organization, committee or individual in violation of any law. Officers, directors, and employees are not restricted from personally participating in and contributing to political organizations or campaigns, but must not do so under the SCFHP name or use SCFHP funds.

SCFHP has many contacts and dealings with governmental bodies and officials. Such contacts and transactions are expected to be conducted in an honest and ethical manner. Any attempt to influence decision-making processes of governmental bodies or officials by an improper offer of any benefit is prohibited. Any requests or demands by any governmental representative for a payment or other improper favor should be reported immediately through http://icat/Pages/Default.aspx or directly to your manager or the Compliance Officer or any member of the Compliance Committee.

Sales, marketing and advertising standards
We are committed to growing our membership through a well-trained, highly professional staff. All SCFHP member outreach representatives are committed to fair, forthright and legally compliant and marketing practices. We adhere to any state regulations that require sales representatives to be licensed.

We do not engage in corrupt marketing practices, including misrepresentation of our covered services or "redlining," which refers to the practice of avoiding sales in specific geographic areas or neighborhoods.

When advertising our products and services, we present only truthful, non-deceptive information. In many cases, advertising and marketing materials require approval from regulatory agencies prior to distribution. When required, SCFHP submits materials to agencies and ensures their full compliance with applicable regulations.

Copyright laws
SCFHP complies with state, federal and foreign laws pertaining to copyright protection. Our compliance includes, but is not limited to, laws that prohibit duplication of print materials, licensed computer software and other copyright-protected works.

We expect compliance with all copyright protections, including refraining from using company property to display, copy, play, store, transfer, transmit, download music or other sound recording (including CDs and MP3 or similar file formats), copyrighted pictures or images, motion pictures, clips (including AVI, Mpeg, DVDs or other similar formats), or other non-business-related materials (e.g., games, screensavers).

Medi-Cal and Cal MediConnect Benefit Plans

SCFHP employees are required to follow the legal and regulatory requirements pertaining to our relationship as a government contracted entity servicing Medi-Cal and Cal MediConnect benefits. The requirements for these programs are established in the DHCS, DMHC and CMS regulations and manuals.

As a government contracted entity, SCFHP is obligated to abide by federal, state and local laws pertaining to that relationship. Penalties for breaking government contract laws and regulations can be severe and negatively impact SCFHP, its business, and reputation.

Excluded parties

SCFHP takes steps to ensure that it does not engage in relationships with or make any payments to individuals or entities that are debarred, suspended, or otherwise excluded from participating in state or federally funded programs. This applies to the Governing Board or any committee, employees, contractors, consultants, providers, delegated entities, and vendors.

Document Retention

SCFHP maintains a record retention process that supports the requirements of federal law, regulations, and policies and procedures. Should SCFHP or anyone associated with SCFHP be involved in any litigation activities, SCFHP will not alter, destroy or throw away information that may be related to the dispute. All employees are required to abide by this requirement.

Government requests or requests for information

SCFHP employees should notify their supervisor and the Compliance Officer (or any member of the Compliance Committee) if they are approached by an agent or official of the state or federal government, and asked to provide information, records, documents or answer questions if the request is not related to a routine report or workforce activity, or was not scheduled in advance.

Should you receive subpoena, court order, notification of legal action (or threat thereof), or become aware of fraud and abuse investigations, or requests for information from third parties, you are requested to forward such communication to the compliance department for handling and response.

Responsibilities & consequences

SCFHP's guidelines and policies cannot address every potential situation or issue that employees may encounter. Employees must have a thorough understanding of SCFHP's code of ethics, guidelines and policies and procedures so he or she can effectively evaluate the specific situations.

Employee responsibilities

SCFHP provides employees with training so they are knowledgeable about our ethics and compliance initiatives. In return, we rely on the employee to help ensure that those initiatives remain a priority. We expect the employee to uphold all of the standards outlined in these guidelines and to report known or suspected violations of those standards.

Reporting suspected violations

Take responsibility for safeguarding SCFHP's integrity. If you observe potential violations of law or the company code of ethics, report them. Failure to do so could pose a risk to SCFHP or, in the case of illegal activities or regulatory violations, a risk to you, your co-workers or SCFHP's members.

Resolution and non-retaliation

Once a problem or suspected violation has been reported, SCFHP will take appropriate action to review the reported matter. We will not retaliate against you for reporting ethics or compliance violations in good faith. Anyone who engages in retaliatory activity is subject to disciplinary action, up to and including termination.

Consequences of violations

SCFHP will be thorough in our review of possible ethics or compliance violations. Employees may be subject to appropriate disciplinary action, up to and including termination, for engaging in activities such as, but not limited to:

- Authorizing or participating in actions that violate SCFHP guidelines, policies and procedure;
- Failure to report a possible violation of SCFHP guidelines, policies and procedures;
- Refusing to cooperate with a compliance investigation;
- Disclosing confidential information to any unauthorized person, company, organization or government agency about an inquiry without authorization;
- Retaliating against someone for reporting misconduct or violations; or
- Filing intentional false reports of misconduct or violations.

The degree of disciplinary action will be determined by the nature and surrounding circumstances of the violation.

Where to find answers to your questions and report issues

Ethics and compliance resources
Standards of Conduct are meant to provide an overview of SCFHP's policies on ethics, compliance and conduct-related issues. This publication is a living document and is subject to change as we refine our policies and procedures, and as government agencies and regulators modify their rules.

If you need more information or if you have an ethics or compliance-related question, the best thing to do is to talk with your supervisor or Human Resource Representative. Employees may also contact the Compliance Department directly. These individuals are the best sources for helping you understand the laws, regulations and practices that affect your work.

In addition, we encourage you to explore the following resources:

SCFHP's employee handbook
The handbook covers various topics, including employment, benefits, performance reviews, wage and salary information, and employee relations subjects such as dress code, workplace conduct, counseling, and health and safety issues. The employee handbook also directs you to the appropriate policies and procedures for each topic.

SCFHP's Intranet
This site contains extensive information on company policies, procedures and standards that affect your work.

Where to report issues
If you have an ethics or compliance question or concern, you have the following options:

- Talk with your supervisor. S/He is familiar with you and the issues in your workplace.
- Contact your Human Resource representative.
- Send a report using the Compliance Reporting Form.
- Contact the Compliance Officer.
- Call the anonymous and confidential Compliance Hotline

~~The Compliance Reporting Form allows employees to communicate violations or concerns anonymously without retaliation. If you report an issue through this method or other confidential reporting mechanism and choose to remain anonymous, be prepared to provide the location and enough information about the incident or circumstances to allow for the initiation of a review.~~

SCFHP's policy is to preserve the confidentiality of individuals who communicate suspected violations who are questioned in an investigation, subject to limits imposed by law. To the extent possible, all reported issues are treated as confidential and no attempt is made to identify the submitter from which the information was received.

Santa Clara Family Health Plan

POLICY

Policy Title:	Corrective Actions	Policy No.:	CP.07 v2
Replaces Policy Title (if applicable):		Replaces Policy No. (if applicable):	
Issuing Department:	Compliance	Policy Review Frequency:	Annual
Lines of Business (check all that apply):	☒ Medi-Cal	☒ CMC	

I. Purpose

The purpose of this policy is to establish the standards that Santa Clara Family Health Plan (SCFHP) utilizes to correct actual or potential non-compliance, fraud, waste and abuse (FWA) and/or unethical conduct, and to promote a culture of compliance and continuous improvement.

II. Policy

SCFHP issues corrective actions to internal business units, individuals, ~~and/or~~ First Tier, Downstream and Related Entities (FDRs), and/or delegated entities as appropriate, upon the identification of non-compliance, unethical behavior or FWA to correct and prevent the issue(s) from recurring.

III. Responsibilities

A. Compliant activities and ethical behavior is the responsibility of all SCFHP employees, temporary staff, volunteers, interns, consultants and Governing Body members (Employees), ~~and~~ FDRs, and delegated entities. Accordingly, the following are responsible for issuing, investigating, supporting and/or demonstrating remediation of corrective actions associated with potential non-compliance, unethical behavior or FWA:

1. SCFHP managers and directors may issue corrective actions for their staff to resolve issues identified during regular monitoring;
2. SCFHP's compliance department may issue corrective actions for internal business units, individuals and/or FDRs/delegated entities to resolve issues identified during regular monitoring, auditing or associated with regulatory reporting requirements that have not been met;
3. The Compliance Committee may recommend the issuance of corrective actions based on their review of potential issues presented for their guidance and input;

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4. The Governing Body may request corrective actions based on the organization's overall financial or operational performance;
5. SCFHP's Human Resources may issue performance improvement plans (PIPs), a form of corrective action, when it identifies systemic performance or behavioral issues demonstrated by employees; and
6. FDRs/delegated entities may issue corrective actions to its staff and/or downstream entities that support SCFHP's government-funded health care programs.

B. All SCFHP Employees and FDRs/delegated entities are responsible for participation in, and remediation of, any regulatory corrective actions issued by regulatory agencies to SCFHP.

IV. References

42 C.F.R. § 422.503(b)(4)(vi)(G)
42 C.F.R. § 423.504(b)(4)(vi)(G)
Medicare Managed Care Manual, Chapter 21, Section 50.7.2
Medicare Prescription Drug Benefit Manual, Chapter 9, Section 50.7.2

V. Approval/Revision History

First Level Approval	Second Level Approval
Anna Vuong Manager, Medi-Cal Compliance	Tyler Haskell Interim Compliance Officer
Date	Date

Version Number	Change (Original/ Reviewed/ Revised)	Reviewing Committee (if applicable)	Committee Action/Date (Recommend or Approve)	Board Action/Date (Approve or Ratify)
v1	Original	Compliance Committee	Approved/2/28/19	Ratify/3/28/19
v2	Revised			

Santa Clara Family Health Plan™

POLICY

Policy Title:	Compliance Training	Policy No.:	CP.10 v2
Replaces Policy Title (if applicable):		Replaces Policy No. (if applicable):	
Issuing Department:	Compliance	Policy Review Frequency:	Annual
Lines of Business (check all that apply):	☒Medi-Cal	☒CMC	

I. Purpose

The purpose of this policy is to ensure all Santa Clara Family Health Plan (SCFHP) employees, temporary staff, volunteers, consultants, and board members (“Employees”), ~~and~~ First-tier, Downstream and Related entities (FDRs), and delegated entities receive appropriate training and comply with all state, federal and SCFHP compliance requirements and policies.

II. Policy

SCFHP ensures that all Employees, ~~and~~ FDRs, and delegated entities receive general compliance training that includes SCFHP’s Standards of Conduct and compliance policies and procedures, and FWA training upon hire, appointment or contract, upon any updates in regulatory requirements, and annually thereafter (within the 12-month period from the prior training cycle).

III. Responsibilities

A. General compliance and FWA training is a cross-departmental activity and managed by the following B~~b~~usiness U~~u~~nits:
   1. Human Resources, in collaboration with the Compliance Department, is responsible for conducting new hire orientation training that includes general compliance and FWA training within 90 days of hire for all Employees, upon updates to regulatory requirements, and annually thereafter.
   2. Provider Network Management is responsible for communicating the requirements for SCFHP’s contracted provider network to provide new hire and annual general compliance training to its staff.
   3. The Compliance Department is responsible for communicating to SCFHP’s FDRs and delegated entities the requirements for providing general compliance and FWA training to all FDR staff within 90 days of hire, upon updates to regulatory requirements, and annually thereafter.

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IV. References

42 C.F.R. § 422.503(b)(4)(vi)(C)
42 C.F.R. § 423.504(b)(4)(vi)(C)
Medicare Managed Care Manual, Chapter 21, Section 50.3.1
Medicare Prescription Drug Benefit Manual, Chapter 9, Section 50.3.1

V. Approval/Revision History

First Level Approval	Second Level Approval
Anna Vuong Manager, Medi-Cal Compliance	Tyler Haskell Interim Compliance Officer
Date	Date

Version Number	Change (Original/ Reviewed/ Revised)	Reviewing Committee (if applicable)	Committee Action/Date (Recommend or Approve)	Board Action/Date (Approve or Ratify)
v1	Original	Compliance Committee	Approved/2/28/19	Ratify/3/28/19
v2				

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POLICY

Policy Title:	Annual Compliance Program Effectiveness Audit	Policy No.:	CP.12 v2
Replaces Policy Title (if applicable):		Replaces Policy No. (if applicable):	
Issuing Department:	Compliance	Policy Review Frequency:	Annual
Lines of Business (check all that apply):	☒ Medi-Cal	☒ CMC	

I. Purpose

The purpose of this policy is to establish the standards that Santa Clara Family Health Plan (SCFHP) utilizes to implement, monitor, measure and promote an effective compliance program that detects, corrects and prevents non-compliance and fraud, waste and abuse.

II. Policy

SCFHP performs an annual, comprehensive compliance program audit or assessment to measure the overall effectiveness of its compliance program.

III. Responsibilities

A. SCFHP's compliance department identifies qualified, independent individuals or entities that are subject matter experts in conducting annual compliance program audits or assessments.
B. The Compliance Committee will review and approve the Compliance Officer's candidates prior to the award of the contract.
C. SCFHP's Compliance Officer and Compliance Committee are responsible for reviewing the compliance program audit or assessment report and making recommendations for corrective actions, where appropriate.
D. The Compliance Department conducts regular monitoring of compliance program operational activities through the use of established dashboard metrics.

IV. References

42 C.F.R. § 422.503(b)(4)(vi)(F)
42 C.F.R. § 423.504(b)(4)(vi)(F)
Medicare Managed Care Manual, Chapter 21, Section 50.6.7
Medicare Prescription Drug Benefit Manual, Chapter 9, Section 50.6.7

POLICY

V. Approval/Revision History

First Level Approval	Second Level Approval
Anna Vuong Manager, Medi-Cal Compliance	Tyler Haskell Interim Compliance Officer
Date	Date

Version Number	Change (Original/ Reviewed/ Revised)	Reviewing Committee (if applicable)	Committee Action/Date (Recommend or Approve)	Board Action/Date (Approve or Ratify)
v1	Original	Compliance	Approved / 2/28/19	Ratify / 3/28/19
v2				

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POLICY

Policy Title:	Standards of Conduct	Policy No.:	CP.15 v2
Replaces Policy Title (if applicable):		Replaces Policy No. (if applicable):	
Issuing Department:	Compliance	Policy Review Frequency:	Annual
Lines of Business (check all that apply):	☒Medi-Cal	☒CMC	

I. Purpose

The purpose of this policy is to state Santa Clara Family Health Plan (SCFHP)'s overarching principles and values by which SCFHP operates and define the underlying framework for its compliance policies and procedures.

II. Policy

SCFHP has formal Standards of Conduct describing the expectations that apply to all employees, temporary employees, volunteers, interns, consultants and Governing Body members (Employees), ~~and~~ ~~F~~first ~~t~~Tier, ~~d~~Downstream and ~~r~~Related entities (FDRs), and d~~D~~elegated entities~~s~~ in conducting themselves in an ethical manner.

III. Responsibilities

A. SCFHP's Compliance Officer is responsible for:
   1. Updating the Standards of Conduct to incorporate changes in applicable laws, regulations, and other program requirements; and
   2. Obtaining approval from the Compliance Committee of the Board whenever updates are made to the Standards of Conduct.

B. SCFHP's Human Resources is responsible for ensuring that the Standards of Conduct and the underlying compliance policies and procedures are distributed to all Employees upon hire and annually thereafter.

C. SCFHP's Compliance ~~Manager~~ Department is responsible for ensuring all FDRs and d~~D~~elegated entities~~s~~ have access to SCFHP's Standards of Conduct.

D. The Compliance Committee of the Board is responsible for review and approval of updates made to the Standards of Conduct.

IV. References

42 C.F.R. § 422.503(b)(4)(vi)(A)

POLICY

42 C.F.R. § 423.504(b)(4)(vi)(A)
Medicare Managed Care Manual, Chapter 21, Section 50.1.1
Medicare Prescription Drug Benefit Manual, Chapter 9, Section 50.1.1

V. Approval/Revision History

First Level Approval	Second Level Approval
Anna Vuong Manager, Medi-Cal Compliance	Tyler Haskell Interim Compliance Officer
Date	Date

Version Number	Change (Original/ Reviewed/ Revised)	Reviewing Committee (if applicable)	Committee Action/Date (Recommend or Approve)	Board Action/Date (Approve or Ratify)
v1	Original	Compliance Committee	Approved/2/28/19	Ratify/3/28/19
v2				

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POLICY

Policy Title:	Risk Assessments	Policy No.:	CP.17 v2
Replaces Policy Title (if applicable):		Replaces Policy No. (if applicable):	
Issuing Department:	Compliance	Policy Review Frequency:	Annual
Lines of Business (check all that apply):	☒ Medi-Cal	☒ CMC	

I. Purpose

The purpose of this policy is to establish Santa Clara Family Health Plan (SCFHP)'s commitment to identifying, prioritizing, and assigning accountability for managing existing or potential threats related to noncompliance or ethical misconduct that could lead to fines or penalties, reputational damage, or the inability to continue operations in its government-funded health care programs.

II. Policy

SCFHP employs a standardized and consistent methodology for assessing its internal operational risks, contractual and regulatory risks, as well as the risks associated with delegated activities performed by it First Tier, Downstream and Related Entities (FDRs) and delegated entities that are designed to prioritize monitoring and auditing activities according to specified risk categorizations.

III. Responsibilities

A. SCFHP's Compliance Officer is responsible for the:
   1. Development and maintenance of SCFHP's risk assessment system;
   2. Annual implementation of the risk assessment process;
   3. Annual effectiveness reviews of the risk assessment system;
   4. Education of all stakeholders on the results and implications of the annual risk assessment; and
   5. Development of an annual monitoring and auditing work plan derived from the results of the annual risk assessment.

B. SCFHP's Compliance Department is responsible for establishing monitoring and auditing schedules based on the risk prioritization established by the risk assessment process.

C. SCFHP's Compliance Department is responsible for educating FDRs and d~~D~~elegated entities on SCFHP's risk assessment policy and procedure.

D. The Compliance Committee of the Board is responsible for assisting with the implementation and oversight of the risk assessment process, including approval of the annual monitoring and auditing work plan that is derived from the annual risk assessment process.
E. The Governing Body is responsible for reviewing and approving the risk assessment process.

IV. References

42 C.F.R. §§ 422.503(b)(4)(vi)(B) and (F)
42 C.F.R. §§ 423.504(b)(4)(vi)(B) and (F)
Medicare Managed Care Manual, Chapter 21, §§ 50.2.2, 50.2.3, 50.6.2
Medicare Prescription Drug Benefit Manual, Chapter 9, §§ 50.2.2, 50.2.3, 50.6.2

V. Approval/Revision History

First Level Approval	Second Level Approval
______________________ Mai Phuong-Nguyen Oversight Program Manager ______________________ Date	______________________ Tyler Haskell Interim Compliance Officer ______________________ Date

Version Number	Change (Original/ Reviewed/ Revised)	Reviewing Committee (if applicable)	Committee Action/Date (Recommend or Approve)	Board Action/Date (Approve or Ratify)
v1	Original	Compliance Committee	Approved/2/28/19	Ratify/3/28/19
v2				

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POLICY

Policy Title:	Communication Between SCFHP and FDR/Delegated Entities	Policy No.:	DE.04 v2
Replaces Policy Title (if applicable):	Delegated Entity Communication Process	Replaces Policy No. (if applicable):	DE004, DE204
Issuing Department:	Compliance	Policy Review Frequency:	Annual
Lines of Business (check all that apply):	☒ Medi-Cal	☒ CMC	

I. Purpose

The purpose of this policy is to establish the Santa Clara Family Health Plan (SCFHP) requirements regarding communication between SCFHP and its First Tier, Downstream and Related Entities (FDRs)/delegated entities.

II. Policy

SCFHP uses a variety of methods to communicate with FDRs/delegated entities in order to ensure compliance with applicable federal, state, and SCFHP contractual requirements.

A. SCFHP communication methods with the FDR/delegated entity include electronic, telephonic, external, and in-person.

B. SCFHP's formal communications with the FDR/delegated entity are documented. Formal Communications are defined as:
   1. Audit Notices
   2. All Plan Letters
   3. Regulatory Requirements
   ~~3.~~4. Corrective Action Plans

C. SCFHP initially and annually thereafter, reviews the communication processes, methods, ~~demographic information~~ and contact informations between SCFHP and ~~the~~ FDR/delegated entity.

III. Responsibilities

The Compliance Department is responsible for carrying out the terms of this policy.

A. The Compliance Department is responsible for the:
   1. Communication methodology established between SCFHP and the FDR/delegated entity.
   2. Oversight of the communication process between SCFHP and the FDR/delegated entity.

IV. References

DHCS: SCFHP Contract with DHCS Exhibit A, Attachment 4
CMS: Three-Way contract between SCFHP, DHCS, CMS
NCQA: NCQA Health Plan Standards, 2020~~17~~

V. Approval/Revision History

First Level Approval	Second Level Approval
Leanne Kelly Compliance Audit Program Manager	Tyler Haskell Interim Compliance Officer
Date	Date

Version Number	Change (Original/ Reviewed/ Revised)	Reviewing Committee (if applicable)	Committee Action/Date (Recommend or Approve)	Board Action/Date (Approve or Ratify)
v1	Original	Delegation Oversight Committee	4/28/2016	n/a
v2	Revised			

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POLICY

Policy Title:	Joint Operations Committee Meetings Between SCFHP and FDRs/Delegated Entities	Policy No.:	DE.05 v2
Replaces Policy Title (if applicable):	Delegation Oversight Joint Operations Committee Meeting	Replaces Policy No. (if applicable):	DE005 DE205
Issuing Department:	Compliance	Policy Review Frequency:	Annual
Lines of Business (check all that apply):	☒ Medi-Cal	☒ CMC	

I. Purpose

The purpose of this policy is to establish the Santa Clara Family Health Plan (SCFHP) requirements to conduct and participate in Joint Operations Committee (JOC) meetings between SCFHP and its First Tier, Downstream and Related Entities (FDRs)/delegated entities.

II. Policy

SCFHP establishes, conducts, and participates in JOC meetings with FDRs/delegated entities. The JOC meetings occur on at least an annual basis with each FDR/delegated entity. JOC meetings may be held in person, via webinar, or telephonic. A standard agenda will be established with specific needs of the FDR/delegated entity and SCFHP. FDRs/delegated entities and key SCFHP participants have the opportunity to submit agenda topics prior to each JOC meeting. Ad hoc meetings may be scheduled at the request of the FDR/delegated entity or by SCFHP.

III. Responsibilities

The Compliance Department and Provider Network Management are responsible for carrying out the terms of this policy.

A. The Provider Network Management Department is responsible for:
   1. Managing all JOC meetings for FDRs/delegated entities that have network providers

~~A.~~B. The Compliance Department is responsible for:
   1. Managing all JOC meetings for FDRs/delegated entities that do not have network providers

~~B.~~C. Managing the JOC meetings includes:
   1. Scheduling JOC meetings
   2. Participating in the JOC meetings
   3. Documenting the JOC meeting in the standardized meeting minute format
   4. Distributing all related documents to the JOC participants
   5. Escalating JOC activities if necessary to the Oversight Workgroup or Compliance Committee

6. Relaying applicable information from the Compliance Committee or regulators to the FDR/delegated entity through the JOC.

~~C.~~D. Business Units representing areas of delegation are responsible for staffing and/or participating in the JOC, providing meeting materials when applicable, and addressing issues involving the FDR/delegated entity.

~~D.~~E. Quality Improvement Department is responsible for:
1. Reporting JOC activities to the Quality Improvement Committee (QIC).
2. Relaying applicable information from the QIC to the FDR/delegated entity through the JOC.

IV. References

DHCS: SCFHP Contract with DHCS Exhibit A, Attachment 4
CMS: Three-Way contract between SCFHP, DHCS, CMS
NCQA: NCQA Health Plan Standards, 2020~~17~~

V. Approval/Revision History

First Level Approval	Second Level Approval
Leanne Kelly Compliance Audit Program Manager	Tyler Haskell Interim Compliance Officer
Date	Date

Version Number	Change (Original/ Reviewed/ Revised)	Reviewing Committee (if applicable)	Committee Action/Date (Recommend or Approve)	Board Action/Date (Approve or Ratify)
v1	Original	Delegation Oversight Committee	4/28/2016	n/a
v2				

Santa Clara Family Health Plan™

POLICY

Policy Title:	FDR/Delegated Entity Reporting	Policy No.:	DE.12 v2
Replaces Policy Title (if applicable):	Delegated Entity Reporting Process	Replaces Policy No. (if applicable):	DE012, DE212
Issuing Department:	Compliance	Policy Review Frequency:	Annual
Lines of Business (check all that apply):	☒ Medi-Cal	☒ CMC	

I. Purpose

The purpose of this policy is to establish the Santa Clara Family Health Plan (SCFHP) requirements to accept, process, and monitor reporting from First Tier, Downstream and Related Entities (FDRs)/delegated entities.

II. Policy

~~Santa Clara Family Health Plan (~~SCFHP~~)~~ accepts and processes reports from FDRs/delegated entities following the timeframes established by state and federal regulations, and identified in the delegate's contract and delegation agreement.

Reporting by FDRs/delegated entities~~s~~ includes both regular ongoing reporting defined by the delegation agreement as well as any reporting required defined by a corrective action plan, as applicable.

III. Responsibilities

The Compliance Department is responsible for carrying out the terms of this policy.

A. The Compliance Department is responsible for:
   1. Notifying the FDR/delegated entity of the SCFHP reporting requirements~~.~~
   2. Monitoring the FDRs/~~-~~delegated entity's report submissions to SCFHP~~.~~
   3. Communicating non-compliance to the FDR/delegated entity~~.~~
   4. Issuing a corrective action plan when applicable~~.~~
   5. Reporting non-compliance to the Oversight Workgroup and Compliance Committee~~.~~ if necessary

B. Business units are responsible for:

   1. Receiving and processing applicable reporting from the FDR/delegated entity~~s.~~
   2. Reporting non-compliance to the Compliance Department

C. The Quality Department is responsible for reporting non-compliance to the Quality Improvement Committee.

POLICY

IV. References

DHCS: SCFHP Contract with DHCS Exhibit A, Attachment 4
CMS: Three-Way contract between SCFHP, DHCS, CMS
NCQA: NCQA Health Plan Standards, 2020~~17~~

V. Approval/Revision History

First Level Approval	Second Level Approval
Leanne Kelly Compliance Audit Program Manager	Tyler Haskell Interim Compliance Officer
Date	Date

Version Number	Change (Original/ Reviewed/ Revised)	Reviewing Committee (if applicable)	Committee Action/Date (Recommend or Approve)	Board Action/Date (Approve or Ratify)
v1	Original	Delegation Oversight Committee	4/28/2016	n/a
v2				