Regular Meeting of the

Santa Clara County Health Authority
Compliance Committee

Wednesday, November 17, 2022, 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: 811 5131 9799
Passcode: CC2022!!
https://us06web.zoom.us/j/81151319799

AGENDA

1.	**Roll Call**	Ms. Murphy	2:00	1 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.	Ms. Murphy	2:01	1 min
3.	**Meeting Minutes** Review meeting minutes of the August 28, 2022 Compliance Committee. **Possible Action:** Approve August 28, 2022 Compliance Committee minutes.	Ms. Murphy	2:02	3 min
4.	**Compliance Activity Report** Discuss status of regulatory audits, related corrective action plans, and other compliance issues.	Mr. Haskell	2:05	5 min
5.	**Oversight Activity Report** Review the following oversight activities: **a.** Compliance dashboard **b.** Oversight audits **c.** Corrective Action Plans	Mr. Quan	2:10	15 min
6.	**Initial Health Assessment (IHA) Update** Review IHA improvement plan.	Dr. Nakahira	2:25	15 min
7.	**Fraud, Waste, and Abuse Report** Discuss FWA activities and investigations.	Ms. Nguyen	2:40	15 min

8.	**Compliance Program Documents - Annual Review** Review the following documents: **a.** Compliance Program **b.** Standards of Conduct **Possible Action**: Approve the Compliance Program and Standards of Conduct.	Mr. Haskell	2:55	5 min
9.	**Adjournment**		3:00	

Notice to the Public—Meeting Procedures

- Persons wishing to address the Compliance 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 Ashley Kerner 48 hours prior to the meeting at (408) 455-1335.
- To obtain a copy of any supporting document that is available, contact Ashley Kerner at (408) 455-1335. 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.

Regular Meeting of the

Santa Clara County Health Authority
Compliance Committee

Wednesday, August 31, 2022, 2:00 PM – 3:00 PM
Santa Clara Family Health Plan – Teleconference
6201 San Ignacio Ave, San Jose, CA 95119

MINUTES

Members Present
Sue Murphy, Chair
Christine Tomcala, Chief Executive Officer
Neal Jarecki, Chief Financial Officer
Laurie Nakahira, DO, Chief Medical Officer
Chris Turner, Chief Operating Officer
Chelsea Byom, VP, Marketing, Communications & Outreach
Ngoc Bui-Tong, VP, Strategies & Analytics
Teresa Chapman, VP, Human Resources
Tyler Haskell, Interim Compliance Officer

Members Absent
Jonathan Tamayo, Chief Information Officer

Staff Present
Daniel Quan, Director, Compliance, Compliance
Anna Vuong, Manager, Compliance, Compliance
Ashley Kerner, Manager, Administrative Services
Alicia Zhao, Compliance Audit Program Manager, Compliance
Alejandro Rodriguez, Compliance Analyst, Compliance
Megha Shah, Compliance Analyst, Compliance
Sue Won, Compliance Audit Program Manager, Compliance
Amy O'Brien, Administrative Assistant

1. Roll Call
Sue Murphy, Chair, called the meeting to order at 2:00 PM. Roll call was taken and a quorum was established

2. Public Comment
There were no public comments.

3. Meeting Minutes
Ms. Murphy reviewed the May 26, 2022 Compliance Committee minutes.

It was moved, seconded, and the May 26, 2022 Compliance Committee minutes were unanimously approved.

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

4. Compliance Activity Report

Tyler Haskell, Interim Compliance Officer discussed the status of regulatory audits, related corrective action plans, and other compliance issues.

Mr. Haskell stated the Compliance Department has been preparing for the onsite Department of Managed Health Care (DMHC) routine survey, scheduled for October, 2022.

Mr. Haskell reported on the conclusion of the triennial DMHC financial audit resulting in no deficiencies.

Mr. Haskell shared the Plan has not yet received a written preliminary report from the annual Department of Health Care Services (DHCS) audit.

Mr. Haskell informed the members that the Compliance Department has prepared the first set of DHCS 2024 contract readiness documents.

Mr. Haskell shared the annual Medicare data validation audit has concluded, with the Advent team submitting a 100% validation for the Plan to the U.S. Centers for Medicare & Medicaid Services (CMS) in July.

Mr. Haskell concluded his report by stating the Plan has partnered with Health Alliance Plan (HAP) of Michigan to conduct a peer review Compliance Program Audit. The audit started in August and a preliminary audit report is expected by early September 2022.

5. Oversight Activity Report

Daniel Quan, Director, Compliance reviewed the FY 2021 – 2022 compliance dashboard, oversight audits and corrective action plans.

Mr. Quan, shared the Plan is at 90.2% for recorded metrics, with 958 of 1,062 measures being compliant with, the fiscal year goal of reaching 95%.

Mr. Quan highlighted the Medi-Cal (MC) and Cal MediConnect (CMC) claims metrics and a discussion ensured regarding the historically low percentage for Initial Health Assessments (IHAs) completed within 120 calendar days of enrollment. Ms. Nakahira outlined the barriers to scheduling appointments and Tyler indicated the reoccurring issue of providers not completing the required paperwork.

Mr. Quan reported updates on the 2022 audit work plan status highlighting the cession of the external audit of the “Silver & Fit” program due to contract termination.

Mr. Quan presented the 2021 Valley Health Plan (VHP) Annual Audit noting there were 16 findings and 3 observations during the audit period, compared to 22 findings in previous years’ audit.

Mr. Quan provided a summary of corrective action plans noting there were 4 CAPs closed since last Compliance Committee meeting. He also highlighted a concern with incidents with member transportation with driver no shows. Mr. Haskell added the Plan would be monitoring transportation issues closely moving forward to avoid sanctioning by the State.

6. **Fraud, Waste, and Abuse Report**
Mr. Haskell, presented the Fraud, Waste, and Abuse Report activities and investigations.

Mr. Haskell shared there are a total of 28 reported leads for the year 2022 comprised from CMC, Medi-Cal, and CMC Medi-Cal. Mr. Haskell stated the majority of the reported leads came from Medi-Cal followed by CMC with the majority of the allegation sources originating from members for services not rendered.

Mr. Haskell concluded his presentation by sharing an updated chart of SCFHP open investigations.

7. **Health Insurance Portability and Accountability Act of 1996 (HIPAA) Policies**
Mr. Haskell reported on the annual review of HIPAA policies indicating routine updates were made to existing HIPAA policies.

It was moved, seconded, and the HIPAA policies were unanimously approved.

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

8. **Adjournment**
The meeting was adjourned at 2:50 PM.

_____
Sue Murphy, Secretary

Compliance Activity Report

November 17, 2022

- **Department of Managed Health Care (DMHC) Routine Audit**
  During the week of October 17, the Plan underwent a routine DMHC survey covering the overall performance of the Plan against State health plan licensing regulations. No obvious compliance deficiencies arose during the course of the audit, and the Plan awaits a preliminary report.

- **DMHC Enforcement Penalty**
  The DMHC sent the Plan a notification of an enforcement action related to a February 2019 enrollee complaint. Multiple back-and-forth correspondences took place between DMHC and the Plan over the course of eight calendar days, as is typical of these complaints. During this period, the Plan provided two incomplete responses to DMHC requests, one of which was also late. As a result, DMHC is assessing the Plan a $5,000 penalty for violating California Code of Regulations Title 28 § 1300.68(h), which states that "the Department may require the plan and contracting providers to expedite the delivery of information."

- **Department of Health Care Services (DHCS) Audit Update**
  The Plan underwent its annual DHCS audit in March. DHCS has notified the Plan that we should expect to receive a preliminary written report on November 17 or 18 and has scheduled an exit conference for November 29.

- **DHCS Focused Audits**
  DHCS recently notified Medi-Cal managed care plans that it intends to conduct focused audits in the areas of transportation and behavioral health, with the goal of examining "operational issues that may hinder appropriate and timely member access to medically necessary care." The focused audits will be scheduled concurrently with the Plan's annual medical audit.

Santa Clara Family Health Plan™

Oversight Activity Report

Compliance Committee Meeting - November 17, 2022

Santa Clara Family Health Plan™

Oversight Activity Report – Compliance Dashboard

Compliance Committee Meeting - November 17, 2022

Santa Clara Family Health Plan.

Compliance Summary 2022-2023

FY 2022-2023 PLAN FOCUS - At least 95% of Metrics on Compliance Dashboard in Compliance

Fiscal Year to Month: **Sep-22**

246 out of 268 measures were compliant = **91.8%**

LOB	Category	2022						2023						FY to Date
		Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	
CMC (49 measures)	Met	40	42	42										124
	Monthly Count*	43	44	45										132
	% Met	93.0%	95.5%	93.3%										93.9%
Medi-Cal (37 measures)	Met	28	31	30										89
	Monthly Count*	35	34	34										103
	% Met	80.0%	91.2%	88.2%										86.4%
General Compliance (14 measures)	Met	11	11	11										33
	Monthly Count*	11	11	11										33
	% Met	100.0%	100.0%	100.0%										100.0%
Combined (100 measures)	Met	79	84	83										246
	Monthly Count*	89	89	90										268
	% Met	88.8%	94.4%	92.2%										91.8%

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

Santa Clara Family Health Plan.

Compliance Summary 2022-2023

Medicare

Measure	Goal	Q3-22	Q4-22	Q1-23	Q2-23
CLAIMS					
Non-Contracted Providers					
Clean Claims from Non-Contracted Providers paid or denied within thirty (30) calendar days	95%	96.6%			
All Other Claims from Non-Contracted Providers or enrollees must be paid or denied within sixty (60) calendar days	100%	98.9%			
Contracted Providers					
Clean Claims from Contracted Practitioners paid or denied within thirty (30) calendar days	90%	99.5%			
Clean Claims from Contracted Providers paid or denied within ninety (90) calendar days	99%	99.9%			
CUSTOMER SERVICE					
Call Stats					
Member Queue					
Member Average Hold Time in Seconds	≤120 Seconds	32			
Incoming calls that are answered within 30 seconds	80% in ≤30 sec	74.2%			
Disconnect Rate from CMS Quarterly Report (part C)	≤5%	0.0%			
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%	100%			
Out of Area Members					
% of compliance with member outreach process within 10 calendar days of notification of possible OOA for members	100%	99.3%			
FINANCE					
Monthly submission of encounter data	100%	100%			

Medi-Cal

Measure	Goal	Q3-22	Q4-22	Q1-23	Q2-23
CLAIMS					
All Claims					
Misdirected Claims forwarded within ten (10) working days	95%	96.4%			
Processed Claims that receive acknowledgement timely	95%	98.6%			
All Claims paid or denied to ALL providers within forty-five (45) working days	95%	99.9%			
Clean Claims					
Clean Claims paid or denied to Practitioner within thirty (30) calendar days	90%	97.4%			
Clean Claims paid or denied to All Providers within ninety (90) calendar days	95%	100%			
Provider Claim Dispute Requests					
Provider Disputes acknowledged within fifteen (15) working days	95%	99.9%			
Provider Disputes resolved within forty-five (45) working days/sixty-two (62) calendar days	95%	100%			
Overturned Cases					
Overturned Cases with check provided within five (5) working days	95%	100%			
CUSTOMER SERVICE					
Call Stats					
Member Queue					
Member calls that are answered in ≤ 10 minutes	100%	99.0%			
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%	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%	100%			

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

Santa Clara Family Health Plan.

Compliance Summary 2022-2023

Medicare

Measure	Goal	Q3-22	Q4-22	Q1-23	Q2-23
HEALTH SERVICES - CASE MANAGEMENT					
HRAs and ICPs					
Total ICP Completion	100%	99.8%			
Total HRA Completion	100%	100%			
Members with timely annual HRA completion	100%	99.9%			
HEALTH SERVICES - MEDIMPACT/PHARMACY					
Standard Part D Authorization Requests					
Standard Prior Authorization requests (part D) completed within seventy-two (72) hours of request	100%	100%			
Expedited Part D Authorization Requests					
Expedited Prior Authorization requests (part D) completed within twenty-four (24) hours of request	100%	100%			
Non Part D Drugs Authorization Requests					
Non Part D Drugs Prior Authorization completed within twenty-four (24) hours of request	100%	100%			
Call Monitoring					
Provider/Pharmacy Average Hold Time in Seconds	≤120 Seconds	24			
Provider/Pharmacy Service Level	80% in ≤30 sec	85.0%			
Disconnect Rate	≤5%	1.8%			
HEALTH SERVICES - UTILIZATION MANAGEMENT					
Concurrent Organization Determinations					
Concurrent Review of Authorization Requests (part C) completed within five (5) working days of request	100%	98.9%			
Pre-Service Organization Determinations					
Standard Part C					
Standard Pre-Service Prior Authorization Requests (part C) completed within five (14) calendar days	100%	99.0%			

Medi-Cal

Measure	Goal	Q3-22	Q4-22	Q1-23	Q2-23
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%	100%			
Total High Risk SPD HRA Completion	100%	100%			
Total Low Risk SPD HRA Completion	100%	97.4%			
Total High Risk SPDs with ICP completion	100%	100%			
HEALTH SERVICES - PHARMACY					
HEALTH SERVICES - QUALITY					
Facility Site Reviews and Initial Health Assessments					
Annual Managed Care Division Facility Site Reviews/Physical-Accessibility Report submitted by Aug 1 each year	100%	100%			
Facility Site Reviews Completed	100%	100%			
IHAs completed within 120 calendar days of enrollment	100%	44.9%			
HEALTH SERVICES - UTILIZATION MANAGEMENT					
Medical Authorizations					
Conncurrent Review					
Concurrent Review of Authorization Requests completed within 5 working days of request	100%	99.6%			

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

Santa Clara Family Health Plan.

Compliance Summary 2022-2023

Medicare

Measure	Goal	Q3-22	Q4-22	Q1-23	Q2-23
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%	99.0%			
Post Service Organization Determinations					
Retrospective Requests (part C) completed within thirty (30) calendar days	100%	99.5%			
Part B Drugs Organization Determinations					
Standard Prior Authorization Requests (part B drugs) completed within seventy-two (72) hours of request	100%	98.4%			
Expedited Prior Authorization requests (part B drugs) completed within twenty-four (24) hours of request	100%	100%			

Medi-Cal

Measure	Goal	Q3-22	Q4-22	Q1-23	Q2-23
HEALTH SERVICES - UTILIZATION MANAGEMENT (cont.)					
Medical Authorizations (cont.)					
Routine Authorizations					
Routine Prior Authorization Requests completed within five (5) working days of request	100%	99.5%			
Expedited Authorizations					
Expedited Prior Authorization Requests completed within seventy-two (72) hours of request	100%	99.7%			
Retrospective Review					
Retrospective Requests completed within thirty (30) calendar days of request	100%	100%			
Member Notification of UM Decision					
Member Notification of UM decision in writing within two (2) working days of the decision.	100%	99.4%			
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%	98.9%			

Medicare

GRIEVANCE & APPEALS					
Grievances, Part C	**Goal**				
Standard Grievances Part C					
Standard Grievances (Part C) that provided Acknowledgment Letters within five (5) calendar days	100%	99.7%			
Standard Grievances (Part C) that provided Resolution Letters within thirty day calendar (30) days	100%	100%			
Expedited Grievances Part C					
Expedited Grievances (Part C) that provided Verbal or Written Resolution within twenty-four (24) hours	100%	100%			
Grievances, Part D					
Standard Grievance Part D					
Standard Grievances (Part D) that provided Acknowledgment Letters within five (5) calendar days	100%	100%			
Standard Grievances (Part D) that provided Resolution Letters within thirty (30) calendar days	100%	100%			
Expedited Grievance Part D					
Expedited Grievances (Part D) provided Verbal OR Written Resolution within twenty-four (24) hours	100%	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%	100%			
Standard Pre-Service Reconsiderations (part C) that provided Resolution Letters within thirty (30) calendar days	100%	100%			
Standard Post-Service Part C					
Standard Post-Service Reconsiderations resolved within 60 days	100%	98.9%			

Medi-Cal

GRIEVANCE & APPEALS					
Grievances					
Standard Grievances					
Standard Grievances that provided Acknowledgement Letters within five (5) calendar days	100%	97.0%			
Standard Grievances that provided Resolution Letters within thirty (30) calendar days	100%	98.5%			
Expedited Grievances					
Expedited Grievances that provided Verbal AND Written Notifications within seventy-two (72) hours	100%	94.9%			
Appeals					
Standard Appeals					
Standard Appeals that provided Acknowledgement Letters within five (5) calendar days	100%	96.6%			
Standard Appeals that provided Resolution Letters within thirty (30) calendar days	100%	100%			
Expedited Appeals					
Expedited Appeals that provided Verbal AND Written Notifications within seventy-two (72) hours	100%	91.7%			

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

Santa Clara Family Health Plan.

Compliance Summary 2022-2023

Medicare

Measure	Goal	Q3-22	Q4-22	Q1-23	Q2-23
GRIEVANCE & APPEALS (cont.)					
Reconsiderations, Part C (cont.)					
Expedited Pre-Service Part C/Part B Drug					
Expedited Reconsiderations (part C) that provided Verbal AND Written Resolution within seventy-two (72) hours	100%	100%			
Expedited Pre-Service Part C/Part B Drug (cont.)					
Expedited Pre-Service Reconsiderations (upheld & untimely) submitted to IRE within 24-hours of decision	100%	100%			
Appeals, Part B					
Part B Drug Appeals that provided Verbal OR Written Resolution within seven (7) calendar days	100%	100%			
Redeterminations, Part D					
Standard Part D					
% of Standard Redeterminations (part D) that provided Resolution Letters within seven (7) calendar days	100%	96.6%			
Expedited Part D					
Expedited Redeterminations (part D) that provided Verbal AND Written Resolution within seventy-two (72) hours	100%	100%			
Untimely Expedited Redeterminations (part D) submitted to IRE within twenty-four (24) hours of decision	100%	100%			
Direct Member Reimbursement Redeterminations (Part D) resolved within fourteen (14) calendar days	100%	100%			
Complaint Tracking Module (CTM) Complaints					
CTM Conplaints Resolved Timely	100%	100%			
MARKETING					
Required Materials posted to the Plan's website by the first of each month	100%	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%	n/a			
MEDICARE OUTREACH					
Annual Medicare Communications & Marketing Guidelines training completed by September 30 each year	100%	100%			
PROVIDER NETWORK MANAGEMENT					
PROVIDER DATABASE & REPORTING					
Provider Directories updated monthly by the first day of the month	100%	100%			
Annual Health Service Delivery Tables submitted by September 30 of each year	100%	n/a			

Medi-Cal

Measure	Goal	Q3-22	Q4-22	Q1-23	Q2-23
GRIEVANCE & APPEALS					
MARKETING					
Training and certification for Marketing Representatives completed timely	100%	100%			
Medi-Cal Provider Directory posted on the Plan's website by the first of the month	100%	100%			
INFORMATION TECHNOLOGY					
Encounter Files Successfully Submitted to DHCS by end of month	100%	100%			
Monthly Eligibility Files successfully submitted to Delegates Timely	100%	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%	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			

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

Santa Clara Family Health Plan.

Compliance Summary 2022-2023

Medicare

Measure	Goal	Q3-22	Q4-22	Q1-23	Q2-23
GENERAL COMPLIANCE					
Exclusion Screenings					
Individual Exclusion Screening					
New Eligible Individuals screened prior to start date	100%	100%			
Eligible Individuals who are screened monthly	100%	100%			
FDR Exclusion Screening					
Initial Exclusion Screening Completed for FDRs prior to contracting	100%	100%			
Monthly Exclusion Screening Completed for existing FDRs	100%	100%			
Provider Monthly Screenings					
Monthly Exclusion Screening completed for the Plan's Contracted Providers	100%	100%			
Monthly Exclusion Screening completed for Non-Contracted Providers	100%	100%			
Compliance Training					
New Eligible Employees completed trainings within ninety (90) days of initial hiring (SCFHP's operational standard = 5 working days)	100%	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%	100%			
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%	100%			
Current Employees receive Standards of Conduct and Compliance P&Ps annually	100%	n/a			

Medi-Cal

Measure	Goal	Q3-22	Q4-22	Q1-23	Q2-23
GENERAL COMPLIANCE					
Personnel Filings					
Key Personnel filings completed within five (5) calendar days of effective date	100%	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%	100%			

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

Santa Clara Family Health Plan

Delegate Compliance Summary Q3-2022

Medi-Cal							
Measure	Goal	SCFHP	Kaiser	VHP	PMGSJ	NEMS	PCNC
CLAIMS							
All Claims							
Misdirected Claims forwarded within ten (10) working days	95%	96.4%					
Processed Claims that receive acknowledgement timely	95%	98.6%					
All Claims paid or denied to ALL providers within forty-five (45) working days	95%	99.9%	99.6%	99.0%	100%	100%	100%
Clean Claims							
Clean Claims paid or denied to Practitioner within thirty (30) calendar days	90%	97.4%	95.8%	99.0%	100%	100%	99.0%
Clean Claims paid or denied to All Providers within ninety (90) calendar days	95%	100%					
Provider Claim Dispute Requests							
Provider Disputes acknowledged within fifteen (15) working days	95%	99.9%					
Provider Disputes resolved within forty-five (45) working days/sixty-two (62) calendar days	95%	100%	99.0%		100%	100%	98.0%
Overturned Cases							
Overturned Cases with check provided within five (5) working days	95%	100%					
CUSTOMER SERVICE							
Call Stats							
Member calls that are answered in ≤ 10 minutes	100%	99.0%		Not Delegated	Not Delegated	Not Delegated	Not Delegated

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

Santa Clara Family Health Plan

Delegate Compliance Summary Q3-2022

Medi-Cal							
Measure	Goal	SCFHP	Kaiser	VHP	PMGSJ	NEMS	PCNC
HEALTH SERVICES - CASE MANAGEMENT							
HRAs and ICPs for SPDs							
Total High Risk SPD HRA Completion	100%	100%		20.4%	Not Delegated	Not Delegated	Not Delegated
Total Low Risk SPD HRA Completion	100%	97.4%		0.00%	Not Delegated	Not Delegated	Not Delegated
Total High Risk SPDs with ICP completion	100%	100%		20.4%	Not Delegated	Not Delegated	Not Delegated
HEALTH SERVICES - QUALITY							
Initial Health Assessments							
IHAs completed within 120 calendar days of enrollment	100%	44.9%					
HEALTH SERVICES - UTILIZATION MANAGEMENT							
Medical Authorizations							
Conncurrent Review							
Concurrent Review of Authorization Requests completed within 5 working days of request	100%	99.6%	100%	99.0%	99.0%	100%	85.0%

Yellow = at least 98% for measures with a goal of 100%
Beige = data not yet reported

Santa Clara Family Health Plan

Delegate Compliance Summary Q3-2022

Medi-Cal							
Measure	**Goal**	**SCFHP**	**Kaiser**	**VHP**	**PMGSJ**	**NEMS**	**PCNC**
HEALTH SERVICES - UTILIZATION MANAGEMENT (cont.)							
Medical Authorizations (cont.)							
Routine Authorizations							
Routine Prior Authorization Requests completed within five (5) working days of request	100%	99.5%	99.2%	98.9%	100%	100%	100%
Expedited Authorizations							
Expedited Prior Authorization Requests completed within seventy-two (72) hours of request	100%	99.7%	100%	99.1%	100%	100%	99.5%
Retrospective Review							
Retrospective Requests completed within thirty (30) calendar days of request	100%	100%	100%	100%	100%	97.1%	100%
Member Notification of UM Decision							
Member Notification of UM decision in writing within two (2) working days of the decision.	100%	99.4%	99.3%	99.0%	100%	100%	96.2%
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%	98.9%	99.0%	99.0%	100%	100%	
GRIEVANCE & APPEALS							
Grievances							
Standard Grievances							
Standard Grievances that provided Acknowledgement Letters within five (5) calendar days	100%	97.0%		Not Delegated	Not Delegated	Not Delegated	Not Delegated
Standard Grievances that provided Resolution Letters within thirty (30) calendar days	100%	98.5%		Not Delegated	Not Delegated	Not Delegated	Not Delegated
Expedited Grievances							
Expedited Grievances that provided Verbal AND Written Notifications within seventy-two (72) hours	100%	94.9%		Not Delegated	Not Delegated	Not Delegated	Not Delegated
Appeals							
Standard Appeals							
Standard Appeals that provided Acknowledgement Letters within five (5) calendar days	100%	96.6%		Not Delegated	Not Delegated	Not Delegated	Not Delegated
Standard Appeals that provided Resolution Letters within thirty (30) calendar days	100%	100%		Not Delegated	Not Delegated	Not Delegated	Not Delegated
Expedited Appeals							
Expedited Appeals that provided Verbal AND Written Notifications within seventy-two (72) hours	100%	91.7%		Not Delegated	Not Delegated	Not Delegated	Not Delegated

Yellow = at least 98% for measures with a goal of 100%
Beige = data not yet reported

Santa Clara Family Health Plan™

Oversight Activity Report – Oversight Audits

Compliance Committee Meeting - November 17, 2022

3-Year Audit Schedule

Santa Clara Family Health Plan

COMBINED 3-YEAR AUDIT SCHEDULE

Year	Internal/ External	Q1		Q2		Q3		Q4	
		Medi-Cal	CMC	Medi-Cal	CMC	Medi-Cal	CMC	Medi-Cal	CMC
2020	Internal	SCFHP Website IT (Security Risk Assessment)*		Claims		Compliance*		Quality Improvement	
			UM				Pharmacy		UM SCFHP Website
	External	Hanna		MedImpact		New Directions			VHP PMGSJ
		Language Line		Cal IPA		Kaiser			
2021	Internal	CM Grievance and Appeals		Enrollment Production Services		Compliance* Human Resources		SCFHP Website Medicare Outreach	
	External	Change Healthcare		MedImpact VSP		Carenet Docustream		VerifPoint Arvato	
		NEMS		CHDP Gateway		Kaiser PCNC		PMGSJ VHP	
2022	Internal			UM		Compliance Grievance and Appeals		SCFHP Website	
	External	NovaTrans		Arvato Carenet VSP		Kaiser PCNC NEMS	MedImpact	PMGSJ VHP	
					~~Silver & Fit~~				

Note: Audit schedule was last reviewed and approved in Feb 2022 Compliance Committee

2022 Audit Work Plan - Status

Internal Audits		
Area/ Delegate/ FDR	**Status**	**Audit Scope**
UM	In Progress	P&P Review and File Review
Compliance	Completed	P&P Review and Tracer Sample
G&A	Not Started	P&P Review and File Review
External Audits		
NovaTrans	Completed	Transportation P&P and claims file review
Arvato	Completed	Compliance Requirements; Provider Directory Creation; Mail fulfillment
Carenet	In Progress	Compliance Requirements; Nurse Advice Line; MD Live
VSP	In Progress	Compliance Requirements; Claims; Call Center Metrics; TBD
Silver & Fit	Cancelled	Contract terminate end of 2022
Kaiser	In Progress	Claims; CM; G/A; Transportation; PQI; UM; MOT; Behavioral/Mental Health
PCNC	In Progress	CM; Claims; C&L; IHA; MOT; Credentialing; UM; Compliance; Provider Training; Network and Timely Access
NEMS	In Progress	CM; Claims; C&L; IHA; MOT; Credentialing; UM; Compliance; Provider Training; Network and Timely Access
MedImpact	In Progress	Compliance Requirements; Coverage Determination; Formulary Administration; MTM Program
PMGSJ	In Progress	CM; Claims; C&L; IHA; MOT; Credentialing; UM; Compliance; Provider Training; Network and Timely Access
VHP	In Progress	CM; Claims; C&L; IHA; MOT; Credentialing; UM; Compliance; Provider Training; Network and Timely Access

Arvato Digital Services

Scope:

Compliance Requirements: Policies and Employee Sample Review

Print and Mail Fulfillments: Policies and Sample Review

Provider Directory Development: Policies

Findings:

1) Arvato did not ensure employees timely completed **General Compliance Training** within 90 day of hire and annually thereafter.
2) Arvato did not ensure employees timely completed of **Fraud, Waste, and Abuse (FWA)** training within 90 days of hire and annually thereafter.

2022 Compliance Program Effectiveness

(Performed by Health Alliance Plan of Michigan)

Scope and Score Summary:

Area Reviewed	Total Opportunities	Total Met/ Partially Met	Score
Code of Conduct/Compliance Program Description & Documentation	15	15	100%
Organizational Structure and Governance	25	25	100%
Risk Assessment and Work Plan	15	15	100%
Tracer Review	68	67	99%
Overall Score Across all Reviewed Areas	123	122	**99%**

Findings

1) SCFHP could not provide evidence that one of the five selected workforce (contracted worker) samples had received compliance and Fraud, Waste, and Abuse (FWA) training in 2021.
2) One tracer presentation did not include a timeline detailing the chain of events.

Observations

1) The number of First Tier Entites referenced across documents should be consistent and only include those supporting Cal MediConnect product (Medicare-Medicaid).
2) The Compliance Oversight Universe should include FWA cases as this could potentially be an Invalid Data Submission in a CMS Program Audit.
3) Ensure alignment in the standards between the Compliance Policies, Compliance Program Document and Monitoring Dashboard.
4) When possible, reduce the audit completion time to improve timely detection of issues.

Santa Clara Family Health Plan™

Oversight Activity Report – Corrective Action Plans

Compliance Committee Meeting - November 17, 2022

Summary of CAP Activity
Aug – Nov 2022

# of Open CAPs	# CAP Closed	# of CAPs Added
9	3	1

Date Issued or Logged	Date Closed	Delegate/BU	Deficiency/Finding	Remediation/Correction	Status and next steps
3/29/2022		Green Cab	Green Cab reported 20 and 33 incidents of driver no show in Q3 2021 and Q4 2021.	provided drivers training on Green Cab's sick policy	Q1 2022 reported 100 incidents of driver no show Q2 2022 reported 24 incidents of drive no show 7/21/2022: recommending to continue monitoring for improvement in Q3 2022
3/29/2022		Yellow Cab	Yellow Cab reported 11 and 10 incidents of driver no-shows in Q3 2021 and Q42021.	onboarding new drivers, limit will call rides, explore shared rides	Q1 2022 reported 9 incidents of driver no show Q2 2022 reported 21 incidents of driver no show 7/21/2022: recommend closing CAP if Q2 2022 data shows improvement 9/8/2022: Q2 2022 data shows increase in Driver No Show. Continue to monitor
4/12/2022	9/13/2022	PCNC	2021 Audit findings resulted in 20 CAPs	Implementing corrections	5/18/2022: PCNC provided CAP responses, Compliance currently reviewing responses 6/15/2022: 6 findings complete 7/18/2022: Pending update from PCNC ~35% complete 8/15/2022: 40% complete. Pending additional information and documentation 9/13/2022: 80% closed. remaining to be validated in current 2022 annual audit.
6/15/2022		Customer Service	CMC Measure: 80% of incoming calls answered within 30 seconds April = 74.5%; May = 68.8%; June = 79.0%; July = 75.6%; August = 75.7%; September = 71.3%	recruiting for new FTEs and urgently providing trainings to fill in the gaps	7/21/2022: monitoring for improvement

Date Issued or Logged	Date Closed	Delegate/BU	Deficiency/Finding	Remediation/Correction	Status and next steps
5/27/2022		PMG	2021 Audit findings resulted in 27 CAPs	Original responses due 6/20/2022, extension provided until 7/13/2022.	7/20/2022: still no CAP response from PMG CAP Response provided 8/8/2022 9/7/2022: All CAPS accepted; pending documentation to verify completion 10/27/2022: 85% of CAPs closed.
7/15/2022		VHP	Audit findings with 17 CAPs	responses due 8/01/2022	8/17/2022: Pending review 8/31/2022: All CAPs accepted; pending documentation to verify completion
7/18/2022	10/3/2022	NovaTrans	Audit findings with 6 CAPs	responses provided 7/26/2022	8/17/2022: recommend closing CAP after receiving attestation or signed P&P 10/3/2022: received attestation and signed P&P to close CAP.
7/20/2022	10/19/2022	G/A	Medi-Cal Measure: % of Standard Appeals that provided Acknowledgement Letters within five (5) calendar days May= 95% (missed 2 of 40); June = 92.9% (missed 2 of 28); July = 95.0% (missed 1 of 20); August = 95.5% (missed 2 of 42); September = 100%	created a new identifier in the Beacon system that our team will use to categorize cases pending an AOR/ARF and better ensure daily monitoring of those cases	8/17/2022: monitoring for improvement 10/19/2022: met goal in Sept to close CAP
9/28/2022		PCNC	Goal of 95% for UM Urgent Concurrent was not met Q1 and Q2 2022	TBD	10/12/2022: CAP response due from PCNC 11/9/2022: Pending response from PCNC

Santa Clara Family Health Plan™

Initial Health Assessment (IHA) Update

Compliance Committee Meeting - November 17, 2022

Initial Health Assessment

Current Requirements

- Completed within 120 days of continuous enrollment for new member and include:
  - History of member's physical & behavioral health
  - Identification of risks
  - Assessment of need for preventive screens or services
  - Health education
  - Diagnosis & plan for treatment of any disease
  - Individual Health Education Behavioral Assessment (IHEBA) / Staying Healthy Assessment (SHA); or
- Documented two outreach attempts
  - One phone call attempt
  - One written
  - Documented in the member's medical record

Initial Health Assessment

Changes beginning January 2023 (pending APL)

- Change from Initial Health Assessment to Initial Health Appointment
- Continue to include a history of member's physical and behavioral health, identification of risks, assessment for need for preventive screens or services and health education, and diagnosis and plan for treatment for any diseases
- Eliminate Individual Health Education Behavior Assessment (IHEBA) / Staying Health Assessment (SHA) Form
  - Bright Future checklists are required for pediatric patients (same elements as the SHA)

IHA Data Specifications

- Current
  - 120 days continuous enrollment with no more than 30 day gap
  - Reporting month equals due month without claims lag assumption

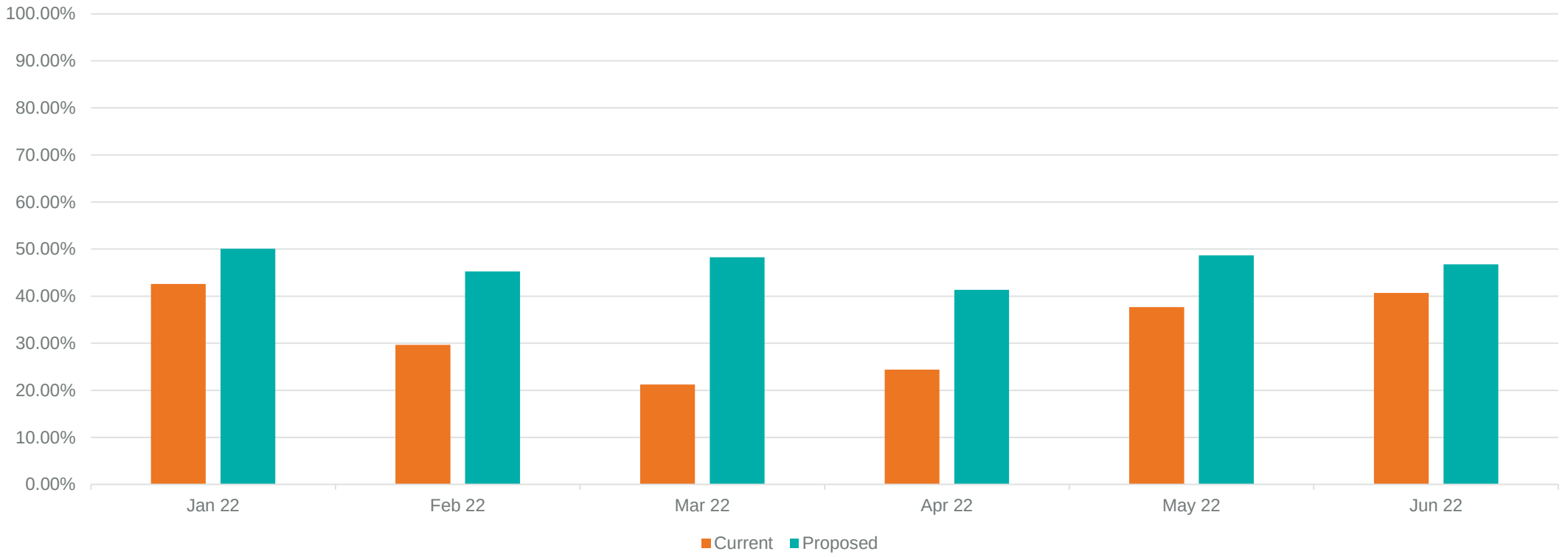
Eligible Month	IHA Due Date	Reporting Month on Compliance Dashboard
July	October	October
August	November	November
September	December	December

- Proposed
  - Eligible members must have 120 days continuous enrollment
  - Report IHA compliance rate by due date with 3 months claim lag. See table for reporting timeline

Eligible Month	IHA Due Date	3 months lag for data completeness	Reporting Month for Compliance Dashboard
July	October	November-January	January
August	November	December-February	February
September	December	January-March	March

- Under Review
  - Update the data based on final APL
  - Identify additional data that would meet the IHA requirements of inclusion and/or exclusions

IHA Rates Current v. Proposed



CY21: 68% of new members with 12 months of continuous enrollment had an IHA within 365 days of eligibility.
FY22: 65% of new members with 12 months of continuous enrollment had an IHA within 365 days of eligibility.

Improve IHA Compliance

Current Interventions

- Member Outreach Pilot – Direct Network enrollees
- Provider Performance Program
- Direct Network Education Program

Proposed Interventions

- New member clinic day
- Include IHA as a topic in member/provider newsletters quarterly
- Providers attend and attest to IHA training annually
- Webinar for clinic manager/staff with lunch provided
- Vendor to assist with outreach calls
- Send template letters to members from providers
- Supplemental data to include activities prior to enrollment
- Deliver new member rosters to providers, educate on IHA and how to access rosters on provider portal

Santa Clara Family Health Plan™

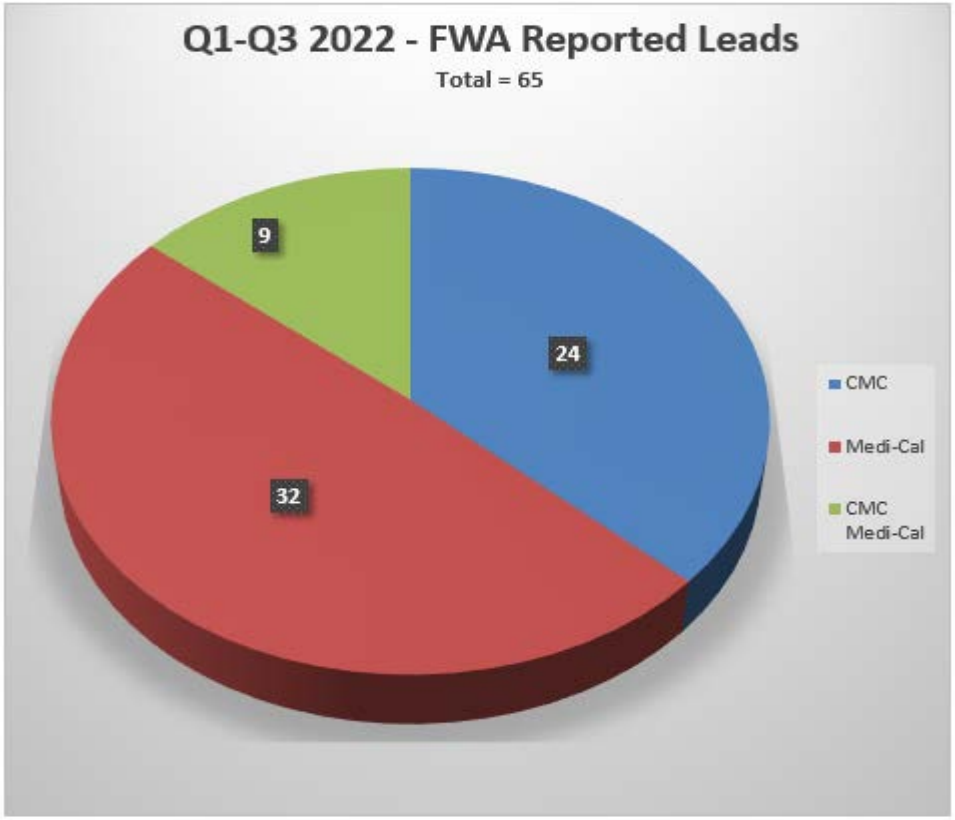
Questions?

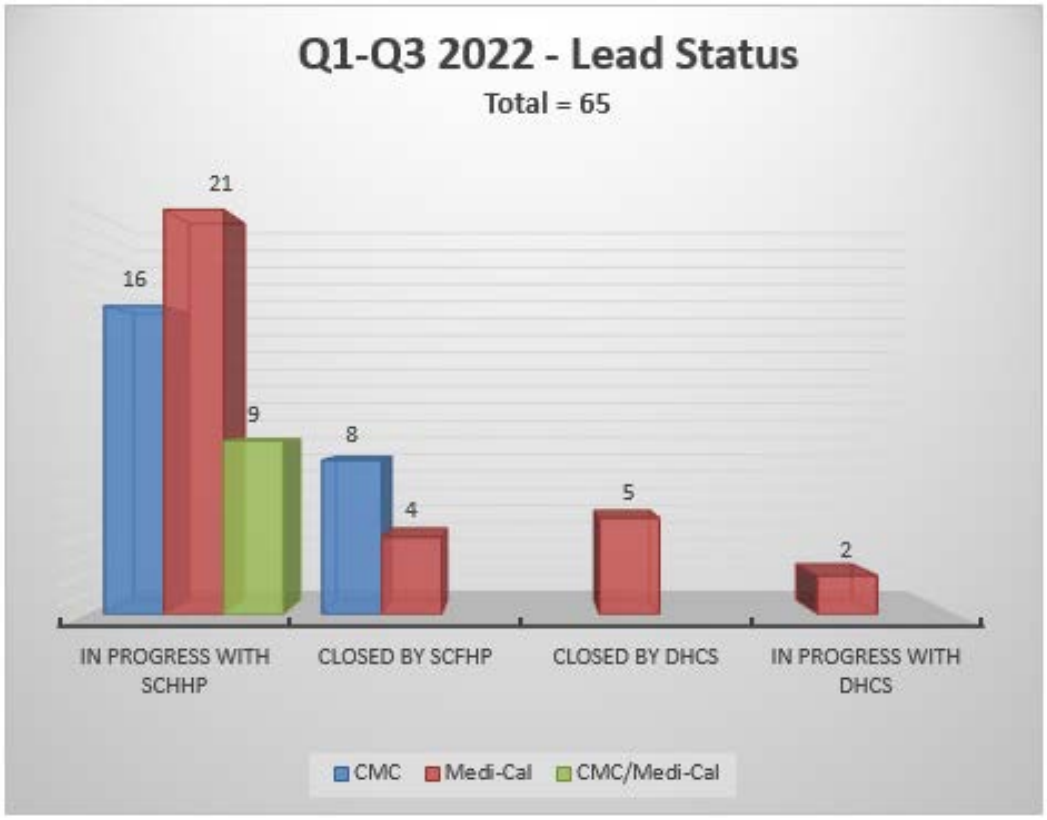
Santa Clara Family Health Plan™

Fraud, Waste, and Abuse Quarterly Report Q3 2022

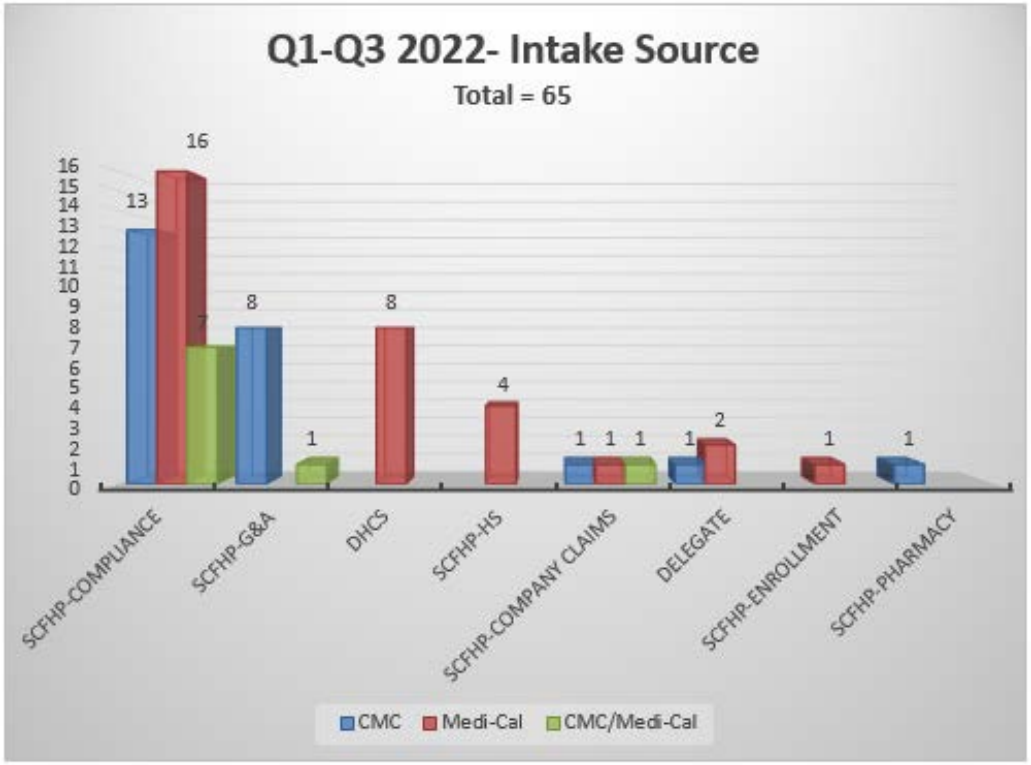
Compliance Committee Meeting - November 17, 2022

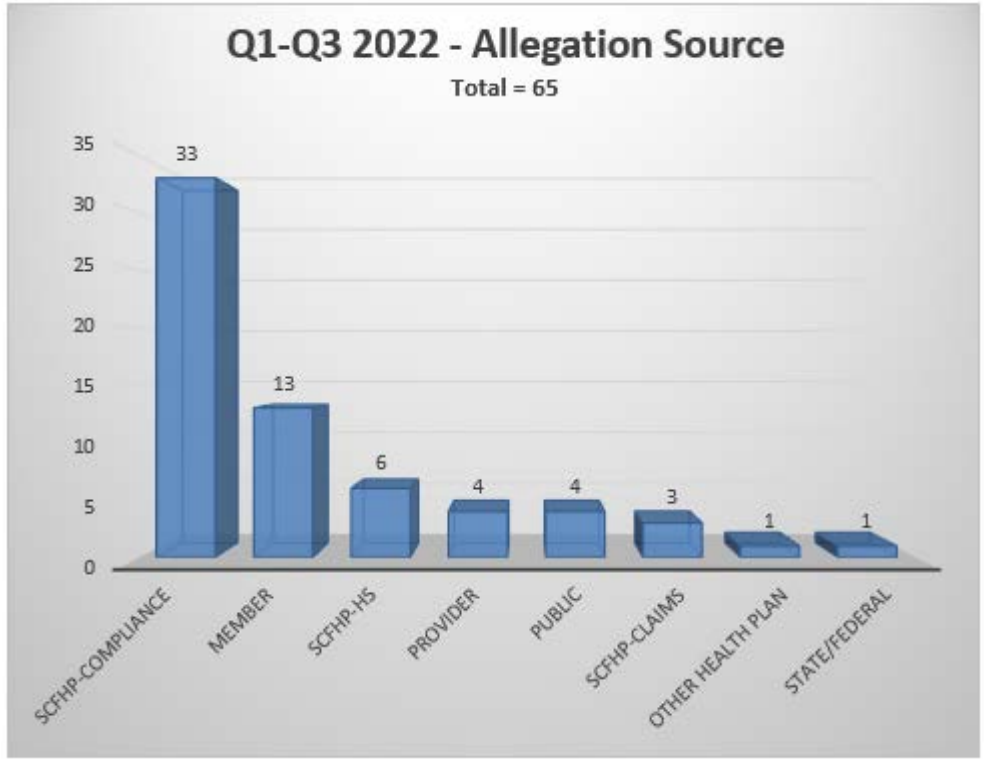
Q1-Q3 2022 Report – FWA Leads





Q1-Q3 2022 Report – FWA Leads (cont.)



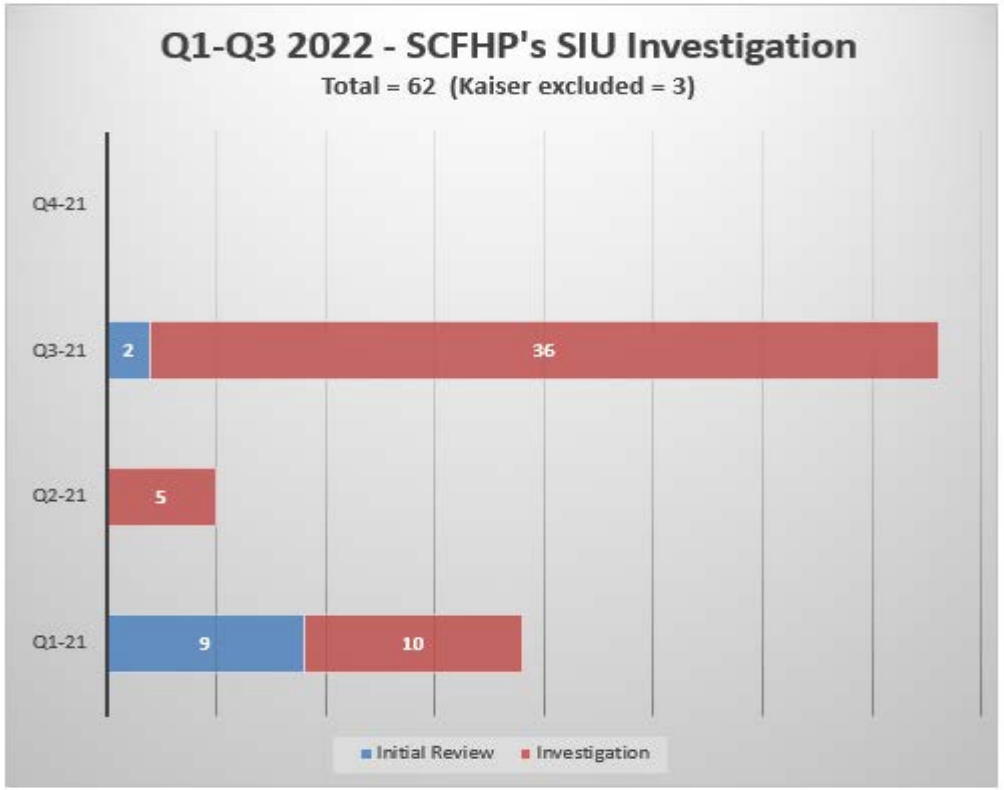


Q1-Q3 2022 Report – FWA Leads (cont.)

Santa Clara Family Health Plan

Q1-Q3 2022 - Allegation Type

Allegation Type	CMC	Medi-Cal	CMC/Medi-Cal	Total
Services not Rendered	23	19	8	50
Billing Issue		4	1	5
Drug Seeking		2		2
Enrollment/Disenrollment		1		1
Kickbacks/Bribes		1		1
Medically Unnecessary Services		1		1
Non-Covered Service		1		1
Out-of-Area Physician	1			1
Overutilization		1		1
Provider Fraud		1		1
Service not Needed		1		1



2021-Q2 2022 - FWA Recovery

Santa Clara Family Health Plan

	Total	**$29,237.07**	**$370.32**

Provider Type	Recovery Quarter	Recovery $ MCAL & CMC-MCAL	Recovery $ CMC-Medicare
Transportation	Q1 - 2022	$10,069.71	
Durable Medical Quipment	2021	$10,812.88	
Pediatrics		$7,117.91	
Neurology		$1,236.57	$370.32

Q1-Q3 2022 Report – SIU Cases

Santa Clara Family Health Plan

SIU Case Updates
Update Date: 11/07/2022

Count	ID	Allegation Source	Subject Investigated (CC)	Allegation	Reason to Open	Status	Actions
1	SIU_2021_12_29_01	SCFHP-Claims	Provider-Cardiology	Billing Issue	SCFHP's Claims reported Provider submitted claims for services provided to a member with hospice status.	Closed by SCFHP	- Hospice status was provided by the State. - State removed hospice status a few months later.
2	SIU_2022_01_03_01	SCFHP-Compliance	Provider-Transportation	Service not Rendered	SIU's data mining shows Provider submitted claims for rides that were supposed to provide after date of death.	Closed by SCFHP	- Provider repaid $1,846.57. - CAP issued and closed.
3	SIU_2022_01_03_02	SCFHP-Compliance	Provider-Transportation	Service not Rendered	SIU's data mining shows Provider submitted claims for rides that were supposed to provide after date of death.	Closed by SCFHP	- Provider repaid $669.07. - CAP issued and closed.
4	SIU_2022_01_03_03	SCFHP-Compliance	Provider-Transportation	Service not Rendered	SIU's data mining shows Provider submitted claims for rides that were supposed to provide after date of death.	Closed by SCFHP	- SCFHP to continue to monitor as Provider did not respond to the Plan's request for implentation of corrective action plan.
5	Initial_2022_01_11_01	SCFHP-HS	Provider-Home Health Care	Billing Issue	SCFHP-HS requested for initial review of Maxim HC's claims for impossible days.	In Progress with SCFHP	- Meeting is scheduled for the week of 11/14/2022 to discuss billing issues.
6	Initial_2022_01_24_01	SCFHP-Compliance	Provider-Family Medicine	Service not Rendered	Member, said she received notification in the email that her services in Texas has been denied, but she has not been to Texas or received services over there.	Closed by SCFHP	- Billing Provider is located in TX.
7	SIU_2022_01_28_01	Signify Health	Provider-Surgery	Service not Rendered	SCFHP's Contracted Provider reported of service not surrendered by their own contracted physician.	Closed by SCFHP	- Provider repaid the Plan and put their provider on an immediate hold.
8	SIU_2022_02_07_01	Kaiser	Member-Kaiser	Drug Seeking	Kaiser reported to DHCS and SCFHP of a member presenting a suspicious non-KP dental prescription prescribed to a different name with a different KP Medical Record Number.	Closed by DHCS	- Kaiser investiagted and submitted intial and final 609 report to DHCS - Unsubstantiated relating to drug FWA
9	SIU_2022_02_07_02	DHCS	Provider-Home Health Care	Service not Needed	DHCS's request for review of all data, if appliable, in connection with a hospital and provider in Sacramento.	Closed by DHCS	- No claims submitted by the facility in Sacramento All of our members deceased except for 3.
10	Initial_2022_02_09_01	SCFHP-G&A	Provider-Family Medicine	Service not Rendered	Member called to report a fraud/ waste abuse due to receiving a Denial of Notice. Member said this provider is in TX and she had never gone to TX for any types of services	Closed by SCFHP	- Billing Provider is located in TX.

Q1-Q3 2022 Report – SIU Cases

Santa Clara Family Health Plan

SIU Case Updates
Update Date: 11/07/2022

Count	ID	Allegation Source	Subject Investigated (CC)	Allegation	Reason to Open	Status	Actions
11	Initial_2022_02_11_01	SCFHP-G&A	Provider-Family Medicine	Service not Rendered	Member's parent inquired about notice of denial. He stateed the member never received services from this provider or on this date of service.	Closed by SCFHP	- Telehealth service was confirmed by the member's parent.
12	SIU_2022_02_14_01	DHCS	Provider-Psychiatry	Service not Rendered	DHCS's request for investigation of a psychiatrist's non-compliant activities in a hospital in Sacramento.	Closed by DHCS	- Provider's claims were denied as the providers' W9 form has not been submitted.
13	SIU_2022_02_15_01	SCFHP - HS	Provider-Home Health Care	Overutilization	SCFHP's Health Services request for a review of a home health provider as there is not enough evidence to justify the paid skilled nursing visit for this provider.	In Progress with SCFHP	- SIU review claims and prepare for medical records request.
14	SIU_2022_02_17_01	SCFHP-Claims	Provider-Transportation	Billing Issue	SCFHP's Claims reported Provider used one billing code for Medicare and a different code for Medi-Cal.	In Progress with SCFHP	- Audit report was sent to the provider.
15	Initial_2002_02_25_01	SCFHP-G&A	Provider-Durable Medical Eq	Service not Rendered	Member called SCFHP because Member are concerned regarding the Explanation of Benefits showing a service from the DME Provider in question.	Closed by SCFHP	- Billed service was confirmed
16	Initial_2002_03_15_01	SCFHP-G&A	Provider-Otolaryngology	Service not Rendered	Member requested for FWA review of claims submitted by the Provider.	Closed by SCFHP	- Member's visit was confirmed
17	SIU_2022_03_17_01	Member	Provider-Podiatry	Service not Rendered	Member filed a complaint with SCFHP not recalling service provided (an office outpatient visit 15 minutes).	In Progress with SCFHP	- No response from provider. - Plan to work with PNO to find other solutions.
18	Initial_2002_03_17_02	SCFHP-Claims	Provider-Hospital	Out-of-Area	SCFHP-Claims reported several claims coming in from Montana (Bozeman Health).	Closed by SCFHP	- Member contracted COVID 19 during trip to Montana.
19	Initial_2002_03_21_01	SCFHP-Claims	Provider-Applied Behavior Ar	Billing Issue	SCFHP-Claims reported multiple issues with the claims submitted by this provider, possible FWA.	Closed by SCFHP	- PNO worked with Provider on resolving billing issues.
20	SIU_2022_03_21_02	SCFHP - HS	Provider-Applied Behavior Analysis	Billing Issue	SCFHP's Behavior Health suspected provider's overbilling due to misunderstanding of the definition of unit vs. that of session.	In Progress with SCFHP	- Provider agrees to provide contracts and approved PAs for comparison.

Q1-Q3 2022 Report – SIU Cases

Santa Clara Family Health Plan

SIU Case Updates
Update Date: 11/07/2022

Count	ID	Allegation Source	Subject Investigated (CC)	Allegation	Reason to Open	Status	Actions
21	Initial_2002_03_29_01	SCFHP-Pharmacy	Provider-Pharmacy	Service not Rendered	Member reported that medications /services that are not being used and /or no longer needs.	Closed by SCFHP	- Pharmacy canceled auto refill.
22	SIU_2022_04_01_01	Member	Provider-Pathology	Service not Rendered	Member filed a complaint with SCFHP denying being seen by a non-contracted provider.	In Progress with SCFHP	- Claim data show provider overbilled the Plan by billing for
23	SIU_2022_04_04_01	DHCS	Provider-Hospice	Provider Fraud	DHCS's request for a review of a hospice in Santa Clara County. DHCS is investigating a hospice in Modesto that is in the same network with the one located in Santa Clara County.	In Progress with SCFHP	- Claim records have been reviewed. No evidence of FWA. - SCFHP prepares a report to DHCS.
24	SIU_2022_04_18_01	DHCS	Provider-Applied Behavior Analysis	Billing Issue	DHCS requested SCFHP to conduct a review of an Applied Behavior Analysis (ABA) provider who is being investigated by DHCS.	In Progress with DHCS	- Pending DHCS's decision. - SCFHP reported to DHCS that there is no evidence that SCFHP members received services from this
25	SIU_2022_05_04_01	DHCS	Provider-Hospital	Service not Rendered	DHCS requested SCFHP to conduct a review of a member's complaint denying services billed Santa Clara Valley Medical.	In Progress with DHCS	- Pending DHCS's decision. - SCFHP informed DHCS that the Plan did not receive any claim related to dates of service in questions.
26	SIU_2022_05_12_01	SCFHP-Compliance	Provider-Durable Medical Equipment	Service not Rendered	Member reported that her provider prescribed 100 diapers with 11 refills but she has yet received them.	In Progress with VHP	- Pending VHP's response.
27	SIU_2022_05_17_01	Delegate	Member-Kaiser	Drug Seeking	Kaiser was notified of an allegation that a member is using one Kaiser ID card for prsecribed narcotic drugs and a different card for non-narcotic drugs.	Closed by DHCS	- DHCS sent an educational letter to the parties involved.
28	SIU_2022_06_08_01	SCFHP-HS	Provider-Developmental Therapy	Medically Unnecessary Services	SCFHP-Health Services requested for an initial review of Provider who has requested for services requested that have not been provided in the past.	In Progress with SCFHP	- SIU are monitoring billing activities.
29	SIU_2022_07_07_01	DHCS	Provider-Transportation	Kickbacks/Bribes	The complaint alleges that the Provider's drivers are actively poaching patients from Clinic #1 and taking them to Clinic #2.	Closed by DHCS	- Provider not in the Plan's service area.
30	SIU_2022_08_17_01	Anonymous	Provider-Hospice	Service not Rendered	DHCS requested SCFHP to investigate the Provider DHCS's records show this provider renders services under SCFHP.	Closed by DHCS	- A total payment of $2,052.82 was paid to the provider for two days 2/18/2018 and 2/19/2018. Member passed away on 2/19/2018.

Q1-Q3 2022 Report – SIU Cases

Santa Clara Family Health Plan

SIU Case Updates
Update Date: 11/07/2022

Count	ID	Allegation Source	Subject Investigated (CC)	Allegation	Reason to Open	Status	Actions
31	Initial_2022_08_18_01	Member	Member-MC	Enrollment/Disenrollment	Member experienced fraud with her coverage in another state that caused termination of HP dated 05/31/2022. Member has already reached out to Ombudsman office to try and resolve this issue.	In Progress with SCFHP	- SIU is monitoring claims.
32	SIU_2022_08_29_01	SCFHP-HS	Provider-Pathology	Service not Rendered	Member is appealing a denied claim for an office visit even though the member only received advertised free COVID-19 testing.	In Progress with SCFHP	- SIU requested for medical records.
33	SIU_2022_09_07_01	SCFHP-HS	Member-MC	Non-Covered Service	SCFHP-HS requested that SIU review data for diagnosis codes Z31.41 (Encounter for fertility testing) and N97.9 (Female infertility, unspecified).	In Progress with SCFHP	- SCFHP-HS recommends restriction on diagnosis codes.
34	SIU_2022_09_14_01	MEDIC	Provider-Durable Medical Equipment	Upcoding	The I-MEDIC received information about the subject alleging the subject is not billing for services correctly, allegations of upcoding.	In Progress with SCFHP	- SIU is compiling medical records.
35	SIU_2022_08_05_01	SCFHP-G&A	Provider-Otolaryngology	Service not Rendered	Out-of-Area provider billed for outpatient services during COVID tests that took place in Santa Clara County.	In Progress with SCFHP	- SIU sent request for recovery
36	SIU_2022_07_07_01	Member	Provider-Clinical Medical Laboratory	Service not Rendered	Member said that the lab took her blood for a pathology analysis for a rare cancer, mesothelioma. Member stated that she never approved this and the traveling nurse took her blood for research.	In Progress with SCFHP	- SIU is reviewing medical records.
37	Initial_2022_08_02_01	Member	Provider-Nurse Practitioner	Service not Rendered	Member requested for a review of services, other than a COVID test, provided by a Provider at a Minute Clinic.	In Progress with SCFHP	- SIU is reviewing claims.
38	Initial_2022_10_21_02	DHCS	Provider-Out of Area	Provider Fraud	DHCS received a complaint stating that the provider is allowing medical assistance to practice without proper medical license.	Closed by DHCS	- DHCS sent the referral by mistake.
39	SIU_2022_07_05_01	SCFHP-Compliance	Provider-Durable Medical Equipment	Service not Rendered	SIU investigates payments issued after date of death.	In Progress with SCFHP	- SIU is reviewing claims.
40	SIU_2022_07_05_02	SCFHP-Compliance	Provider-Family Medicine	Service not Rendered	SIU investigates payments issued after date of death.	In Progress with SCFHP	- SIU is reviewing claims.

Q1-Q3 2022 Report – SIU Cases

Santa Clara Family Health Plan

SIU Case Updates
Update Date: 11/07/2022

Count	ID	Allegation Source	Subject Investigated (CC)	Allegation	Reason to Open	Status	Actions
41	SIU_2022_07_05_03	SCFHP-Compliance	Provider-Durable Medical Equipment	Service not Rendered	SIU investigates payments issued after date of death.	In Progress with SCFHP	- SIU is reviewing claims.
42	SIU_2022_07_05_04	SCFHP-Compliance	Provider-Clinical Medical Laboratory	Service not Rendered	SIU investigates payments issued after date of death.	In Progress with SCFHP	- SIU is reviewing claims.
43	SIU_2022_07_05_05	SCFHP-Compliance	Provider-Adult Day Care	Service not Rendered	SIU investigates payments issued after date of death.	In Progress with SCFHP	- SIU is reviewing claims.
44	SIU_2022_07_05_06	SCFHP-Compliance	Provider-Durable Medical Equipment	Service not Rendered	SIU investigates payments issued after date of death.	In Progress with SCFHP	- SIU is reviewing claims.
45	SIU_2022_07_05_07	SCFHP-Compliance	Provider-Hospice	Service not Rendered	SIU investigates payments issued after date of death.	In Progress with SCFHP	- SIU is reviewing claims.
46	SIU_2022_07_05_08	SCFHP-Compliance	Provider-Durable Medical Equipment	Service not Rendered	SIU investigates payments issued after date of death.	In Progress with SCFHP	- SIU is reviewing claims.
47	SIU_2022_07_05_09	SCFHP-Compliance	Provider-Pathology	Service not Rendered	SIU investigates payments issued after date of death.	In Progress with SCFHP	- SIU is reviewing claims.
48	SIU_2022_07_05_10	SCFHP-Compliance	Provider-Nursing Home	Service not Rendered	SIU investigates payments issued after date of death.	In Progress with SCFHP	- SIU is reviewing claims.
49	SIU_2022_07_05_11	SCFHP-Compliance	Provider-Clinical Medical Laboratory	Service not Rendered	SIU investigates payments issued after date of death.	In Progress with SCFHP	- SIU is reviewing claims.
50	SIU_2022_07_05_12	SCFHP-Compliance	Provider-Durable Medical Equipment	Service not Rendered	SIU investigates payments issued after date of death.	In Progress with SCFHP	- SIU is reviewing claims.

Q1-Q3 2022 Report – SIU Cases

Santa Clara Family Health Plan

SIU Case Updates
Update Date: 11/07/2022

Count	ID	Allegation Source	Subject Investigated (CC)	Allegation	Reason to Open	Status	Actions
51	SIU_2022_07_05_13	SCFHP-Compliance	Provider-Pathology	Service not Rendered	SIU investigates payments issued after date of death.	In Progress with SCFHP	- SIU is reviewing claims.
52	SIU_2022_07_05_14	SCFHP-Compliance	Provider- Clinical Medical Laboratory	Service not Rendered	SIU investigates payments issued after date of death.	In Progress with SCFHP	- SIU is reviewing claims.
53	SIU_2022_07_05_15	SCFHP-Compliance	Provider-Durable Medical Equipment	Service not Rendered	SIU investigates payments issued after date of death.	In Progress with SCFHP	- SIU is reviewing claims.
54	SIU_2022_07_05_16	SCFHP-Compliance	Provider-Transportation	Service not Rendered	SIU investigates payments issued after date of death.	In Progress with SCFHP	- SIU is reviewing claims.
55	SIU_2022_07_05_17	SCFHP-Compliance	Provider--Durable Medical Equipment	Service not Rendered	SIU investigates payments issued after date of death.	In Progress with SCFHP	- SIU is reviewing claims.
56	SIU_2022_07_05_18	SCFHP-Compliance	Provider--Cardiology	Service not Rendered	SIU investigates payments issued after date of death.	In Progress with SCFHP	- SIU is reviewing claims.
57	SIU_2022_07_05_19	SCFHP-Compliance	Provider--Adult Day Care	Service not Rendered	SIU investigates payments issued after date of death.	In Progress with SCFHP	- SIU is reviewing claims.
58	SIU_2022_07_05_20	SCFHP-Compliance	Provider--Durable Medical Equipment	Service not Rendered	SIU investigates payments issued after date of death.	In Progress with SCFHP	- SIU is reviewing claims.
59	SIU_2022_07_05_21	SCFHP-Compliance	Provider--Family Medicine	Service not Rendered	SIU investigates payments issued after date of death.	In Progress with SCFHP	- SIU is reviewing claims.
60	SIU_2022_07_05_22	SCFHP-Compliance	Provider--Convalescent Hospital	Service not Rendered	SIU investigates payments issued after date of death.	In Progress with SCFHP	- SIU is reviewing claims.

Q1-Q3 2022 Report – SIU Cases

Santa Clara Family Health Plan

SIU Case Updates
Update Date: 11/07/2022

Count	ID	Allegation Source	Subject Investigated (CC)	Allegation	Reason to Open	Status	Actions
61	SIU_2022_07_05_23	SCFHP-Compliance	Provider--Internal Medicine	Service not Rendered	SIU investigates payments issued after date of death.	In Progress with SCFHP	- SIU is reviewing claims.
62	SIU_2022_07_05_24	SCFHP-Compliance	Provider--Durable Medical Equipment	Service not Rendered	SIU investigates payments issued after date of death.	In Progress with SCFHP	- SIU is reviewing claims.
63	SIU_2022_07_05_25	SCFHP-Compliance	Provider--Case Management Agency	Service not Rendered	SIU investigates payments issued after date of death.	In Progress with SCFHP	- SIU is reviewing claims.
64	SIU_2022_07_05_26	SCFHP-Compliance	Provider-Pathology	Service not Rendered	SIU investigates payments issued after date of death.	In Progress with SCFHP	- SIU is reviewing claims.
65	SIU_2022_07_05_27	SCFHP-Compliance	Provider-Cardiology	Service not Rendered	SIU investigates payments issued after date of death.	In Progress with SCFHP	- SIU is reviewing claims.
66	SIU_2022_07_05_28	SCFHP-Compliance	Provider-Internal Medicine	Service not Rendered	SIU investigates payments issued after date of death.	In Progress with SCFHP	- SIU is reviewing claims.
67	SIU_2022_07_05_29	SCFHP-Compliance	Provider--Internal Medicine	Service not Rendered	SIU investigates payments issued after date of death.	In Progress with SCFHP	- SIU is reviewing claims.
68	SIU_2022_07_05_30	SCFHP-Compliance	Provider--Skilled Nursing Facility	Service not Rendered	SIU investigates payments issued after date of death.	In Progress with SCFHP	- SIU is reviewing claims.

Santa Clara Family Health Plan™

Compliance Program Documents – Annual Review

Compliance Committee Meeting - November 17, 2022

Santa Clara Family Health Plan™

Compliance Program Documents – Annual Review

Compliance Program

Compliance Committee Meeting - November 17, 2022

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

Compliance Program
2023~~2~~

Governing Board approval date: ~~December 16, 2021~~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 Managed Care Plan, ~~a Cal MediConnect Managed Care Plan,~~ and a ~~soon to be~~ Medicare Advantage Prescription Drug Plan ("MAPD") with Medicare Parts C and D, are conducted in an ethical and legal manner, in accordance with ~~the 3-way C~~contracts between the United States Department of Health and Human Services Centers for Medicare and Medicaid Services ("CMS"), and 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 and focus on the following areas: oversight of first tier, downstream and related entities (FDRs), 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").

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~~, Medicare Parts C and D, and their employees (including temporary staff) and contractors who provide health and/or administrative services in connection with Plan's ~~Cal Medi-Connect plan~~MAPD 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 :

- 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~~MAPD plan 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 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~~Medicare 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~~Medicare 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:

- 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 from a variety of backgrounds to support the CCO in implementing the Compliance Program. 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;
- 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. The CCO shall treat all communications confidential. 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 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.

Element VII: Procedures and System for Prompt Response to Compliance and FWA Issues

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. 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™

Compliance Program Documents – Annual Review
Standards of Conduct

Compliance Committee Meeting - November 17, 2022

Santa Clara Family Health Plan

Standards of Conduct

Approved by the Governing Board, ~~December 16, 2021~~ TBD

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

– As a government contracted entity, we may not accept gifts or gratuities of any material value. If gifts or gratuities of a $50 or greater value 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 Medi~~Dual Connect 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 Medi~~Dual Connect 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

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.