

# Gold Coast Health Plan Compliance Program Plan 2026

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## Overview

Gold Coast Health Plan (GCHP) is committed to conducting its business operations in compliance with ethical standards, contractual obligations under State and Federal Programs, and all applicable laws, rules, and regulations, including those pertaining to Medi-Cal and Medicare Part C and Part D. This commitment extends to our Network Providers, Subcontractors, and Downstream Subcontractors that support GCHP's mission and vision.

As part of that commitment, GCHP has appointed a Chief Compliance Officer and formalized its compliance activities by developing a compliance program that incorporates the fundamental elements identified by the U.S. Department of Health and Human Services (HHS), Office of the Inspector General (OIG), the California Department of Health Services (DHCS), Center for Medicare & Medicaid Services (CMS), and other agencies as necessary. This comprehensive approach is intended to prevent and detect violations of ethical standards, contractual obligations, and applicable laws with the involvement of GCHP Commission and staff. The Compliance Program is a continually evolving process that is reviewed and enhanced on an annual basis, based on compliance monitoring, new areas of risk, and regulatory changes. The Compliance Program applies to the Ventura County Medi-Cal Managed Care Commission (Commission) as well as GCHP employees, Providers, Subcontractors, and Downstream Subcontractors.

### ***Seven Key Elements of an Effective Compliance Program***

1. Standards - Code of Conduct and Policies and Procedures
2. Program Oversight - Compliance Officer, Compliance Committee, and High-Level Oversight
3. Training and Education
4. Effective Lines of Communication
5. Publicized Disciplinary Standards
6. Auditing and Monitoring - Effective System for Routine Monitoring, Auditing, and Identification of Compliance Risks
7. Procedures and Systems for Prompt Response to Compliance Issues

GCHP prioritizes its commitments through a risk analysis. The Compliance Plan reflects the application of this risk analysis by focusing GCHP's limited resources in a manner that most effectively protects the Plan from fraud, waste, abuse, and other risks to GCHP, its Employees, Providers and Members.

This plan is reviewed and approved annually by the GCHP Compliance Committee and the Compliance Oversight Committee which is a standing committee of the Commission. The approved Compliance Plan will be publicly posted on the GCHP public website.

## **THE COMPLIANCE PLAN**

The complex laws governing GCHP and its programs are constantly evolving. This Compliance Plan establishes GCHP's principles, standards and Policies and Procedures regarding compliance with applicable laws and regulations, including those governing relationships among GCHP and regulatory agencies, Providers, Subcontractors, and Downstream Subcontractors. The Compliance Plan is designed to ensure that GCHP's operations and the practices of its Employees, Commissioners, Providers, Subcontractors, and Downstream Subcontractors comply with contractual requirements, ethical standards, and applicable law.

The first part of the Compliance Plan addresses the review and implementation of contractual, legal, and regulatory obligations for GCHP's operations. GCHP has developed and continues to develop specific Policies and Procedures relating to its business operations and compliance efforts. The balance of the Compliance Plan addresses the other elements of an effective Compliance Program including the structure and operational aspects of the Program, such as delegation of authority, training and education processes, monitoring and auditing activities, enforcement/discipline, and corrective action.

If a GCHP employee, Network Provider, or Commissioner has any questions about the application of this Compliance Plan, GCHP values, or GCHP Policies and Procedures, he or she can seek guidance from the Chief Compliance Officer, or another member of the Compliance Committee. Employees, Network Providers and Commissioners should be familiar with the contractual, legal, and regulatory requirements pertinent to their job duties.

This Compliance Plan does not address all of GCHP's activities and the applicable legal issues they may entail. Employees, Providers, and Commissioners should seek the guidance of their supervisor, the GCHP Chief Compliance Officer, GCHP General Counsel or GCHP Senior Leadership as applicable with respect to any other issues that may arise.

## CODE OF CONDUCT AND POLICIES AND PROCEDURES

### Review and Implementation of Standards

GCHP regularly reviews its business operations against new standards imposed by applicable contractual, legal, and regulatory requirements to ensure that GCHP, its Commissioners, Employees, Providers, Subcontractors, and Downstream Subcontractors operate under and comply with changing standards. Policies and Procedures are developed to respond to changing standards and potential risk areas identified by GCHP, including risks identified by federal and state agencies. GCHP identifies risk areas by examining information collected from monitoring and auditing activities. These activities include internal reviews; external reviews of GCHP's operations by regulatory agencies; and review of GCHP's participating Network Providers including Subcontractors and Downstream Subcontractors.

The 7 elements of the Compliance Program will be implemented and maintained with the identified standards through the use of GCHP's Code of Conduct, Policies and Procedures, and Compliance Program Training and Education Activities.

### Code of Conduct

The GCHP Code of Conduct provides all GCHP Employees, First Tier, Downstream and Related Entities (FDRs) and Commissioners with the standards of conduct applicable to their assigned business activities during their employment, or appointment with GCHP. The Code of Conduct is GCHP's statement for performing business functions and expectation that all employees conduct themselves in an ethical manner and comply with all applicable federal and state laws, regulations, including but not limited to those set forth in 42 C.F.R 422.503 (b)(4)(vi)(A) and 423.504(b)(4)(vi).

The Code of Conduct also includes DHCS Medi-Cal Managed Care Contract requirements that GCHP must adhere to as a Medi-Cal Managed Care Plan, as well as the Medicare Managed Care Manual requirements with which GCHP must comply.

Additionally, the Code of Conduct sets expectations that compliance is everyone's responsibility regardless of position within GCHP, that all persons are responsible for reporting potential Fraud, Waste and Abuse (FWA) through appropriate mechanisms, and that reported issues will be addressed and corrected.

The Code of Conduct and any changes or modifications to the Code of Conduct are approved by the Commission.

### Policies and Procedures

GCHP has developed written Policies and Procedures to address specific areas of GCHP operations, compliance activities, and FWA prevention, detection, and remediation to ensure GCHP can effectively adhere to all applicable laws, regulations, and guidelines.

These Policies and Procedures are designed to provide clear guidance to employees, Commissioners, Subcontractors, Downstream Subcontractors, and FDRs (and their employees) concerning compliance expectations and outline processes on how to identify, report, investigate, and resolve compliance issues. Employees, Commissioners, Subcontractors, Downstream Subcontractors, and FDRs are expected to be familiar with the Policies and Procedures pertinent to their respective roles and responsibilities.

GCHP Policies and Procedures are reviewed annually and updated, as needed, depending on State and federal regulatory changes and/or operational improvements to address identified risk factors. GCHP Senior Leadership and Committees meet regularly to review and approve proposed changes and additions to GCHP's Policies and Procedures. These Policies and Procedures ensure that employees perform their responsibilities in compliance with their positions and applicable law. Employees are responsible for ensuring that they comply with the Policies and Procedures relevant to their job description. Providers are responsible for complying with their contractual obligations and government regulations.

### **Compliance Program Policies and Procedures**

The Compliance Program policies and procedures development will ensure that elements of the Compliance Program are implemented and communicated to all GCHP employees, Commissioners, applicable subcontractors, and FDRs. The compliance Program Policies and Procedures also provides standards for FWA training. The Compliance Program policies and procedures will be reviewed on an annual basis by the Chief Compliance Officer or their designee, including review and approval by the GCHP Compliance Committee.

### **Network Providers, Subcontractors and Downstream Subcontractors**

GCHP Policies and Procedures will also ensure that Network Providers, Subcontractors, and Downstream Subcontractors, and FDRs will comply with all applicable terms and conditions of contracts including obligations under state and federal law, regulations, APLs, CMS guidance, or DHCS guidance, including the DHCS Medi-Cal Managed Care Contract and the State Medicaid Agency Contract (SMAC).

### **Compliance Program Policy List & Maintenance**

As part of the GCHP Compliance Plan a listing of all the Policies and Procedures implemented for the Compliance Program are maintained in the "Gold Coast Health Plan Compliance Program Policy List." The list will be updated and maintained as updates are made to applicable Compliance Program policies and procedures.

## PROGRAM OVERSIGHT

### **Commission and Compliance Oversight Committee**

GCHP's Commission has the duty to ensure that GCHP implements and monitors a Compliance Program governing GCHP's operations. The Commission receives and reviews reports from the Chief Compliance Officer on a periodic basis to oversee the implementation and effectiveness of GCHP's Compliance Program. The Commission receives training and education as to the structure and operation of GCHP's Compliance Program.

The Compliance Oversight Committee was established by the Commission as a standing committee. The Compliance Oversight Committee is a subcommittee of the Commission and meets on a quarterly basis to review reports regarding the status of the GCHP Compliance Program and provide general oversight of the program for the Commission. The Commission remains accountable for reviewing the status of the Compliance Program.

### **Chief Compliance Officer**

The Chief Compliance Officer is a full-time employee of GCHP and serves as the primary executor and administrator of GCHP's Compliance Program, regulatory obligations, and Code of Conduct. The Chief Compliance Officer's primary function requires managerial leadership in effectively enforcing organization-wide Policies and Procedures as they relate to federal, State, and local regulations governing the practices and procedures regarding GCHP. The Chief Compliance Officer is responsible for providing leadership and management in the areas of interpreting regulations, contracts, legislation, and creating practical application for such legislation as they apply to GCHP's operation.

The Chief Compliance Officer reports directly to the Chief Executive Officer on risk areas facing GCHP, the strategies being implemented to address those risk areas, and the results of those strategies. The CCO also reports to the Commission, and directly partners with the Executive Team and departmental directors on all strategic and tactical matters as they relate to such regulations.

The Chief Compliance Officer receives periodic training in compliance procedures, has the authority to oversee and direct compliance efforts, and to report directly to or escalate issues of concern to the Commission. Proper execution of compliance responsibilities and promotion of adherence to the Compliance Program are factors in the annual work evaluation of the Chief Compliance Officer.

In addition, the Chief Compliance Officer, or his or her designee supervises the GCHP Compliance Department, which includes compliance professionals with expertise and responsibilities for the following areas: State and federal programs regulatory affairs and compliance, FWA, Privacy, internal and delegate auditing and monitoring, Policies and Procedures, and training on all compliance activities, including those related to Medi-Cal and Medicare Parts C and D.

## **Medicare Compliance Manager**

The Medicare Compliance Manager is a full-time employee of GCHP who is dedicated only to GCHP's Medicare Parts C and D business. The Medicare Compliance Manager reports directly to the Chief Compliance Officer on the following compliance activities related to Medicare Parts C and D:

- State and federal regulatory and compliance issues;
- FWA;
- Privacy;
- Internal and delegate auditing and monitoring;
- Policies and Procedures; and
- Training.

## **The Compliance Committee**

The Compliance Committee is responsible for maintaining the Code of Conduct, subject to the ultimate authority of the Commission, as well as overseeing GCHP's compliance program. GCHP maintains minutes of Compliance Committee meetings reflecting the reports made to the Compliance Committee and the Compliance Committee's decisions on issues discussed (subject to the attorney/client privilege, etc.). The Compliance Committee meets quarterly, at a minimum. The Compliance Committee reviews compliance reports and regular reports from all departments. The Compliance Committee meets to develop strategies to promote compliance and the dedication of any potential violations.

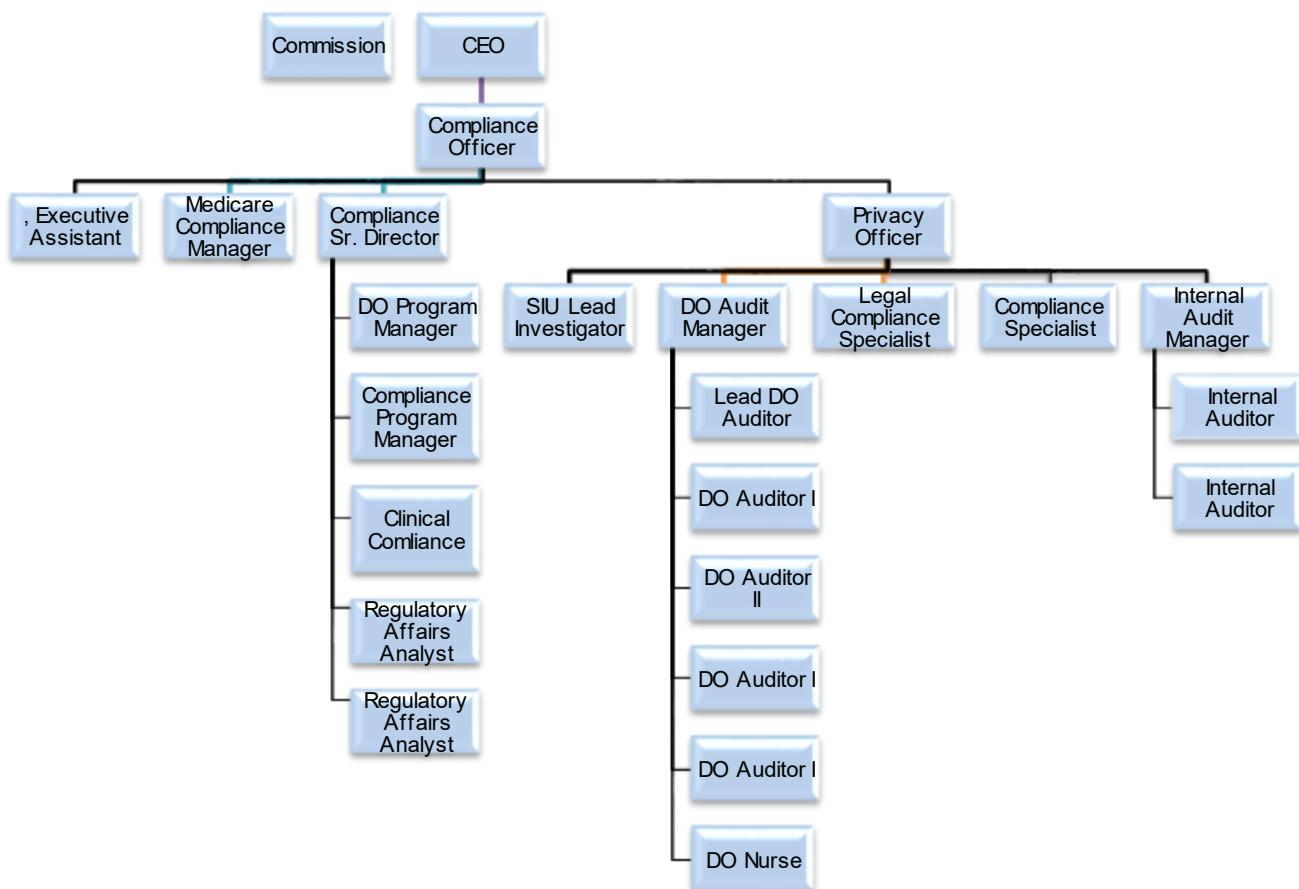
## **Compliance Committee Composition**

Individuals are selected for the Compliance Committee based on their status as subject matter experts in the operational areas of GCHP. Compliance Committee members are Chiefs or department heads.

## **Compliance Program Independence of Action**

The GCHP Compliance Program and Chief Compliance Officer can act independently of other GCHP operational functions and programs outside of the Compliance Program. This ensures that the Compliance Program and the Chief Compliance Officer are able to perform their duties without the fear of repercussion for uncovering deficiencies or acts of noncompliance by GCHP employees, Commissioners, Providers, Subcontractors, and other GCHP vendors.

## Compliance Department Organization Chart and Reporting Structure



## **EFFECTIVE EDUCATION AND TRAINING**

GCHP provides general and specialized education and training to its employees, workforce members, leadership, Commissioners, and FDR's to assist them in understanding the Compliance Program, including this Compliance Plan and relevant Policies and Procedures. As a part of this process, GCHP ensure that employees are aware of the Medi-Cal and Medicare requirements related to their job functions. All employees, workforce members, leadership, Commissioners, and FDR's are apprised of applicable State and federal laws, regulations, and standards of ethical conduct. Employees, workforce members, leadership, Commissioners, and FDRs are also informed of the consequences of any violation of those rules or the Compliance Program.

GCHP reviews and updates the compliance training whenever there are material changes in regulations, policy or guidance, and at least annually.

GCHP provides training to employees, workforce members, leadership, Commissioners, and FDRs) as follows:

### **Compliance Education and Training Program**

The GCHP Compliance Education and Training Program focuses on the elements of an effective Compliance Program, conduct & ethics, FWA, and Privacy and Information Security requirements. The program aims to go beyond the regulatory training requirements and of compliance to transition learners from subject awareness to job appropriate education.

### **Initial and Continuing Education and Training**

Employees, workforce members, leadership, Commissioners, and FDR's receive general compliance training and copies of GCHP's Code of Conduct, as well as access to Policies and Procedures pertinent to that individual's job responsibilities upon commencement of their employment or within 30 days of hire, and annually thereafter as described in detail below.

New Employees are required to complete initial Compliance training courses on GCHP Code of Conduct, HIPAA Compliance, and FWA occurring to the defined policies and procedures applicable to the requirement Compliance Training.

Employees, workforce members, leadership, Commissioners, and FDRs may receive additional compliance training as is reasonable and necessary based on changes in job descriptions/duties, promotions, and/or the scope of their job functions.

GCHP makes the Compliance Plan, and Compliance Policies and Procedures available to all Employees through an online portal. All Employees are trained annually as outlined below.

## **Ongoing Compliance Training**

At least annually, employees, workforce members, leadership, Commissioners, will be trained on three main Compliance Program topics: The GCHP Compliance Program and Code of Conduct; Privacy, and Information Security; and FWA. Trainings may be split up into online computer modules over the course of a calendar year.

For FDR's GCHP will establish, implement and provide effective training and education for FDRs. FDRs who have met the FWA certification requirements through enrollment into the Medicare program or accreditation as a Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) are deemed to have met the training and educational requirements for fraud, waste, and abuse.

## **Specialized Training**

Employees, workforce members, leadership, Commissioners, may receive additional training, including training related to issues posing FWA risks, as is reasonable and necessary based on job descriptions/duties, promotions, and/or the scope of their job functions.

The Commission, Providers may be trained as necessary on how to respond appropriately to compliance inquiries and reports of potential non-compliance.

## **Commissioner Compliance Training**

New Commissioners shall receive a copy of the Compliance Plan and Code of Conduct upon their appointment to the Commission. Further GCHP Commissioners will receive training on the GCHP Compliance Program and Code Conduct, Privacy, and Information Security, and FWA. GCHP's Chief Compliance Officer provides a general overview of the Compliance Program to all Commissioners on an annual basis.

## **Provider Compliance Training**

Providers shall receive a copy of the Code of Conduct and Provider Manual. Providers are encouraged to disseminate copies of the Code of Conduct Provider Manual to their Employees, agents, and subcontractors that furnish items or services to GCHP or its Members. Individual and Group Providers are encouraged to provide Compliance Training to their employees using tools GCHP has made available on its website or of their own design. GCHP requests copies of its sub-contracted full-service compliance programs and documentation of completed annual trainings.

In compliance with the Deficit Reduction Act of 2006, Providers will be given a copy of GCHP's False Claims Act Policy and Procedure through the Provider Manual.

## **Failure to Participate in Annual Training**

The Compliance & Human Resources Departments will make a good faith effort to ensure all Employees participate in the annual training. Employees identified as having failed to participate will be contacted to complete the required training as soon as possible, including any necessary disciplinary actions based upon established policies and procedures. The

policies and procedures provide for timely, consistent and effective enforcement of the standards when noncompliant or unethical behavior is found. Finally, the disciplinary action is appropriately based to the seriousness of the violation.

## **Compliance Training Documentation**

The following details the documentation requirements related to the training and education program:

- All employees, workforce members, leadership, Commissioners, and must show completion of training through either an online education module, or the submission of a signed attestation.
- All employees, workforce members, leadership, and Commissioners, and must sign the Code of Conduct after receiving and reviewing the document. This signature may be electronic or on paper.
- For FDR's GCHP will establish, implement and provide effective training and education for FDRs.

## **Coordination of Training**

The Compliance Department coordinates Compliance Education and Training Programs with the Human Resources Department. The Compliance Department, unless otherwise specified by the Chief Compliance Officer conducts Compliance Education and Training.

## **Other Education Program Communications**

- GCHP informs Commissioners, Employees and Providers of any relevant federal and state fraud alerts and policy letters, pending/new legislation reports, updates, and advisory bulletins as necessary.
- GCHP uses electronic communication and/or other forms of communication (as appropriate) to inform Employees and Providers of changes in applicable federal and state laws and regulations.
- GCHP informs Commissioners and Employees that they can obtain additional information from the Chief Compliance Officer. Any questions, which cannot be answered by the Chief Compliance Officer, shall be referred to the Compliance Committee.

## COMMUNICATION

The Compliance Program, including provisions of the Compliance Plan, is implemented and maintained on behalf of GCHP by the Chief Compliance Officer and Compliance Committee as follows.

### Initial Distribution of Compliance Plan

#### Employees and Commissioners

The Compliance Plan, Code of Conduct and Policies and Procedures are made available through an online portal or the GCHP public website. New Employees will receive the Compliance Plan and Code of Conduct during the onboarding process

A copy of this Compliance Plan and Code of Conduct are distributed to Commissioners upon their appointment, and annually thereafter for review and approval. GCHP's utilizes the learning management system, Litmos to meet the annual review and attestation to the Code of Conduct. Records of training completion are maintained in accordance with GCHP record retention policy.

### Regular Reaffirmation

GCHP requires that endorsement of the Code of Conduct and applicable policies and procedures be affirmed each calendar year as follows:

Employees and Commissioners shall be advised of any changes from the prior year. Employees and Commissioners are required to review and sign a Code of Conduct annually, which may be done through an online training module.

- The annual Code of Conduct training attestations or signatures maintained by the Compliance Department.

### Additional Communication

The Compliance Department will:

- Inform Commissioners and Employees of any relevant fraud alerts, policy letters, pending/new legislation reports, updates, and advisory bulletins as necessary through:
  - New Staff Orientation trainings
  - Annual Compliance trainings
  - GCHP Policy web portal
  - Other venues as requested by the Chief Compliance Officer or Compliance Committee members.
- Use electronic communications and/or other forms of communication (as appropriate) to inform Employees Providers, Subcontractors, and Downstream

Subcontractors of changes in applicable federal and state laws and regulations through:

- Employee bulletins (email)
- Provider Operations Bulletins
- The Provider Manual
- The GCHP Website ([www.goldcoasthealthplan.org](http://www.goldcoasthealthplan.org))
- Ad Hoc Communications via email or mail
- SharePoint Posts

- Inform Commissioners and Employees that they can obtain additional compliance information from the Chief Compliance Officer. Any questions which cannot be answered by the Compliance Officer will be referred to the Compliance Committee.

## **REPORTING Disclosure, Confidentiality and Non-Retaliation**

### **Establishment and Publication of Reporting System**

GCHP has established various avenues for the reporting FWA and other misconduct. This reporting system provides several lines of “upstream” communication to ensure an effective collection of possible misconduct, including compliance concerns and suspected or actual violations related to the Medi-Cal and/or Medicare Part C and Part D programs. Confidentiality, when requested, may be honored to the extent allowed by law.

The various means of reporting are described below:

#### **Open Door Policy**

All GCHP Employees are notified upon hire, and annually thereafter of GCHP’s open door policy. All Employees may approach their supervisor, manager, or director with any issue. GCHP Employees are encouraged to check with their supervisor, manager, or director with compliance issues, complaints, or questions. Management staff is trained to manage these situations and forward any necessary information to the Chief Compliance Officer or their delegate for review or investigation.

#### **Compliance Hotline**

GCHP has a Compliance telephone hotline (“Compliance Hotline”) for GCHP Commissioners, Employees, Providers, Subcontractors and Members and other interested persons to report all violations or suspected violations of law and/or the Compliance Program and/or questionable or unethical conduct or practices including, without limitation.

- Calling the toll-free hotline, available 24 hours a day, seven days a week at **1.866.672.2615**
- Filing online at [www.secure.ethicspoint.com](http://www.secure.ethicspoint.com)
- Writing to the following address  
Gold Coast Health Plan  
Attn: Compliance Officer – Fraud Investigation  
711 E. Daily Drive, Suite 106  
Camarillo, CA 93010-6082

Commissioners, Employees, Providers, Subcontractors, Downstream Subcontractors, and FDRs have an affirmative duty under the Compliance Program to report all violations, suspected violations, questionable conduct, or practices by a verbal or written report to GCHP via the Compliance Hotline, to a supervisor, or the Chief Compliance Officer or their delegate.

GCHP publicizes the Compliance Hotline by appropriate means of communication to Commissioners, Employees, Providers, Subcontractors, Downstream Subcontractors, and FDRs including, but not limited to, e-mail notices, newsletters, website and/or posting hotline posters in prominent areas. Additionally, GCHP educates its enrollees on the responsibility of identification and reporting potential FWA. Education methods include flyers, GCHP website and brief explanation on the member handbook.

### **Confidentiality, Anonymous Reporting and Non-Retaliation/Non-Intimidation**

GCHP takes all reports of violations, suspected violations, questionable conduct, or practices seriously.

Reports of compliance issues are treated confidentially to the extent permitted by applicable law and circumstances. For hotline reports the caller and/or author need not provide his or her name.

Communications via the Compliance Hotline or in writing are treated as privileged to the extent permitted by applicable law.

GCHP's policy prohibits any retaliatory action against a Commissioner, Employee, Provider, Subcontractor, Downstream Subcontractor, or FDR for making any verbal or written communication in good faith. GCHP employees and FDR's are made aware that they are protected from retaliation for False Claims Act complaint. In addition, GCHP policy prohibits any attempt to intimidate an individual reporting a compliance issue, for any reason.

### **Voluntary Disclosure and Prohibition Against Insulation**

GCHP Employees are notified annually during compliance training of GCHP's policy of voluntary disclosure. GCHP Employees are encouraged to disclose mistakes and misconduct to their supervisors, managers, directors or the Chief Compliance Officer or their delegate to prevent or deter FWA and other regulatory infractions.

Although Commissioners, Employees, Providers, and Subcontractors are encouraged to report their own wrongdoing, Commissioners, Employees and Providers may not use any voluntary disclosure in an effort to insulate themselves from the consequences of their own violations or misconduct. GCHP takes violations of this reporting policy seriously and the Chief Compliance Officer will review disciplinary and/or other corrective action for violations, as appropriate, with the Compliance Committee or General Counsel.

## AUDITING and MONITORING

Each GCHP Department is tasked with periodically monitoring and auditing their functions as the result of contractual requirements, policies and procedures, corrective actions as a result of prior audits, determinations or risk on a department or plan wide basis, or at the request of the CEO, CFO, Chief Compliance Officer, or other executive level leader.

The Compliance Department, in coordination with the Compliance Committee, is responsible for assisting in the development and maintenance of regular auditing and monitoring activities to, amongst other things, identify compliance risks, through the use of a risk assessment approved by the Compliance Committee. The Compliance Department will be responsible for maintaining global monitoring and auditing policies and procedures as approved by the Compliance Committee.

### **Monitoring Systems**

#### **Organizational Monitoring**

##### Verbal and/or Written Compliance Reports

Reports of suspected or actual compliance violations, unethical conduct, FWA, and/or questionable conduct made by Employees in writing or verbally, formally, or informally, are subject to review and investigation as provided below, in consultation with General Counsel, by GCHP's Chief Compliance Officer and/or their designee.

The Chief Compliance Officer will work under the supervision of the Chief Executive Officer to investigate reports and initiate follow-up actions as appropriate.

#### **Internal Monitoring**

Department Directors regularly review internal status/progress reports to ensure compliance and efficiency in departmental activities. "Red flags" that are identified in these reports are reviewed by the Department Director and/or specially trained staff to determine if misconduct has occurred. Instances of FWA, or other misconduct are investigated by the Department Director and brought before the Compliance Committee. Corrective Actions may be applied by the reviewing Department Director under the direction of the Compliance Committee. Resolution of cases identified for possible or actual fraud, waste, and abuse are reported to the Compliance Committee at the next scheduled meeting.

#### **Internal Audit**

The internal audit department provides an objective and independent review of internal department's processes and procedures. The department audits areas to ensure compliance with regulations, policies and procedures and applicable contracts. Additionally, an evaluation of risk mitigation efforts through control processes is performed to verify effectiveness and efficiency of business processes. After review is completed, a report is issued, and recommendations are presented. Business units are then responsible for

addressing recommendations by formulating action items in response. All audits are reported to the Compliance Committee.

### **Oversight of Delegated Activities**

GCHP delegates certain functions and/or processes to contracted Medical Groups, FDRs, and sub-contracted full-service or specialty plans who are required to meet all contractual, legal, and regulatory requirements of GCHP's Policies and Procedures and other guidelines applicable to the delegated functions. Detailed delegation agreements are executed with those Delegated Providers and Entities. Periodic reports are monitored by GCHP staff.

GCHP maintains oversight over all Delegated Providers, including but not limited to, the following delegated activities:

- Pharmacy Benefit Management
- Behavioral Health
- Provider credentialing and re-credentialing at select facilities.
- Quality Improvement and Health Equity Programs
- Member Services and Call Center Operations
- Utilization Management
- Grievances and Appeals
- Claims payment

### **Medi-Cal and Medicare Contract Delegation Plan and Oversight**

GCHP will perform oversight through monitoring and auditing for all Providers, Subcontractors, Downstream Subcontractors, and FDRs that have been delegated requirements of the DHCS Medi-Cal Contract, MAPD contract, and SMAC. This will include performing reporting requirements to DHCS and CMS as part of the Delegation Reporting requirements of the Medi-Cal contract and SMAC using templates specified by DHCS and CMS and the timing specified in the Medi-Cal contract, SMAC and of the Medicare Managed Care Manual or applicable APL and DHCS DSNP Policy Guide.

### **Availability of Records**

GCHP and its Providers' records are available for review by regulatory agencies, or their designee. Records are maintained according to the contractual obligations specified between GCHP and the Provider and are not kept for a period of time any shorter than mandated by applicable Federal and/or State law. Records for Medi-Cal are maintained for 10 years.

### **Periodic Audits**

In order to comply with its regulatory and contractual requirements, GCHP conducts periodic audits of its operations. Audits may be routine or ad hoc, depending on the needs of GCHP, the Department conducting the monitoring, or pursuant to a regulatory agency request, notification or alert. Audits are based on contractual or regulatory obligations, or GCHP policy.

## Focused Audits

### Compliance with Contractual Requirements

GCHP maintains contracts with and is audited by health care oversight agencies in connection with GCHP programs. Results from audits conducted by regulatory agencies will be reviewed and used to develop and modify systems to audit and monitor operations on a regular basis.

### **Government-Identified Risk Areas**

The Chief Compliance Officer or their designee monitors for specific compliance issues identified by health care agencies. This includes but is not limited to areas of risk identified in the OIG's Annual Work Plan, the results of audits of GCHP operations by health care oversight agencies, and Compliance Issues identified and reported to GCHP's Compliance Department.

### **Audits by CMS or its Designee**

GCHP understands that CMS has the discretionary authority to perform audits under 42 C.F.R. 44 422.504(e)(2) and 423.505(e)(2), which specify the right to audit, evaluate, or inspect any books, contracts, medical records, patient care documentation, and other records of sponsors or FDRs that pertain to any aspect of services performed, reconciliation of benefit liabilities, and determination of amounts payable under the contract or as the Secretary of Health and Human Services may deem necessary to enforce the contract.

In cases where an audit outcome indicates GCHP failed to meet regulatory requirements, the Chief Compliance Officer or designee will work with the relevant operational areas to develop corrective action plans to address identified deficiencies. GCHP will fully cooperate with the CMS and any auditors acting on behalf of the Federal government in conducting audits, including onsite audits and audits of financial records. GCHP requires its contractors and delegated entities to provide records to CMS upon request. The Compliance department serves as the point of contact for all audits related to the Medicare Advantage (Part C) and Prescription Drug (Part D) program and will coordinates auditor requests with all internal operational areas and delegated entities as necessary.

### **Annual GCHP Monitoring and Auditing Work Plan**

GCHP maintains a monitoring and auditing work plan that includes:

- Summary of internal monitoring processes
- Internal audit schedule
- Audit narrative, including:
  - Audit objectives
  - Scope and methodology
- Staff responsible for specific audits
- Strategy to monitor and audit GCHP's subcontractors.  
Process for developing follow up and corrective actions.

The monitoring and auditing plan is modified based on a risk assessment. The risk assessment is used to determine which areas of GCHP's business may be susceptible to FWA or non-compliance. Audit guides, experiences of other managed care plans, other resources developed by regulatory agencies and the health care industry may be used to identify high risk areas. The Compliance Department with input of the Compliance Committee prioritizes the monitoring and auditing strategy based on available resources.

Areas in GCHP's business that are found to be non-compliant will be reviewed to determine how the deficiencies should be addressed. Recommendations or Corrective Actions may be required depending on the severity of the findings.

Actions taken as a result of the work plan are tracked to evaluate the success of implementation efforts. A report on monitoring and auditing results is presented to the Compliance Committee in the quarter following the finalization of the audit report.

#### **External Auditing for Delegated Entities**

Although first tier entities may perform their own internal auditing, GCHP monitors and audits Delegated Entities that participate in the administration or delivery of services to GCHP members. GCHP audits its Delegated Entities using the same auditing tools provided by regulatory agencies to ensure compliance with each program's standards. Monitoring of first tier entities include an evaluation to confirm that the first tier entities are applying appropriate compliance program requirements to downstream entities with which the first-tier contracts. Additionally, it provides advisory services to various business needs to ensure proper processes and controls are in place to meet organizational objectives.

Recommendations or corrective actions are provided to the Delegated Entity upon the conclusion of each audit. Corrective actions are followed-up upon as defined/determined in the corrective action letter and at the next annual review.

#### **Tracking and Documenting Compliance Program Effectiveness**

In addition to formal audits and monitoring, GCHP tracks and documents compliance efforts to show the extent to which operational areas and delegated entities meet Medi-Cal and Medicare compliance goals. The Chief Compliance Officer, or his or her designee, tracks the compliance of operational areas and reports any findings to the Commission, Compliance Committee, and senior leadership. Identified issues of noncompliance are shared with the Commission, Compliance Committee, and senior leadership.

## **Audit Review**

The Chief Compliance Officer and/or their designee submit regular reports of all monitoring, audit, and corrective action activities to the Compliance Committee. When appropriate, GCHP will provide summary reports to the appropriate health care agency (or a designee) prior to a regularly scheduled audit by that agency.

## **Participation Status Review and Background Checks**

GCHP does not knowingly hire, contract with, or retain on its behalf, any person or entity that is currently suspended, excluded or otherwise ineligible to participate in Federal and/or State health care programs; and/or has ever been excluded from participation in Federal and/or State health care programs based on a mandatory exclusion.

Verification of a provider's eligibility to contract with GCHP is covered in Credentialing and Recredentialing policies maintained by the Provider Relations Department. Payments made by GCHP (i) to excluded persons or entities, or (ii) for items or services furnished at the medical direction or on the prescription of an excluded or suspended physician are subject to repayment/recoupment.

Employees are required to notify the Human Resources Department if, after hiring their ability to participate in federal and/or state health care programs changes. In the event GCHP discovers the status of any Employee, Volunteer or Temporary Employee no longer permits them to work for GCHP, corrective actions will be taken. GCHP may not contract or hire any Ineligible Person or Persons, including those currently on the Office of the Inspector General (OIG) List of Excluded Individuals and Entities (LEIE) and the System for Award Management Exclusion List (formerly the GSA Excluded Parties Lists System) or those that have been convicted of a criminal offense under 42 U.S.C. § 1320a-7(a), not yet excluded from Federal health care programs. GCHP shall require all Covered Persons to disclose immediately to the Compliance Officer (or designee) if they become an Ineligible Person.

## ENFORCEMENT

### **Conduct Subject to Enforcement and Discipline**

Commissioners may be subject to removal, Employees to discipline up to and including termination and Providers to contract termination for non-compliance behavior, including but not limited to committing fraudulent acts.

### **Enforcement and Discipline**

GCHP maintains a “zero tolerance” policy towards any illegal conduct that impacts the operation, mission, or image of GCHP. Any Employee, Provider, or Subcontractor engaging in a violation of laws or regulations (depending on the magnitude of the violation) may be terminated from employment or their contract. GCHP will accord no weight to a claim that any improper conduct was undertaken for the benefit of GCHP. Such conduct is not for GCHP’s benefit and is expressly prohibited.

GCHP maintains a policy on Employee Conduct and Work Rules which specifies unacceptable employee behavior. Employee discipline is determined by the HR Department.

In determining the appropriate discipline or corrective action for any violation of the Compliance Program or applicable law, GCHP will not take into consideration a particular person’s or entities economic benefit to the organization.

Employees Providers, and Subcontractors should also be aware that violations of applicable laws and regulations, even unintentional, could potentially subject them or GCHP to civil, criminal, or administrative sanctions and penalties. Further, violations could lead to suspension or exclusion from participation in Federal and/or State health care programs.

## REMEDIATION

### **Notice of Violation or Suspected Violation**

If a Commissioner, Employee, Provider, or Subcontractor becomes aware of a violation, suspected violation or questionable or unethical conduct in violation of the Compliance Plan or applicable law, that Commissioner, Employee, Provider, or Subcontractor must notify GCHP immediately. The Commissioner, Employee, Provider, or Subcontractor may report any violation, suspected violation, or questionable conduct to their immediate Supervisor, a Director, including the Chief Compliance Officer by direct verbal or written report. Such reports may also be made to the Compliance Hotline.

### **Response to Notice of Violation or Suspected Violation**

Upon receipt of a report of non-compliance (whether a general compliance issue, HIPAA or FWA), the Compliance Department is responsible for review and investigation. Issues with high severity relative to compliance may be directly reported to the Chief Compliance

Officer. Issues with high severity, including that includes employee misconduct may be reported directly to the HR Department for investigation as appropriate.

The Compliance Department will work with the appropriate GCHP staff, General Counsel, appropriate outside contacts to correct the compliance issue.

Reported issues are tracked by the Compliance Department for routine reporting on a quarterly basis to the Compliance Committee. Statistics on compliance issue reporting are provided to the Commission as a part of the periodic Chief Compliance Officer report.

It is the responsibility of the Chief Compliance Officer, or their designee to review and implement any appropriate corrective action after considering such recommendations. It is the responsibility of the HR Director or their designee to implement any disciplinary action with regard to employee misconduct.

## **ANTI-FRAUD PROGRAM**

GCHP must comply with certain regulatory requirements pertaining to Fraud, Waste, and Abuse prevention. Such regulations dictate the investigative, reporting and monitoring activities related to FWA prevention.

The Compliance Committee, along with the Chief Compliance Officer is responsible for maintaining an Anti-Fraud, Waste, and Abuse Program (Anti-Fraud Program). The Anti-Fraud Program will be evaluated as an element of the Compliance Plan on an annual basis based on risks identified by the health care or regulatory agencies, and GCHP's pertinent experience.

### **Fraud Detection**

Fraud detection requires a proactive approach from multiple departments using a variety of modalities. In partnership with GCHP internal departments, GCHP's SIU utilizes different sources and analyzes various data in an effort to detect patterns of FWA. GCHP members, FDRs, employees, contractors, law enforcement and regulatory agencies, and others may contact GCHP by phone, mail, and email if they suspect any individual or entity is engaged in inappropriate and/or fraudulent practices. A variety of data sources may be used to assist in identifying and detecting "problem areas" within GCHP that may be prone to fraud. These sources include, but are not limited to, enrollment data, finance data, and claims data.

GCHP devotes many resources to detecting claims-related FWA. These efforts include both pre- and post-payment claims review through multiple vendors. GCHP currently partners with Cotiviti. This vendor evaluates paid claims for processing and payment accuracy. Upon completion of the evaluation, the vendor conducts recovery activities for any identified overpayments. Vendors review the entire claims universe to discover patterns and refine their algorithms to identify claims that should be denied and those that require a medical records review. GCHP utilizes dashboards to identify utilization by high-risk providers and/or procedure codes.

The Compliance Department will promptly respond if it discovers evidence of misconduct related to payment or delivery of items or services under the contract, it will conduct a timely, reasonable inquiry into that conduct. GCHP will conduct appropriate corrective actions (e.g., repayment of overpayments and disciplinary actions against responsible individuals) in response to a potential violation of misconduct related to payment or delivery of items or services under the contract.

## **Responding to CMS-Issued Fraud Alerts**

GCHP understands that CMS can issue alerts related to Part D concerning fraud schemes identified by law enforcement officials. Typically, these alerts describe alleged activities involving pharmacies practicing drug diversion or prescribers participating in illegal remuneration schemes.

When a Fraud Alert is received, GCHP will review its contractual agreements with the identified parties. GCHP will review their past paid claims from entities identified in a fraud alert. With the issuance of a fraud alert, CMS has placed sponsors on notice (see 42 CFR 423.505(k)(3)) that they should review claims involving identified providers. To meet the “best knowledge, information, and belief” standard of certification, GCHP will best efforts to, identify claims that may be or may have been part of an alleged fraud scheme and remove them from their sets of prescription drug event data submission.

## **Departmental Monitoring Activities**

Fraud detection requires that fraud be proactively sought through a variety of means. Each department is responsible for taking proactive steps to detect fraud. GCHP exercises diligence and actively searches for possible fraudulent behavior through during the course of regular business, and as a result of fraud alerts provided by regulatory agencies via the Compliance Department. GCHP is required to conduct certain monitoring activities as a result of contractual or regulatory obligations.

Once a symptom or pattern has been identified, further research is warranted to determine whether there is reasonable suspicion of fraudulent behavior. Per the Plans contract with the DHCS the Plan is contractually obligated to report suspicion of FWA within ten days of discovery.

## **Referrals to the NBI MEDIC**

GCHP will refer cases involving potential fraud or abuse that meet any of the following criteria to the NBI MEDIC:

- Suspected, detected or reported criminal, civil, or administrative law violations;
- Allegations that extend beyond the Parts C and D plans, involving multiple health plans, multiple states, or widespread schemes;
- Allegations involving known patterns of fraud;
- Pattern of fraud or abuse threatening the life or well being of beneficiaries; and
- Scheme with large financial risk to the Medicare Program or beneficiaries.

Referrals to NBI MEDIC will be made using appropriate referral forms and will include at a minimum basic identifying information and contacts as well as a description of the allegations.

### **Education and Training for Members and Providers**

GCHP employees, workforce members, leadership, commissioners and contracted FDR's who are involved in the administration or delivery of Parts C and D shall receive FWA training within 30 days of initial hiring, and annually thereafter. Additional, specialized or refresher training may be provided on issues posing FWA risks based on the individual's job function.

FWA training is a tool used in both detection and prevention. GCHP provides FWA training to its employees, providers, commission members, members, and FDRs. GCHP uses an online learning management system ("LMS") to deliver its FWA training to new employees. Employees, including contract employees and temporary employees, and commissioners also receive annual refresher trainings via LMS. The training covers how to identify activities and behaviors that would constitute FWA, the specific provisions regarding FWA under the False Claims Act, how to report FWA, and the protections afforded to those who report such concerns in good faith. Specialized training is focuses on issues and trends unique to the team and/or department being trained.

Providers are educated on FWA through the GCHP Provider Manual. Further, GCHP provider agreements have language that requires providers to report suspected or actual FWA. Members are educated about FWA through the GCHP Member Handbook. Additionally, the GCHP website has a section on compliance, which provides an overview of FWA and includes information about the toll-free compliance hotline, which is accessible 24 hours a day, seven days a week.

All FDRs, that provide services to Medi-Cal and Medicare Advantage Part D members, are to complete compliance and FWA training through their own internal compliance program or by using training and materials supplied by GCHP.

### **SIU**

To further detect, prevent, and remediate instances of FWA, GCHP has an internal Special Investigations Unit (SIU) Investigator, Lead, who is responsible for providing conducting methods of investigation relating to potential fraud, waste, or abuse (FWA). The SIU will communicate, report and coordinate closely with the Privacy Officer, Chief Compliance Officer and internal leadership to ensure that benefits are protected from fraudulent, abusive and wasteful schemes.

SIU responsibilities include but are not limited to the following:

- Act as the subject matter expert (SME) for SIU and fraud, waste and abuse.

- Stay informed about the latest developments in FWA and SIU operations, including new regulations, products, services and alerts from the DOJ and CMS.
- Reducing or eliminating benefit costs due to FWA;
- Reducing or eliminating fraudulent or abusive claims paid for with federal dollars;
- Preventing illegal activities;
- Identifying enrollees with overutilization issues;
- Identifying and recommending providers for exclusion, including those who have defrauded or abused the system to the NBI MEDIC and/or law enforcement;
- Referring suspected, detected or reported cases of illegal drug activity, including drug diversion, to the NBI MEDIC and/or law enforcement and conducting case development and support activities for NBI MEDIC and law enforcement investigations; and
- Assisting law enforcement by providing information needed to develop successful prosecutions.

Additionally, the SIU and compliance department communicate and coordinate closely to ensure that benefits are protected from fraudulent, abusive and wasteful schemes throughout the administration and delivery of benefits, both at the sponsor and FDR levels. If the SIU determines that potential fraud or misconduct related to the Medicare and or Medi-Cal program occurred internally at GCHP or externally with a contractor and/or delegated entity, the SIU will promptly notify the appropriate leadership. In the event an investigation confirms FWA occurred, the SIU will work with applicable business units, contractors, or delegated entities to determine appropriate corrective action.

## **FILING SYSTEMS**

The Compliance Officer will establish and maintain a filing system (or systems) for all compliance-related documents. Records retention is managed according to GCHP's contractual and regulatory obligations. Records related to the Compliance Program, including edits to the Compliance Plan, Minutes of Committee meetings, documentation of education and similar documentation is maintained for no less than 10 years, pursuant to requirements of the Medi-Cal program and other applicable federal programs.

## COMPLIANCE PROGRAM REFERENCE DOCUMENTS

The Compliance Department's Operational Manual is divided into division specific plans designed to support the complex elements of the compliance program. The following program documents are updated as needed to reflect changes in program requirements and/or processes and available for reference.

Anti-Fraud  
Compliance Education and Training  
Compliance Program Work Plan  
Delegation Assessment and Oversight Process  
Internal Audit  
Medicare Plan  
MOU Oversight  
Privacy Program Management and Oversight

### Document Control

<b>Document Update</b>	<b>Date</b>	<b>Summary</b>
Compliance Plan Revision – Compliance Plan 2024 Draft	5/22/2023	Plan revised for DHCS 2024 Operational Readiness deliverable R.0022 and required plan updates for DHCS 2024 contract.
DHCS Approval	6/12/2023	DHCS approved updates to draft 2024 Compliance Plan.
Compliance Plan 2024 moved from Draft to Final	12/21/2023	2024 Compliance Plan published.
Compliance Plan 2025 moved from Draft to Final	12/05/2024	2025 Compliance Plan published.
Compliance Committee Approval	12/13/2024	GCHP Compliance Committee annual review and approval.