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# **MMM Multihealth, LLC. Compliance Program and Code of Conduct**

This Compliance Program and Code of Conduct apply to all Employees, Directors, Contractors, Providers, Enrollees, Subcontractors and Delegated entities of MMM Multihealth (“MMM MH Vital”).



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## **I. Compliance Program Preface**

MMM Multihealth, LLC. ("MMM MH Vital") established a Compliance and Integrity (Fraud, Waste and Abuse "FWA") Programs to ensure that the organization and its first tier, downstream and related entities conduct business in a manner that materially complies with applicable federal and State laws and regulations. In addition, the organization is subject to statutes and regulation required by multiple federal and local resources. MMM MH Vitals' Compliance Program supports MMM Holdings, LLC Compliance Program and Code of Ethics and Corporate Conduct.

The Compliance Program has been designed in accordance with relevant and applicable requirements of the Centers for Medicare & Medicaid Services (CMS), Office of the Inspector General (OIG), Health Insurance Portability and Accountability Act (HIPAA), Puerto Rico Health Insurance Administration (ASES), the Office of the Advocate for Patient Bill of Rights of the Commonwealth of Puerto Rico, the Offices of State Insurance Commissioners, among others.

The main objective is to comply with reporting requirements, identify risk areas, prevent FWA, misconduct and operational inefficiencies, enhance operational functions, improve the quality of healthcare service, and decrease the cost of healthcare.

The Compliance Program is intended to provide a framework for compliance efforts on an individual, departmental and enterprise-wide basis and to apply to all personnel and functions. Detailed policies and procedures, and work plans developed by individual departments shall fit within the scope of this Program. This Program provides for the existence of a Medicaid Compliance Officer (CO) who has the overall responsibility and accountability for compliance matters. However, every MMM MH Vitals' Employee or agent remains responsible and accountable for their compliance with applicable laws and regulations as well as MMM MH Vitals policies and procedures.

Liza Rivera  
Medicaid Compliance Officer (CO)

## **Compliance Program Summary**

MMM MH Vital is committed to ensuring compliance with all applicable laws, regulations, and policies governing daily business activities. This Compliance Program manual is intended to further day-to-day commitment that the operation of MMM MH Vital comply with federal and state laws, provide guidance for all Employees, and serve as a mechanism for preventing and reporting any violation of those laws and regulations.

It is the policy of MMM MH Vital that (1) Board members, all Employees and contractors, Subcontractors, Providers and Related Entities are instructed regarding applicable laws and trained in matters of compliance, (2) there is periodic auditing, monitoring, and oversight of compliance with those laws, (3) an atmosphere exists that encourages and enables the reporting of non-compliance without fear of retribution, (4) responsibility is not delegated to persons with tendencies to act in a non-compliant manner, and (5) that mechanisms exist to investigate, discipline, and correct non-compliance.

The Compliance Program contains policies and procedures relative to the business of MMM MH Vital, and all its Beneficiaries. This Compliance Program is not intended to serve as the Compliance Program for clients or contractors of MMM MH Vital; they should adopt their own program. MMM MH Vital does not assume the responsibility of developing a Compliance Program for their clients. However, it is the responsibility of Clients, Providers Contractors, Subcontractors and Delegated Entities to report any non-compliance issue, FWA incidents and violations of law to MMM MH Vital in a timely manner.

## **Compliance Program Applicability**

Everyone employed and/or contracted by MMM MH Vital, and its affiliated companies are required to comply with the Compliance and Integrity Programs. The agreements established with Contractors, Providers, Subcontractors may have certain provisions of this Compliance Program and all the instances or issues related with FWA, misconduct or violations must be reported to MMM MH Vital.

## **Your Role**

This Compliance Program is only effective if everyone takes it seriously and commits to complying with all aspects. It is important that you not only understand and comply with the words written in this Compliance Program, but that you also understand and appreciate the spirit and purpose of this Compliance Program. When in doubt, ask your supervisor, review the appropriate section of this Compliance Program, call your CO, or take other steps to ensure that you are following the Compliance Program. Compliance requirements are ever-changing. We must all keep this Compliance Program current and useful. You are encouraged to let your supervisor know when you become aware of changes in any law or MMM MH Vitals' policy that might affect this Compliance Program.



### Compliance Program Components:

- **Section I - Program Summary**
- **Section II - Code of Conduct** - This section contains specific policies that should govern your conduct while performing your job function. Compliance with the Code of Conduct is a significant factor in employment performance evaluations. All Personnel will receive training on this section.
- **Section III - Program Process** - This section explains the roles of the CO, the Compliance Committee (CC) and the MMM MH Vitals' Medicaid Compliance Department. It also contains information about Education and Training, Auditing & Monitoring, and Corrective Actions. Most importantly, this section explains how to report violations **anonymously** by accessing:
  - [www.psg.ethicspoint.com](http://www.psg.ethicspoint.com) in writing or by calling the Compliance Hotline at **1-844-256-3953**. All personnel will receive training on this section.

**Section IV - Compliance Policies** - This section includes polices that apply to MMM MH Vital, and its affiliates. Some of these polices may not apply to your specific job function, but it is still important that you are aware of their existence and importance. All personnel will receive training regarding these policies.



Dear Colleague:

MMM MH Vital operates under the principle of and commitment to providing quality services to the membership we serve, while assuring the highest standards of integrity in our business. MMM MH Vital Employees, Directors, Contractors, Subcontractors and Delegated Entities are committed to fully comply with the law, and to meet the highest ethical practices for business conduct. This commitment to our Employees, Beneficiaries, and other Business Partners is consistent with the values and standards of our Board of Directors.

The Compliance Program, adopted by the Board of Directors, supports and demonstrates our mission and sets the norm for how we do business. Our Code of Conduct is the cornerstone of our Compliance Program. All our Employees, Officers, Members of the Board of Directors, Contractors, Subcontractors, Delegated Entities and any other individuals working in or on behalf of MMM MH Vital are responsible and must follow the standards of behavior outlined in this Code.

No list of standards or rules can cover every possible circumstance of conduct. If you run into a situation that is not specifically addressed in this document, you should apply the overall philosophy and concepts of the Code. If you ever have a question or a concern about anything in the Code, or its applicability to a specific circumstance, please discuss it with your supervisor or with the Medicaid Compliance staff. You may also access: [www.psg.ethicspoint.com](http://www.psg.ethicspoint.com) or call the Compliance Hotline at **1-844-256-3953**

We require our staff and business associates to be aware of and must comply with our business ethics policies. **You do not have to fear retaliation or negative actions about reporting noncompliance.** Whether you are a Board member, a new Employee, a Contractor or an Employee that has been with us for many years, we urge you to review and understand the Code thoroughly. Our Compliance Program depends upon everyone's participation and support for its continued success.

As an individual contributor to our Company, you make an important contribution to our reputation in the Healthcare industry. We are responsible to behave ethically not just because it is required to do so, but also because it is the right thing to do. Honoring our commitment will ultimately benefit all our customers and further support this Company's leadership in the Healthcare industry.

Sincerely,

A handwritten signature in black ink that reads 'J. González'.

Orlando González  
President

Liza Rivera  
Medicaid Compliance Officer



## II. Code of Conduct

### Our Goal

Our goal as a Company is to behave ethically and with integrity as a leader in the Healthcare industry. As a valued colleague with our Company, you will help us achieve this goal by using this Code of Conduct as a reference tool in your day-to-day job.

### Our Responsibility

We each have the responsibility to adhere to the guidelines in this Code of Conduct, as well as to follow all MMM MH Vitals' policies and procedures. If you have questions, concerns or believe improper conduct is being demonstrated (your own or someone else's) you will also find in this Code information regarding who you should contact and what else you need to do.

All of us must conduct business in an honest, open and fair manner. It is our responsibility to ensure that our job performance is consistent with this Code of Conduct. You will find in this Code, standards and examples that will guide you to ensure that our business activities reflect the highest standards of ethics and integrity. Employee conduct not specifically addressed by these standards must be consistent with general principles of business ethics. Remember you may also find helpful guidance in other resources such as: Policies and Procedures Manual, Human Resources Manual and Employee Handbook, and other Employee materials. Compliance with this Code of Conduct and other aspects of MMM MH Vitals' Compliance Program is a condition for employment. All Employees must review, confirm that they understand, and return a signed Code of Conduct Acknowledgement upon hiring and annually thereafter.

While MMM MH Vital will generally attempt to communicate changes concurrent with, or prior to the implementation of such changes, this Code of Conduct may be modified, amended, or altered without notice to any person or Employee. Copies of the most updated Code of Conduct will be available on the MMM MH Vitals' Intranet, and through the Legal, Compliance or Human Resources Departments. Violating any of these standards may result in corrective action including the possibility of termination of employment, recovery of damages and filing of criminal charges, if appropriate.

The distribution of this Code of Conduct to Employees and Contractors represents MMM MH Vitals' commitment to corporate compliance. However, this Code does not contain all Company policies and procedures, nor all details related to all policies. It is each Employee's and/or contractor's responsibility to know and understand Company procedures and policies as they apply to them.

### Principle I



**We must conduct business in accordance with the law at all times.**

### **Overview**

We will strive to ensure that all our activities by or on behalf of MMM MH Vital follow applicable federal and local laws, as well as regulatory guidance and requirements. MMM MH Vital is subject to a wide variety of laws and regulations, some of which address, for example, contract requirements, privacy, security and confidentiality concerns, accuracy and retention of records, antitrust, employment opportunities, discrimination, sexual harassment FWA, among others.

### **What is our responsibility and commitment to this standard?**

We will be familiar with the basic legal requirements relevant to our job duties;

- Each of us must learn the necessary laws and regulations through in-service training programs, from discussion with Management, by reviewing MMM MH Vital policies or when asking questions of an immediate supervisor or the Medicaid Compliance Department.
- Each of us must inform our supervisor if we require assistance in understanding our legal obligations.

We will follow laws and regulatory requirements that apply to MMM MH Vital;

- Each of us must ensure that policies and procedures are followed and updated as changes in regulations or in processes occur. (Always be sure to ask your immediate supervisor if you have questions related to policies and procedures applicable to your job duties.)
- We must report instances of non-compliance to our immediate supervisor, directly to the Medicaid Compliance Department's Management, through the Compliance Hotline at **1-844-256-3953** or by accessing: [www.psg.ethicspoint.com](http://www.psg.ethicspoint.com);
  - Each one of us plays an important role in ensuring compliance with policies and procedures and legal regulatory requirements. If you are concerned about possible or potential misconduct, you must report it immediately to your supervisor and to the CO. The CO is responsible to make sure your concern is appropriately handled. Please refer to MMM MH Vitals' policies and procedures on MMM MH Vitals' Intranet page for more information.





## Principle II

**We must strive to perform assigned duties using the highest ethical standards.**

### Overview

Each one of us represents MMM MH Vital. We must not engage in any activity or scheme intended to defraud anyone of money, property, or honest services.

### Our company expects the following from you:

- **Communication** - We will communicate properly and respectfully in all our business communications and correspondence. Regardless of the topic, we will not make false or misleading statements to any officials, company, beneficiaries, members or entities doing business with us.
- **Protect Information** – We will not misuse confidential or proprietary information belonging to MMM MH Vital or another person or entity, or utilize any publication, document, computer program, information, or product in violation of a third party's interest in such product, either for our own benefit or that of someone else. In addition, we will not utilize confidential business information obtained from competitors, including customer lists, contracts, or other information in violation of a covenant not to compete, prior employment agreements, or in any other manner likely to provide an unfair competitive advantage to MMM MH Vital.

## Principle III

**We must avoid any situation where a conflict could exist or appear to exist between our personal interests and those of MMM MH Vital.**

### Overview

Throughout our tenure at MMM MH Vital, each of us has an obligation to preserve the reputation of the organization and uphold our ethical responsibility to MMM MH Vital. We cannot use our position for personal gain or assist others in profiting in any way at the expense of MMM MH Vital. Company personnel, therefore, are expected and required to make decisions and take actions in our respective job functions based upon what is best for MMM MH Vital and not based upon how the decision or action might affect us personally.

We must conduct our activities to avoid improper conduct or the appearance of improper conduct that might arise from the influence of those activities on MMM MH Vital business decisions or from disclosure or private use of business affairs or MMM MH Vital plans. There are many situations in which actual or potential conflict of interests may occur. Each of us will obtain the written approval of our Chief Executive Officer (CEO) and the CO before doing business in a manner that creates or appears to



create a conflict with MMM MH Vitals' interests. We must keep MMM MH Vitals' interests as top priority in those interactions. In addition, we may not pressure others into hiring a relative or friend as an Employee, agent, vendor, supplier, etc.

### **What are some examples of a conflict of interest?**

#### **Family Relationships in the Work Environment;**

- Supervising a department or area in which a family member works;
- Directly conducting business with a family member employed by a Supplier or a Provider;

#### **Financial Relationship with Entities that currently have, or in the future may have a relationship with MMM MH Vital;**

- Ownership in or employment by any outside party that does business with MMM MH Vital or competes with MMM MH Vital.

#### **Competitors and Vendors;**

- Performing duties or rendering services for any competitor or organization doing or seeking to do business with MMM MH Vital without proper knowledge and approval of MMM MH Vital.

#### **Control or Management of Other Entities that currently have, or in the future may have a relationship with MMM MH Vital;**

- Being a member of the Board of Directors of a competitor or Supplier.

#### **Gifts and Entertainment;**

- We cannot accept gifts, entertainment, gratuities or other favors from any outside party that does or is seeking to do business with MMM MH Vital or is a competitor of MMM MH Vital. MMM MH Vital understands that sometimes we may receive a compliment in the form of a gift of nominal value and we could be embarrassed to reject the same. In such a case, we should report it immediately to a supervisor. For additional information, please refer to MMM MH Vitals' Policies and Procedures.
- We must not solicit tips, personal gratuities, or gifts from Beneficiaries, suppliers, Providers, vendors or competitors.
- We may offer gifts to potential enrollees if 1) it is within the scope of employment, 2) such gifts are of nominal value 3) the gift is provided whether or not the individual enrolls in our plan, and 4) it is part of MMM MH Vital approved and accepted Marketing Materials.

#### **Contracting;**

- We will not utilize "insider" information for any business activity conducted by or on behalf of MMM MH Vital for personal gain of ourselves or a third party. All



business relations with contractors must be conducted at arm's length<sup>1</sup> both in fact and in appearance and in compliance with MMM MH Vital policies and procedures.

**Business Inducement:**

- We will not seek to gain any advantage through the improper use of payments, business courtesies, or other inducements. Offering, giving, soliciting, or receiving any form of bribe or other improper payment is strictly prohibited.

Compliance with these standards requires full disclosure on behalf of all Employees. At least once per year, company will distribute a Conflict of Interest questionnaire to all Directors, Officers and Employees. Each of us must answer all questions fully and accurately and must certify the accuracy of the information provided. Please refer to MMM MH Vitals' Policies and Procedures on MMM MH Vitals' Intranet for more information about Conflicts of Interest.

Principle IV

**We must protect Member, Provider and Company confidential and proprietary information at all times.**

**Overview**

We are in possession of and have access to a broad variety of confidential and sensitive *Personal and Protected Health Information (PHI)* and proprietary company information.

We will maintain the confidentiality and privacy of PHI of Beneficiaries and other confidential information in accordance with legal and ethical standards. (Please refer to HIPAA policies and procedures for more information about PHI.)

In addition, we will safeguard and keep MMM MH Vitals' proprietary information in strict confidence. The intentional or unintentional release of such information could be harmful to Employees, MMM MH Vitals' business partners, and MMM MH Vitals' itself. Each of us has an obligation to actively protect and safeguard confidential, sensitive, and proprietary information in a manner designed to prevent the unauthorized disclosure of information. For example, we must not share passwords and other personal security codes used to access MMM MH Vitals' systems or facilities.

**What are some of our standards for protecting the confidentiality of proprietary information and PHI?**

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<sup>1</sup> A transaction between two related or affiliated parties that is conducted as if they were unrelated, so that there is no question of a conflict of interest. Or sometimes, a transaction between two otherwise unrelated or affiliated parties.



- **Enrollee Information** – Each of us has an obligation to conduct ourselves in accordance with the principle of confidentiality and privacy of enrollees and maintaining enrollee information in accordance with all federal and local laws and regulations.
  - We must refrain from revealing any personal or protected health information or confidential information to any unauthorized person unless supported by legitimate business or enrollee care purposes. Such information includes but is not limited to: name, address, Medicaid number, Social Security Number, enrollee's medical history, treatment records, age, marital status, referral and authorization of medical / behavioral services, and related claims information.
  - We may only have access to this information if it is needed to perform our job duties. We may use and disclose it only as permitted or required by law and by MMM MH Vitals' disclosure of information policies and procedures. If you believe you have access that is inappropriate for your job, you must advise your immediate supervisor as soon as possible.
- **Proprietary Information** – Business information, marketing ideas and strategic plans of MMM MH Vital, among other information, are critical for MMM MH Vitals' success. Information pertaining to MMM MH Vitals' financial data, customer lists, competitive position or business strategies, payment and reimbursement information, and information relating to negotiations with Employees or third parties must be protected and shared only with each of us having a need to know of such information in order to perform our duties and responsibilities.
  - Each of us must exercise care to ensure that intellectual property rights, including patents, trademarks, copyrights, and software are carefully maintained and managed to preserve and protect their value.
- **Employee Information** - Salary, benefit, and other personal information relating to Employees will be treated as confidential. Personnel files, payroll information, disciplinary matters, and similar information will be maintained in a manner designed to ensure confidentiality in accordance with federal and local laws and regulations.
  - Each of us must exercise due care to prevent the release or sharing of information beyond those people who may need such information to fulfill their job function.
  - Please refer to MMM MH Vitals' policies and procedures on MMM MH's Intranet for more information about confidentiality and privacy.

Principle V

**We must ensure that Company data is recorded and reported accurately and honestly.**



### **Overview**

We will ensure the integrity of MMM MH's business operations by accurately and truthfully recording all company information, including, for example, accounting and operating data, by strictly following established accounting and business practices.

We will ensure that company records are adequately and accurately documented, as well as accessible, but properly safeguarded. Accuracy and reliability in the preparation of all business records is mandated by law and is of critical importance to MMM MH's decision-making processes and to the proper discharge of MMM MH's financial, legal and reporting obligations.

### **What is meant by adequate and accurate?**

- Each of us must never misrepresent facts, or falsify or withhold records;
- Each of us must never take any steps that would impede, obstruct, or improperly influence the conclusions, or affect the integrity or availability of information for any audit, review or investigation performed by the government, an external entity or internal associates.
- We must contact the Medicaid Compliance Department's Management immediately if a representative of MMM MH asks or instructs one of us to report data that is not accurate or truthful or to falsify or improperly alter or destroy data in any Company record or document. If we are concerned others may be falsifying or improperly altering data, we must report it to the Medicaid Compliance Department immediately.

Principle VI

**We must ensure that Company records are retained in accordance with the applicable laws and MMM MH's record retention policy.**

### **Overview**

We will ensure that all company information, accounting and operating data is stored, safeguarded and preserved for the period required by applicable laws or MMM MH's policies and procedures, whichever is longer.

### **What is expected of us?**

- We will only destroy any corporate accounts, paper records, electronic information such as computer files or electronic mail or other official company documents with proper authorization.
- When litigation, an audit or government investigation is imminent or pending, MMM MH's normal document destruction procedures shall be suspended until all documents relevant to the litigation, audit or investigation are identified and segregated.



We must contact our immediate supervisor, the Medicaid Compliance Department or refer to MMM MH's policies and procedures on MMM MH's Intranet for more information about record retention.

#### Principle VII

#### **We must use MMM MH's property for business purposes only.**

##### **Overview**

We will strive to preserve and protect MMM MH's business by making prudent and effective use of company property.

The property of MMM MH is to be used for the benefit of MMM MH and for business purposes. Company property includes, but is not limited to, concepts, business strategies and plans, financial data, intellectual property rights and other information about our business, as well as equipment, furniture, vehicles, offices supplies, credit cards, computer and network systems, computer software, telephone equipment, faxes and copying machines.

##### **Company Property Do's and Don'ts:**

- We will safeguard all company property;
- Company resources will not be used for Employee benefit or others' personal gain;
- MMM MH's electronic mail system and Internet must be used for business purposes;
- Each of us will not use the e-mail to send messages of a personal nature unless there is urgent need to do so;
- Electronic communications must never contain offensive, malicious, or sexually explicit language or content;
- All communication should be conducted in a professional and respectful manner, as should all other internal or external communications with colleagues, customers, and the public;
- Each of us will not use the Internet to access unauthorized sites, to download software, music or any other prohibited material.



## Principle VIII

**We must share information through training and participate in training programs because it is our most valuable tool to develop our most important asset... our Employees.**

### Overview

A business grows and succeeds as its people learn. In a growing industry like ours, continuous learning is critical to our business's continued success. Training is one important process from which we acquire the capabilities to perform our jobs and is an essential part of our business operations. Overall, training impacts organizational competitiveness, revenue and performance.

MMM MH is committed to provide on-going training as one of the needed tools to provide each of us with the knowledge required to perform our daily duties.

It will also help us as a Company to:

- ☞ Improve customer service and public relations;
- ☞ Reduce complaints;
- ☞ Enhance the staff's confidence and attitude.

We have the responsibility to assess MMM MH's training and development needs in order to identify areas of improvement. Training will help us to provide our customers with quality professional service, accurate and valuable information and a positive experience. We also have a responsibility to attend training programs and sessions that are offered by MMM MH. In this way, we can and will develop our potential to contribute in the most effective way for MMM MH.

## Principle IX

**We must ensure that our relationships with other colleagues, business partners, Provider and Beneficiaries are built with honesty, fairness, dignity and respect at all times.**

### Overview

MMM MH recognizes that our Employees are essential to the way we do business. Each of us serves as an ambassador of MMM MH in all that we do, everywhere we go. For that reason, we will act and treat everyone with honesty, respect and courtesy, embodying the spirit of our Company's values always.

Each of us has the right to work in, and MMM MH is committed to, an environment free from harassment and discrimination, where privacy and dignity are respected, and everyone is protected from offensive, obscene, or threatening behavior.

Each of us will promote the respect and diversity of all people, at all times, regardless of their position, sexual orientation, family status, age, race, gender, disability, religion or national origin.





**MMM MH is committed to:**

- Provide a safe and secure work environment;
- Encourage personal development;
- Encourage open lines of communication at all levels;
- Encourage teamwork and leadership;
- Reward excellent performance;
- Promote a collaborative atmosphere in which we can all contribute to the achievement of MMM MH's goals without fear of retribution.

**Each of us is expected to:**

- Create positive and effective working relationships. Interact with each other in a courteous and cooperative manner;
- Treat everyone with respect, honesty and fairness;
- Be responsible and accountable for our own action in representing MMM MH.

Principle X

**We must respect our relationships with the Government as our Customer.**

**Overview**

Since MMM MH has the Government (federal and local) as a business and contract partner, we have a special obligation to ensure commitment and compliance with laws and regulations.

We must always show respect to government and regulatory officials. We will always cooperate with all reasonable requests for information from government and regulatory agencies following our policies and procedures. All information provided must be truthful and accurate.

Each of us must abide by federal and local laws and regulations, particularly those related to gifts, entertainment with government officials and Employees, kickbacks or bribes.

**We must always:**

- Safeguard and protect confidential Government information;
- Seek guidance from the Medicaid Compliance Department when information is requested during government investigation or legal proceeding.

**We must never:**

- Lie or make false or misleading statements, whether oral or written, to any government official or agency;





- Attempt to persuade any Company Employee, contractor or any other person to provide false or misleading information to a government official or agency;
- Destroy or alter any Company document or record in anticipation of or following a request for the document or record by a government agency or court;
- Impede, or improperly influence the conclusion or affect the integrity or availability of any review or investigation performed by government or regulatory personnel.

Principle XI

**We must immediately report any activity or conduct believed to be inconsistent with law, regulation or Company policies, guidelines or standards.**

### **Overview**

We must report any activity or conduct believed to be in violation of any law, ethical standards, this Code of Ethics and Business Conduct, or Company Policies and Procedures. Each of us is obligated to alert MMM MH of any actual or suspected issue of non-compliance or FWA violations.

### **What to report and to whom should we report?**

- Each of us must report any activity or conduct that we believe is in violation of or inconsistent with Federal and/or local laws and regulations, as well as violations to this Code of Ethics and Business Conduct or policies and procedures. In said report, we must include as much information as possible in a straightforward, objective manner.
  - We do not need to be certain that a violation or incident of non-compliance has occurred in order to report it. Promptly reporting misconduct will enable MMM MH to investigate potential problems quickly and take prompt action in resolving them.
- Each of us must report a known or suspected violation of the law, ethical standards, Code of Ethics and Business Conduct, or Company Policies and Procedures using the following mechanism:
  - By reporting this to our immediate supervisor;
  - By reporting it in person or in writing to the Medicaid Compliance Department;
  - By calling the Compliance Hotline at **1-844-256-3953**;
  - By accessing the following link [www.psg.ethicspoint.com](http://www.psg.ethicspoint.com)
- Unless the reporting individual reveals his/her identity, the report may be anonymous and confidential to the extent allowed by law.

MMM MH Vital respects all Employees, Contractors, Subcontractors, Providers and related entities for their honesty and integrity. There will not be retaliation or retribution for coming forward. Confidentiality will be maintained in all reporting processes.



Violations of the Code of Ethics and Business Conduct, federal or state laws or Company policies and procedures, or failure to report such violations, could result in disciplinary action up to and including termination or contract cancellation, as applicable. Please refer to MMM MH's policies and procedures on the Intranet for more information regarding reporting and on reporting violation, disciplinary actions and non-retaliation.

## **Compliance Program Systems & Processes**

This Compliance and Integrity (FWA) Programs contains a comprehensive set of policies and procedures. Two (2) critical elements to the success of this Compliance Program are; (1) The commitment of all MMM MH personnel to take this program seriously and to implement and comply with this Compliance Program and; (2) The development and maintenance by MMM MH of the systems and processes necessary to implement and maintain this program in a functional and workable manner. The purpose of this Section of the Compliance Program is to address the second critical element; the various systems and processes that MMM MH has established for providing structure and support to the Compliance Program.

### **A. Board of Directors, CO and Committee**

#### **1. Board of Directors (BOD)**

The Board of Directors (BOD) must exercise reasonable oversight with respect to the implementation and effectiveness of the plan's compliance program and oversee the Medicaid Compliance and Integrity Programs.

The BOD may delegate compliance program oversight to a specific committee of the governing body, but the BOD remains accountable for reviewing the status of the compliance program. The BOD is responsible of conduct reasonable oversight of the Compliance Program. This includes, but is not limited to:

1. Approving the Standards of Conduct (this should be performed by the full governing body and not a committee);
2. Understanding the compliance program structure;
3. Remaining informed about the compliance program outcomes, including results of internal and external audits;
4. Remaining informed about governmental compliance enforcement activity such as Notices of Non-Compliance, Warning Letters and/or more formal sanctions;
5. Receiving regularly scheduled, periodic updates from the CO and compliance committee;
6. Reviewing the results of performance and effectiveness assessments of the compliance program.

Also, the BOD may be involved in the following activities or may delegate some or all of these activities to Senior Management or to the Compliance Committee:



- Development, implementation and annual review of compliance policies and procedures;
- Approval of compliance policies and procedures;
- Review and approval of Compliance and FWA Training;
- Review and approval of Compliance and FWA Risk Assessment;
- Review of internal and external Audit Work Plans and audit results;
- Review and approval of CAPs resulting from audits;
- Review and approval of appointment of the CO;
- Review and approval of performance goals for the CO;
- Evaluation of the senior management team's commitment to ethics and the compliance program; and
- Review of dashboards, scorecards, self-assessment tools, etc., that reveal compliance issues.

## **2. Medicaid Compliance Officer (CO):**

MMM MH has a CO who serves as the primary supervisor of this Compliance and Integrity (FWA) Program. MMM MH' CO occupies a high-level position within the organization and has authority to carry out all compliance responsibilities set forth in this Compliance Program. The CO is responsible for assuring that the Compliance Program is administered to ensure that MMM MH and its affiliates, and their respective personnel, at all times maintain business integrity and that all applicable laws, regulations, rules, and guidelines are followed. The CO provides frequent reports to the Board of Directors about the Compliance Program and compliance issues.

The CO reports to the Board of Directors on compliance issues. The Board of Directors is ultimately responsible for supervising the work of the CO and maintaining the standards of conduct set forth in the Compliance Program. The CO will also prepare routine reports for the CEO. Any significant findings in the interim are reported immediately to the CEO. The report includes:

- Level of compliance/non-compliance found because of monitoring and auditing;
- Training and Education efforts;
- Corrective or Disciplinary Action(s);
- Communication between the CO and Employees, Contractor, Subcontractors and Delegated Entities.

The Board of Directors oversees all of MMM MH' compliance efforts and shall take whatever actions appropriate and necessary to ensure that MMM MH conducts its activities in compliance with the law and sound business ethics.

The CO and Board of Directors shall consult with legal counsel as necessary on compliance issues raised by the ongoing compliance review.

## **CO Responsibilities:**



**The CO 's specific responsibilities include the following:**

- Develop compliance policies and standards for MMM MH;
- Achieve and keep compliance with relevant laws, regulations, and other applicable requirements;
- Appoint Employees to serve in various roles, to complete any tasks as needed to promote and conform the applicable requirements under law, regulation or other authoritative guidance;
- Ensure that Medicaid compliance reports are provided regularly to the plan's Corporate CO (if any), Governing Body, CEO, and Compliance Committee. Reports should include the status of the plan's Medicaid Compliance Program implementation, the identification and resolution of suspected, detected or reported instances of noncompliance, and the plan's compliance oversight and audit activities;
- Be aware of daily business activity by interacting with the operational units of the plan;
- Create and coordinate, by appropriate delegation, if desired, educational training programs to ensure that Officers, Governing Body, Managers, Employees, FDR's, and other Individuals working in the Medicaid Program are knowledgeable about the plan's Compliance Program, its written Standards of Conduct, compliance policies and procedures, and all applicable statutory and regulatory requirements;
- Develop and implement methods and programs that encourage Managers and Employees to report Medicaid program noncompliance and potential FWA without fear of retaliation;
- Maintain the compliance reporting mechanism and closely coordinating with the internal audit department;
- Respond to reports of potential FWA, including the coordination of internal investigations with the internal audit department and the development of appropriate corrective or disciplinary actions, if necessary. To that end, the CO should have the flexibility to design and coordinate internal investigations;
- Ensure that DHHS OIG and Government Services Administration ("GSA") Exclusion lists have been checked with respect to all Employees, Governing Body Beneficiaries, and Delegated Entities, monthly and coordinating any resulting personnel issues with the plan's Human Resources, Security, Legal or other departments as appropriate;
- Maintain documentation for each report of potential noncompliance or potential FWA received from any source, through any reporting method (e.g., hotline, mail, ethics point, email or in-person);
- Oversees the development and monitoring of the implementation of CAP;
- Coordinate potential fraud investigations and referrals to the appropriate government and/or law enforcement agencies. This includes, facilitates in a timely manner any documentation or procedural requests received;
- Collaborate with other plans, state Medicaid programs, Medicaid Fraud Control Units (MCFUs), the Office of Inspector General (OIG), and other organizations, where appropriate, when a potential FWA issue is discovered that involves multiple parties.
- Reporting to InnovaCare, Inc.'s Chief CO (CCO).



The Medicaid Compliance Officer has the authority to:

- Interview or delegate the responsibility to interview the plan's Employees and other relevant individuals regarding compliance issues;
- Review company contracts and other documents pertinent to the Medicaid program;
- Review or delegate the responsibility to review the submission of data regulatory agencies to ensure that it is accurate and in compliance with the applicable reporting requirements;
- Independently seek advice from legal counsel;
- Report potential FWA to ASES, HHS-OIG, or law enforcement;
- Conduct and/or direct audits and investigations of any FDRs;
- Conduct and/or direct audits of any area or function involved with Medicaid Program and;
- Recommend policy, procedure, and process changes.

Also, the CO has authority to review all documents and other information relevant to compliance activities, including, but not limited to: patient records, billing records, records concerning marketing efforts, and all arrangements with third parties, including without limitation Employees, independent contractors, suppliers, agents, and physicians.

**3. Compliance Committee (CO) and FWA Compliance Committee (FCC):**

MMM MH has established a Compliance Committee to advise the CO and assist in the monitoring of this Compliance Program. The CO provides the perspectives of individuals with varying responsibilities in MMM MH, including Finance, Human Resources, Legal, and Information Technology, as well as Employees and Managers of key operating units.

**Members of the CC:**

The Compliance Committee is comprised at a *minimum* of the following executive leadership:

- InnovaCare, Inc.'s Chief Compliance Officer (CCO)
- InnovaCare, Inc.'s General Counsel
- MMM MH CO
- President
- Chief Medical Officer (CMO)
- Chief Operational Officer (COO)
- Security Officer (IT)
- Chief Financial Officer (CFO)
- Pharmacy Department's Vice President
- Legal Director
- Others as assigned

The MMM MH CO serves as the chairperson of the Compliance CC. The CC serves in strictly an advisory role and shall have no authority to adopt or implement policies or procedures. The CO will consult with Beneficiaries of the CC on a regular basis and may



call meetings of all or some members of the CC.

MMM MH Vital CC will report on a quarterly basis to InnovaCare's Board of Directors Subcommittee of the CC. InnovaCare's BOD CC will meet quarterly.

### **Functions of the Compliance Committee CC:**

The CC's functions include the following:

- Meet at least on a quarterly basis, or more frequently as necessary to enable reasonable oversight of the compliance program;
- Develop strategies to promote compliance and the detection of any potential violations;
- Review and approve Compliance and FWA training, ensuring that training and education are effective and appropriately completed;
- Assist with the creation and implementation of the Compliance Risk Assessment and of the Compliance Monitoring and Auditing Work Plan;
- Assist in the creation, implementation and monitoring of effective corrective actions;
- Develop innovative ways to implement appropriate corrective and preventative action;
- Review effectiveness of the system of internal controls designed to ensure compliance with Medicare/Medicaid regulations in daily operations;
- Supporting the CO's needs for enough staff and resources to carry out his/her duties;
- Ensure that plan has appropriate, up-to-date compliance policies and procedures;
- Distribute written standards, including policies, that are readily understandable by all members and Employees (including policies that have been translated into other languages, if necessary) to members of the workforce with a need to know the applicable MMM MH Vital standards; and,
- Ensure that plan has a system for Employees and related entities to ask compliance questions and report potential instances of Medicaid program noncompliance and potential FWA confidentially or anonymously (if desired) without fear of retaliation;
- Ensuring that the plan has a method for enrollees to report potential FWA
- Reviewing and addressing reports of monitoring and auditing of areas in which the plan is at risk for program noncompliance or potential FWA and ensuring that corrective action plans are implemented and monitored for effectiveness; and
- Oversees the compliance program and the effectiveness of the program and the CO.
- Providing regular and ad hoc reports on the status of compliance with recommendations to the plan's governing body.
- Performs other functions as necessary to carry out the objectives of the Corporate Compliance Program.





The tasks listed above are not intended to be exhaustive. The CC may also address other compliance related issues as they evolve.

- A. Members of the Compliance FWA Committee (FCC):** The FCC is a subcommittee of the CC. It was created to evaluate FWA investigations and collaborate in the decision making of actions to be taken regarding completed investigations resulting in FWA findings. The CO presides over the FCC meetings, which consist of a discussion of FWA investigations reports, case status, and cases that were closed and discharged since no actual FWA was identified.
- B. Compliance as an Element of Performance:** The promotion of, and adherence to, the elements of this Compliance Program is a factor in evaluating the performance of all MMM MH Vital Employees, Contractors, Subcontractor and Delegated Entities. Employees, Contractors, Subcontractor and Delegated Entities will be periodically trained regarding the Compliance Program, and new compliance policies and procedures that may, from time to time, be adopted. All Managers and Supervisors involved in any processes related to the evaluation, preparation, or submission of medical claims must do the following.
- Discuss, as applicable, the compliance policies and procedures and legal requirements set forth in this Compliance Program with all supervised personnel and all contractors and agents.
  - Inform all supervised personnel that strict compliance with this Compliance Program is a condition of continued employment. Disclose to all supervised personnel and contractors that disciplinary action will be taken, up to and including termination of employment or contractor status, for violation of this Compliance Program.

Managers and supervisors will be subject to discipline for failure to adequately instruct their subordinates on matters covered by the Compliance Program. Managers and supervisors will also be subject to discipline for failing to detect violations of the Compliance Program where reasonable diligence on the part of the manager or supervisor would have led to the discovery of a problem or violation and provided MMM MH Vital with the opportunity to take corrective action.

**C. Training and Education**

MMM MH Vital acknowledges that this Compliance Program can only be effective if communicated and explained to personnel on a routine basis and in a manner that clearly explains its requirements. To that end, MMM MH Vital requires all personnel to attend specific training programs on a periodic basis. Training requirements and scheduling are established by MMM MH Vital and each of its affiliates based on the needs and requirements of each affiliate. Employees are trained early in their employment, and annually thereafter.

Training programs include appropriate training in federal and state statutes, regulations, guidelines, the policies and procedures set forth in this Compliance



Program, and corporate ethics. Training programs also include sessions highlighting this Compliance Program, summarizing fraud and abuse laws, physician self-referral laws, claims development and submission processes, and related business practices that reflect current legal standards. All formal training undertaken as part of the Compliance Program is documented.

In general, the General Compliance Program and Fraud, Waste and Abuse (FWA) training, include information regarding the following:

- a) A description of the compliance program, including a review of the compliance policies and procedures, the Standards of Conduct, and the organization's commitment to business ethics and compliance with all statutory, regulatory, and Medicaid program requirements.
- b) An overview of how to ask compliance questions, request compliance clarification or report suspected or detected non-compliance or potential FWA. Training emphasizes confidentiality, anonymity, and non-retaliation for compliance-related questions, or suspected or detected non-compliance or potential FWA.
- c) The requirement to report to the plan actual or suspected Medicaid program noncompliance or potential FWA.
- d) Provide examples of reportable non-compliance that and Employee might observe and report.
- e) A review of the disciplinary guidelines for non-compliant or fraudulent behavior which results in mandatory retraining and may result in disciplinary action, including possible termination when such behavior is serious or repeated or when knowledge of a possible violation is not reported.
- f) Attendance and participation in formal training programs are a condition of continued employment, and a criterion to be included in Employee evaluations.
- g) A review of policies related to contracting with the government, such as the laws addressing fraud and abuse or gifts and gratuities for Government Employees.
- h) A review of potential conflicts of interest and the Plan's disclosure/attestation system.
- i) An overview of HIPAA and the importance of maintaining the confidentiality of Personal Health Information.
- j) An overview of the monitoring and auditing work plan of the organization.
- k) A review of laws that govern the Employee conduct in the Medicaid Program. The following is a list of laws and regulations that may be discussed in the training:
  - Title XVIII of the Social Security Act;
  - Social Security Act, Title XIX;
  - Social Security Act, Sections 1128, 1128A, 1156, 1842(j)(2), 1902(a)(68), 1903(i)(2)(C) & 1909;





- 42 CFR 438.608, and the U.S. Department of Justice's Federal Sentencing Guidelines;
- 42 CFR 455.436, 456.3, 456.4, 456.23;
- Patient Protection and Affordable Care Act (Pub. L. No. 111-148, 124 Stat. 119);
- Health Insurance Portability and Accountability Act (HIPAA) (Public Law 104-191);
- The False Claims Act (31 U.S.C. 3729-3733);
- Federal Criminal False Claims Statutes (18 U.S.C. 287, 1001);
- Federal Anti-Kickback Statute (42 U.S.C 1320a-7a (a)(5));
- Civil Monetary Penalties of the Social Security Act (42 U.S.C. 139w-27 (g));
- Physician Self-Referral ("Stark") Statute (42 U.S.C. 1395nn);
- Prohibitions against employing or contracting with individuals or entities that have been excluded from doing business with the Federal Government (42 U.S.C. 1395w-27 (g)(1)(G));
- Fraud Enforcement and Recovery Act of 2009;
- The Deficit Reduction Act of 2005;
- Article 13 of the Contracts between ASES and MMM MH Vital. All sub-regulatory guidance produced by ASES, CMS and HHS such as manuals, trainings materials, memos, and guides;
- Medicare regulations governing Parts C and D found at 42 C.F.R. §§ 422 and 423 respectively;
- Medicaid Director Letter #09-001, January 16, 2009.
- Civil Monetary Penalties of the Social Security Act (42 U.S.C. § 1395w-27 (g));
- All sub-regulatory guidance produced by CMS and HHS such as manuals, training materials, HPMS memos, and guides.

Also, the training should address the following FWA topics:

- Laws and Regulations related to Medicaid, MA and Part D FWA (i.e., False Claims Act, Anti-Kickback statute, HIPAA/HITECH, etc.);
- Definitions of FWA;
- Examples of Provider, Enrollee, Employee and subcontractor FWA;
- How to access FWA policies and procedures;
- Information regarding state and federal laws, including but not limited to the False Claims Act, Protection afforded to those who report FWA, how to report FWA, incorporates all CMS training curriculum standards listed in 42 C.F.R. §422.503(b)(4)(vi)(C)(3) (2014).
- Obligations to have appropriate policies and procedures to address FWA;
- Processes for plans and Employees to report suspected FWA to the plan (or, as to Employees, either to the plan directly or to their employers who then must report it to the plan);



- Protections for plan and Employees who report suspected FWA and;
  - Types of FWA that can occur in the settings in which plan and Employees work.
- Specific training for appropriate corporate Officers, Managers, and other Employees may include areas such as:
- Restrictions on marketing activities;
  - General prohibitions on paying or receiving remuneration to induce referrals;
  - Proper claims processing techniques;
  - Monitoring of compliance with this Compliance Program;
  - Methods for educating and training Employees;
  - Duty to report misconduct;
  - Fraud, Waste and Abuse.

**Training is provided upon hiring and annually thereafter. Attendance and participation in compliance and FWA training programs is a condition of continued employment or contracted. Failure to comply with training requirements will result in disciplinary action, including possible termination.**

Adherence with the provisions of this Compliance Program, including training requirements, is a factor in the annual evaluation of each MMM MH Vital Employee. Outside contractors will be afforded the opportunity to participate in or required to develop (where applicable) their own compliance training and educational programs, to complement MMM MH Vitals' standards of conduct, compliance policies, and procedures. The CO will ensure that records of compliance training, including attendance logs and copies of materials distributed at training sessions, are maintained.

The above Compliance and FWA training is in addition to any periodic professional education courses that may be required by statute or regulation for certain personnel. MMM MH expects that its Board members, Employees and Contractors will comply with applicable education requirements and failure to do so could result in disciplinary action, including termination of contract or employment.

MMM MH is also responsible for developing and providing annual general compliance and fraud waste and abuse training or the appropriate training materials to delegated entities and ensuring that the training has been distributed and taken at the time of contracting and annually thereafter.

MMM MH will revise and provide the annual general compliance and fraud waste and abuse training program on an annual basis

**D. Lines of Communications and Reporting:**

The CO establishes and maintains effective lines of communication between the Medicaid Compliance Department and Employees, Contractors, Subcontractor and Delegated Entities. This may include, but is not limited to, hot line **1-844-256-3953**,



compliance drop boxes, e-mails [compliance\\_medicaid@mmmhc.com](mailto:compliance_medicaid@mmmhc.com) or [GHP\\_SIU@mmmhc.com](mailto:GHP_SIU@mmmhc.com) or web address [www.psg.ethicspoint.com](http://www.psg.ethicspoint.com), so that Employees, Members, Contractors, Subcontractor and Delegated Entities may seek answers to compliance questions or report suspected acts of non-compliance, misconduct, FWA.

All Employees, Contractors, Subcontractors and Delegated Entities have the responsibility to comply with applicable laws and regulations and report any real or perceived acts of non-compliance. Any Employee, Contractors, Subcontractor and Delegated Entities who know of a non-compliant act and fail to report them will be subject to discipline. Reports can be made anonymously through the help line if the caller desires, although a name and phone number generally make investigating easier and more effective.

No Employee or Agent shall retaliate in any way against another Employee for reporting an act of non-compliance. Written reports may be submitted in person, fax, or mailed to the Attention of the CO at the corporate address:

<b>350 Chardón Avenue</b>	<b>MMM Multihealth</b>
<b>Suite 500 Torre Chardón</b>	<b>PO BOX 71114</b>
<b>San Juan, PR 00918-2101</b>	<b>SAN JUAN PR 00936-8014</b>

If mailed, the envelope should be marked **CONFIDENTIAL**.

It is recognized that questions will arise regarding compliance issues that Employees want to have answered in a safe environment. Employees, Beneficiaries, Providers, Contractors, Subcontractors and Delegated Entities, may call the help line to receive answers in a confidential manner or may come to the Medicaid Compliance Department in person.

**E. Standards, Policies, and Procedures and Enforcement:**

**a. Policies**

MMM MH have written policies, procedures and standards of conduct that;

- Articulate the organization's commitment to comply with all applicable Federal and state standards;
- Describe compliance expectations as embodied in the Standards of Conduct;
- Implement the operation of the compliance and FWA program;
- Provide guidance to Employees and others on dealing with suspected, detected or reported compliance and potential FWA issues);
- Identify how to communicate compliance issues to appropriate compliance personnel;
- Describe the operation of the hotline and other reporting mechanisms
- Describe how suspected, detected or reported compliance and FWA issues are investigated and resolved by the organization;
- Describe methods to detect potential noncompliance or FWA issues



- Include a policy of non-intimidation and non-retaliation for good faith participation in the compliance program, including, but not limited to, reporting potential issues, investigating issues, conducting self-evaluations, audits and remedial actions, and reporting to appropriate officials;
- Establish the process to collect overpayments as results of the audits process
- Describe the Compliance and FWA trainings requirements; and
- Describe the process for recipient verification of claims billed

It is the policy of MMM MH to render appropriate discipline for failure of any company personnel to comply with the Code of Ethics and Business Conduct, policies, and procedures set forth in, or adopted pursuant to, this Compliance Program or any federal or state laws or regulations.

The guiding principles underlying this policy include the following:

- Intentional or reckless noncompliance should subject personnel to significant sanctions, which may include verbal warnings, suspension, or termination of employment, depending upon the nature and extent of the noncompliance;
- Failure to comply with the policies and procedures set forth in this Compliance Program, or with other applicable laws, should also result in sanctions;
- Disciplinary action should be taken where a responsible Employee fails to detect a violation, where such failure can be attributed to their negligence or reckless conduct;
- Internal audit or review may lead to discovering violations and could lead to disciplinary action;
- All levels of Employees are subject to the same disciplinary action for the commission of similar offenses. Because MMM MH takes compliance seriously, MMM MH must respond to personnel misconduct.

#### **b. Discipline Procedures**

Any Employee found to have violated any provision of this Compliance Program or the organization's policies and procedures can be subject to discipline in a manner consistent with the policies set forth herein, including termination of employment if deemed appropriate by MMM MH. Any disciplinary action taken shall be fair and equitable and within the sole discretion of MMM MH.

In severe and/or repeated cases, coordination with the responsible Department Director and Director of Human Resources shall take place to discuss progressive discipline including the possibility of immediate termination. The Human Resources Department is a key element in this process. Human Resources policies establish the degrees of disciplinary actions that may be imposed upon corporate officers, managers and Employees, for failing to comply with the organization's policies and applicable statutes and regulations.

Upon determining that an Employee from MMM MH or any of its affiliates has committed



a violation of this Compliance Program, said Employee shall meet with their supervisor to review the conduct that resulted in violation of the Compliance Program.

The Employee and supervisor will call the CO to discuss any actions that may be taken to remedy such violation. All Employees are expected to cooperate fully with the CO during the investigation of the violation. Legal counsel must be consulted prior to final actions or punitive measures.

#### **F. Auditing and Monitoring**

The CO is responsible for periodic monitoring of compliance with applicable laws, regulations and policies. If the CO or their designee discovers that a department's or individual's level of compliance is unacceptable, they may require a CAP, which includes future monitoring of the process until identified issues have been resolved.

Annually, the CO develops an auditing and monitoring plan, identifying the areas that will be focus of auditing and monitoring based on an Annual Risk Assessment conducted by the CO. The risk assessment tool will be used to identify and analyze where noncompliance could potentially result in a significant risk or penalty to MMM MH.

Audits will be conducted to ensure compliance with Federal and State regulations and performance standards. The performance standards used will be consistent with the contract agreement with ASES for the Government Health Plan, as well as any other federal and state regulation. The scope and frequency of audits may vary depending on prior findings and compliance rate improvement.

The periodic review process may include the following techniques:

- Interviews with personnel involved in management, operations, claim development and submission, and other related activities;
- Questionnaires developed to solicit impressions of personnel;
- Review of claims to identify red flags (e.g. Under/over utilization, outliers or suspicious billing patterns);
- Reviews of medical records, case files, financial records, and any other source documents that support claims for reimbursement and claims submissions, including enrollment and reconciliation date;
- Reviewers will present a written report on compliance activities to the CO. The report shall specifically identify areas, if any, where corrective actions are needed. In certain cases, subsequent reviews or studies may be conducted to ensure that recommended corrective actions have been successfully implemented.
- Ensure internal monitoring and auditing with provisions for prompt response to potential offenses, along with the prompt referral of any such offenses to MFCU, and for the development of corrective action initiatives relating to MMM MH Vitals' compliance efforts.



### **Compliance Program Effectiveness:**

The effectiveness of the Compliance Program must be audited at least annually, and the results must be shared with the Board of Directors. The audit will be conducted by the Internal Audit Department or an External Auditor to avoid self-policing.

The Medicaid Compliance Department will use fewer formal measures to monitor the compliance program effectiveness such as self - assessment tool, dashboards or scorecards in support of the Compliance Program effectiveness audit. The CO will share results with the Compliance Committee, senior management and Board of Directors.

### **Fraud, Waste and Abuse (FWA) Issues:**

A potential FWA incident could be identified internally by the Medicaid Compliance Specialist, through data analysis, also, external referrals of suspicious activities could be received from other MMM's Employee or through external referrals, from Enrollees, Providers, local/federal Agencies or any other Individual. Once the issue is identified the Compliance Specialist performs a preliminary investigation. The preliminary investigation consists on conducting an overview of the allegation received and the merits of the referral, to asses if the situation consists of a systematic, operational or informational error.

If the result of the preliminary investigation leads to a potential FWA, or it is determined that there is enough basis to continue investigating, a full investigation is conducted. A full investigation consists of detailed data analysis, evaluation of utilization or billing patterns, desk or onsite audits, interviews, record reviews, among other research activities regarding the investigated individual or entity. Depending on the results of the full investigation, the case may be referred to the corresponding law enforcement and/or regulatory agencies. See more information on MMM MH Vitals' Program Integrity Plan.

### **G. Corrective Action Plan (CAP):**

Violations of this Compliance Program, failure to comply with applicable federal or state laws, and other types of misconduct threaten MMM MH Vitals' status as a reliable, honest, and trustworthy MMM MH Vital might prompt a request for a CAP (CAP). Detected but uncorrected misconduct can seriously endanger MMM MH Vitals' and its affiliates' reputations. Consequently, upon reports or reasonable indications of suspected noncompliance, prompt steps to investigate the conduct in question will be initiated under the direction and control of the CO to determine whether a material violation of applicable law or the requirements of the Compliance Program has occurred. If no violation has occurred, the CO will request a CAP from the department to determine how the process can be corrected and improved. If such a violation has occurred, prompt steps will be taken to correct the problem. As appropriate, such steps may include an immediate referral to criminal or civil law enforcement authorities, a CAP, a report to the appropriate government organization, or submission of any overpayments. The specific steps that are appropriate in any given case will be determined after consultation with legal counsel.





Depending upon the nature of the alleged violations, the CO's internal investigation could include interviews with relevant staff and a review of relevant documents. Legal counsel, auditors, or healthcare experts may be engaged by the CO to assist in an investigation where the CO deems such assistance appropriate. Complete records of all investigations will be maintained which contain documentation of the alleged violations, a description of the investigative process, copies of interview notes and key documents, a log of the witnesses interviewed, and the documents reviewed, results of the investigation (e.g. any disciplinary action taken), and corrective actions implemented.

If an investigation of an alleged violation is undertaken and the CO believes the integrity of the investigation may be at risk because of the presence of Employees under investigation, those Employees will be removed from their current work activity until the investigation is completed. Where necessary, the CO will take appropriate steps to secure or prevent the destruction of documents or other evidence relevant to the investigation.

#### **H. Reporting**

If the CO, Director or any Manager discovers credible evidence of fraud, waste, abuse or misconduct from any source and, after reasonable inquiry, has reason to believe that the misconduct may violate criminal, civil, or administrative law, then the misconduct will promptly be reported to the appropriate governmental authority or federal or state law enforcement agency having jurisdiction over such matter. Said reports will be submitted in a timely manner. The CO will also report the results of any case investigation with possible fraudulent activities to ASES, OIG, or other regulatory or law enforcement agencies, as necessary.

#### **Compliance Policies and Procedures:**

The policies in this section are those applying to MMM MH Vital. Additional policies may be developed to supplement these policies to reflect the activities of MMM MH Vital.

The following policies are included in this section:

- **False Claims Act**
- **Anti-kickback and Self-Referral Laws;**
- **Billing and Coding;**
- **Employee and Contractor Screening;**
- **Confidentiality of Healthcare Information;**
- **Labor Laws.**

**The False Claims Act allows people to** bring “whistleblower” lawsuits on behalf of the government – known as “qui tam” suits – against groups or other individuals that are defrauding the government through programs, agencies or contracts. The False Claims Act applies when a company or person:



- Knowingly presents a false or fraudulent claim for payment,
- Knowingly uses a false record or statement to get a claim paid,
- Conspires with others to get a false or fraudulent claim paid,
- Knowingly uses a false record or statement to conceal, avoid, or decrease an obligation to pay or transmit money or property.
- “Knowingly” means acting with actual knowledge or with reckless disregard or deliberate indifference to the truth or falsity of information. An example would be if a health care Provider, such as a Hospital or a Physician knowingly “up codes” or overbills; resulting in overpayment of the claim using Medicaid or Medicare dollars.
- The time for a claim to be brought under the False Claims Act is the later of:
  - Within six (6) years from the date of the illegal conduct, or;
  - Within three (3) years after the date the Government knows or should have known about the illegal conduct, but in no event later than ten years after the illegal activity.
- It is the policy of MMM MH Vital to detect and prevent any activity that may violate the federal False Claims Act or the state Medicaid fraud laws. If any Employee, Provider, Delegated Entity, Subcontractor or Agent has knowledge or information that any such activity may have taken place, they should contact the Medicaid Compliance Department. In addition, federal and state law and MMM MH Vital policy prohibit any retaliation or retribution against persons who report suspected violations of these laws to law enforcement officials or who file “whistleblower” lawsuits on behalf of the government. Anyone who believes that he or she has been subject to any such retribution or retaliation should also report this to the Medicaid Compliance Department.
- MMM MH Vital also communicates the protections in place for its Employees and Enrollees in the applicable handbooks respectively.

### **Anti-Kickback and Self-Referral Laws:**

Federal law, commonly known as the Medicare/Medicaid "Anti-kickback statute" (42 U.S.C. Section 1320a-7b(b)), prohibits giving anything of value, directly or indirectly, to any person to induce that person to refer, order or arrange for goods or services for which payment may be made under a federal healthcare program. Federal law also prohibits any person from offering or transferring anything of value to any person eligible for benefits under Medicare, Medicaid or other federal healthcare program that such person knows or should know is likely to influence the person to order services from a particular Provider (Section 1128A(a)(5) of the Social Security Act).

Another federal law, commonly known as the "Stark Law" (42 U.S.C. Section 1395nn) generally prohibits physicians from referring Medicare or Medicaid patients to an entity for certain designated health services which are specifically listed when a physician has a financial relationship with that entity, unless the specific requirements of an exception under the Stark Law are satisfied. A financial relationship is any ownership interest or





compensation arrangement.

- **The Penalties.** The penalties for violating these laws are severe. Violations of the federal anti-kickback statute include fines of up to \$25,000 and imprisonment of up to 5 years. Violations of the Stark Law may result in denial of claims payment and civil monetary penalties of up to \$15,000 for each violation.
- Many states have statutes like the federal anti-kickback statute and the Stark Law, which may apply to referrals for any patient, not just patients covered under federal healthcare programs. **MMM MH Vitals' General Counsel and Compliance Office are familiar with state laws and should be consulted before entering into any agreement or arrangement with a referral source.**
- Many people mistakenly believe that these laws apply only to doctors, hospitals, and other Providers of healthcare services. This is not the case. For example, payments to a marketing company to develop business can implicate the federal anti-kickback statute. Furthermore, even if a law appears to apply only to healthcare Providers, a non-provider involved in wrongful conduct could still be viewed, and prosecuted, as aiding or assisting in the violation of the law. Regardless of whether MMM MH Vital can ultimately be held liable under a law, MMM MH Vitals' Code of Ethics and Business Conduct requires that all personnel conduct themselves at all times in accordance with all laws. Conduct to the contrary places MMM MH Vital, its personnel and its clients at risk.

#### **Examples of how these laws might apply to MMM MH:**

- **Physician Compensation Systems.** MMM MH Vital is engaged by a large, multi-specialty medical group to develop software for handling income distributions to Physicians of the group based on factors such as productivity and profit benchmarks. If the formula developed rewards medical group members for ordering Medicare or Medicaid reimbursed laboratory services or X-rays performed by the group, the Stark Law could be implicated. MMM MH Vital and its personnel must not attempt to act as legal counsel for their clients. MMM MH Vital acknowledges that its personnel may be limited in their ability to detect and prevent potentially illegal arrangements between clients and third parties. The goal of MMM MH Vital is to ensure that all personnel are acting in compliance with the law and making their best efforts to assist our clients in complying with the law. This Compliance Program is prepared with this goal in mind.
- **Federal "Safe Harbors" and Exceptions to the Stark Law.** The federal government has created "safe harbor" regulations under the anti-kickback law. A transaction that fully satisfies a safe harbor will not be subject to civil or criminal sanctions. There are also a number of exceptions to the Stark Law's general prohibition. Arrangements that satisfy the requirements of a particular exception are permitted under the Stark Law. The requirements of these safe harbors and exceptions are often complex and difficult to interpret. Personnel should not attempt to analyze arrangements under the anti-kickback safe harbors or Stark Law exceptions without the assistance of MMM MH Vitals' General Counsel or



other legal counsel approved by MMM MH. Only MMM MH' legal counsel may determine whether a particular arrangement complies with an anti-kickback law safe harbor or Stark Law exception.

- **Common Issue: Physician Compensation.** MMM MH Vital, whether acting as a consultant or manager, is sometimes involved in establishing formulas and systems for physician compensation. If physicians in a medical group internally refer Stark Law covered services to the medical group (e.g., lab, X rays, and ultrasounds) the compensation they receive can implicate the Stark Law. An exception to the Stark Law that is commonly available in this situation is the exception for in-office ancillary services. This exception includes many elements, and only MMM MH Vital legal counsel can determine whether a arrangement fully satisfies those requirements. However, when developing physician compensation systems, one fundamental element of the in-office ancillary services exception should be kept in mind. No physician in the group can either directly or indirectly receive compensation which varies with the volume or value of referrals by the physician for Medicare/Medicaid covered ancillary services. In other words, compensation systems must treat revenues derived from Stark Law covered Medicare/Medicaid services in a referral-neutral manner, and the referring physician's compensation may in no manner be connected to such referrals.

#### **Examples of Arrangements Commonly Covered by the Anti-Kickback Law or the Stark Law:**

- **Physician Compensation Plans** that include Medicare/Medicaid receivables as a factor in determining compensation;
- **Professional Service Agreements** between Providers and entities to which those Providers refer;
- **Space and Equipment Leases** between Providers and entities to which they refer;
- **Management Agreements** that include marketing and promotional services;
- **Joint ventures** between hospitals and medical groups;
- **Any other agreements between parties that are actual or potential sources of referrals for each other.**

#### **I. Policies**

MMM MH Vital has established the following policies to promote compliance with federal and state anti-kickback and self-referral statutes and regulations. Additional polices may be adopted by MMM MH Vital based on the specific needs and activities.

- All contracts and other arrangements that in any way involve or relate to the referral of patients, or arranging for the referral of patients, to which MMM MH is a party must comply with all applicable anti-kickback and self-referral statutes and regulations.
- Company personnel cannot assist clients in negotiating or entering into contracts or arrangements that its personnel suspect may violate the anti-kickback or self-



referral laws unless the client has been informed in writing of the concern and the client advises MMM MH Vital that the client has received legal advice indicating the arrangement is permissible.

- In the event MMM MH Vital personnel, while acting as a consultant or manager for a client, become aware that a contract or arrangement contemplated by the client potentially violates the anti-kickback or self-referral laws, the client shall be informed of the potential violation and advised to consult with qualified legal counsel. Personnel shall also inform MMM MH Vitals' CO and General Counsel.
- No free gifts or services shall be provided by MMM MH Vitals' personnel to beneficiaries of any government program (e.g. Medicare or Medicaid) to influence such beneficiaries' choice of Provider, nor shall personnel encourage or assist clients of MMM MH Vital to offer such free gifts or services to such beneficiaries, unless such free gifts or services are offered in strict compliance with applicable laws as determined in advance by MMM MH Vital' General Counsel.
- No compensation, gift or gratuity of any kind may be provided in exchange for, or to induce, the referral of clients or customers to MMM MH Vital, and personnel cannot solicit, offer or receive any payment or remuneration of any kind in exchange for referring or recommending the referral of clients or customers to MMM MH Vital or to any hospital, physician or medical facility that is a client of MMM MH Vital.
- In the event personnel are involved on behalf of clients in negotiating agreements with Providers who are able to make referrals to the client, the personnel shall recommend to the client the agreement be reviewed by the client's legal counsel.
- In the event MMM MH Vitals' personnel encourage a client to have a particular contract or arrangement reviewed by legal counsel for compliance purposes, but the client fails or refuses to do so, MMM MH Vital' General Counsel or CO shall be contacted to determine the proper course of action to be taken.
- When engaged to negotiate contracts between healthcare clients and their referral sources or entities to which they refer, all negotiations shall be conducted in a manner consistent with high ethical standards and based on the concept that all such agreements should involve the exchange of services for payment that is consistent with fair market value for the goods or services being provided, without accounting for the volume or value of referrals between the parties.
- No personnel shall provide any item, service or other benefit to any patient, physician, payer or other customer at less than fair market value in order to induce referrals to, or for recommending or arranging for referrals to, MMM MH Vital or any of its clients, unless approved in advance by MMM MH Vital' legal counsel.
- No discount shall be offered or given by personnel to any patient, physician, payer or other referral source of MMM MH Vital or its clients, unless approved in advance by MMM MH Vital' legal counsel.
- Only MMM MH Vital' legal counsel, or other MMM MH Vital designated legal counsel, is authorized to determine whether a particular arrangement to be



entered into by MMM MH or any of its subsidiaries satisfies a federal antikickback law safe harbor or a Stark Law exception. MMM MH personnel must consult with MMM MH Vital' legal counsel before entering into arrangements.

- When hiring personnel or entering into arrangements with outside contractors to perform services or provide goods that are in any way related to the Medicare, Medicaid, CHAMPUS, or any other government healthcare program – whether such arrangements are for the benefit of MMM MH Vital or a client of MMM MH Vital – the person or entity to be hired or contracted must not be subject to exclusion from participation in federal healthcare programs.
- MMM MH Vitals' personnel, whether acting as managers or consultants for clients, shall not provide legal advice to clients as to whether an arrangement complies with or violates any law or regulation. All personnel shall encourage clients to seek legal advice.

## II. **Policies Specific to Marketing Activities:**

In addition to marketing its own products and services, MMM MH Vital is often engaged to market the products and services of clients. MMM MH Vitals' reputation, integrity and the ability to generate demand for its products and services, as well as the products and services of its clients, are paramount to its success.

It is in the best interests of MMM MH Vital and its clients that the recipients of marketing information accurately understand the products and services being promoted. To that end, MMM MH Vital shall maintain policies and procedures for marketing activities that are specific to the activities of that subsidiary. All marketing activities must be compliant with applicable regulatory requirements.

The guiding principles underlying those policies are as follows:

- All agreements that involve advertising and other marketing services to be performed by MMM MH Vital for clients that are engaged in rendering healthcare services must be in writing and approved by MMM MH Vital' legal counsel prior to such services being performed.
- All marketing activities are to be performed in accordance with the highest ethical standards.
- All marketing information shall be clear, correct, non-deceptive and fully informative as to the subject matter of the information.
- All marketing information, materials and methods created by MMM MH Vital for generating business for clients engaged in rendering healthcare services shall be approved by MMM MH Vital' CO prior to use.
- Marketing materials shall only use the plan logo as notified and approved by ASES and the logo applicable to the Government Health Plan (GHP).

## A. **Billing & Coding:**

### I. **Background**



Although MMM MH Vital is not always a direct Provider of healthcare services, it is engaged by clients to manage and oversee coding and billing procedures, as well as to train and supervise clients' personnel. This section of the Compliance Program will help ensure that MMM MH Vital personnel are familiar with applicable billing and codes laws and policies.

All claims submitted for payment from third party payers, including government programs, must be submitted in accordance with complex rules and regulations. Claims for payments must be for items and services that are (a) medically reasonable and necessary; (b) of a quality that meets recognized standards of care; and (c) supported by documentation of medical necessity, quality, and all other standards applicable to the claim. Claims submitted for services that are not medically necessary or not supported by adequate medical record documentation may violate state and federal laws. For example, the federal False Claims Act and the Civil Monetary Penalties law both prohibit any person from submitting or causing to be submitted to a government payment program a claim for payment if the person submitting the claim or causing it to be submitted knows that the claim is false or fraudulent.

#### **Penalties:**

The penalties for violating the statutes are severe and include civil penalties of \$11,000 per claim and damage of three times the total amount paid (under the False Claims Act) or \$10,000 for each item or services improperly billed and triple damages (under the Civil Monetary Penalties law), for violations that occurred on or before November 2, 2015. (As of August 1, 2016, False Claims Act civil penalties increased between \$10,781.40 and \$21,562.80 per claim, plus three times the amount of damages that the federal government sustains because of the false claim. These adjusted amounts will apply only to civil penalties assessed after August 1, 2016; whose violations occurred after November 2, 2015). In addition, a person or entity violating these laws can be excluded from participation in federal payment programs such as Medicare Advantage, Medicaid or PDP.

In addition to the federal laws mentioned above, other federal laws as well as numerous state laws may be implicated. For example, wire and mail fraud (for submitting a false claim by mail or by modem) and criminal conspiracy (working in concert with another) to submit a false claim. Also, the Health Insurance Portability and Accountability Act (HIPAA) expressly prohibit activities to defraud any healthcare benefit program, including private health plans and insurance companies. Many states have laws prohibiting false or fraudulent submission of claims to state Medicaid programs and to private insurance companies. Health maintenance organizations (HMO) are subject to additional laws that require that a Provider not provide substandard care or deny medically necessary care for HMO patients and dictate that all patients should receive the same level of care regardless of the financial or insurance status of the patient.





The Office of the Inspector General (OIG) of the Department of Health and Human Services has issued compliance guidelines for third party medical billing companies. The OIG has also issued guidelines for physician practices. To the extent that MMM MH Vital and its subsidiaries provides billing services, consults with physician practices regarding billing issues, or creates information systems related to billing, it is imperative that MMM MH Vital Employees understand billing and coding policies and procedures.

Some of the billing and coding issues the OIG has identified, which are applicable to MMM MH Vitals' clients include:

- **Presumptive or Default Billing:** Billing at the same level of procedure code in all cases without regard to the actual services provided.
- **Evaluation and Management (“E&M”) Services:** Billing for E&M services at a level higher than that supported by the medical record.
- **“Cheat Sheets”:** Coding performed using “cheat sheets” that provide diagnostic information that has triggered reimbursement in the past.
- **Computer Coding:** Using a computer program that automatically inserts diagnosis codes without receipt of diagnostic information from the physician.

**Examples of how this might apply to MMM MH Vital:**

- MMM MH Vital provides coding and billing consulting services to a physician practice and becomes aware of improper billing practices, for example, upcoding. MMM MH cannot merely “stick its head in the sand.” To do so submits MMM MH Vital to potential liability.
- MMM MH Vital provides management services to a medical group. As manager, MMM MH Vital is responsible to train and oversee the group billing personnel. Such training and supervision must include adequate knowledge and awareness of proper billing procedures.

Regardless of whether MMM MH Vital and its personnel can ultimately be held liable under laws, the MMM MH Vital' Compliance Program requires compliance with all applicable laws, as well as ethical conduct. MMM MH Vital' goal is to ensure that its Employees and contractors are acting in compliance with the law and making their best efforts to help our clients comply with the law.

**II. Policies**

MMM MH Vital and its subsidiaries may be involved directly or indirectly in coding and billing processes. Sometimes we act as an outside consultant providing limited and general information. In other circumstances, we act as a consultant or manager responsible for creating systems and supervising personnel directly involved in coding and billing. The following general principals should be applied, as applicable, in each of these circumstances and all other circumstances in which MMM MH Vital or its subsidiaries are involved with coding and billing.



- Both MMM MH Vital and Client personnel involved with billing or coding shall receive adequate education and training, including legal requirements and billing procedures.
- Proper coding and billing policies and procedures shall be established and maintained by each subsidiary engaged in activities that are in any way related to coding and billing.
- Only properly trained and qualified personnel shall be permitted to render consulting or management services related to coding and billing.
- Coding or billing methods that are known to violate proper coding and billing standards shall not be used.
- All claims shall be submitted using accurate and current codes, including the most current ICD-9, CDT and CPT codes.
- No claim should be submitted to any payer or patient for items or services not actually provided or rendered.
- No claim should be submitted to any payer or patient for services which are not medically necessary, that is services which are not warranted by the patient's current and documented medical condition.
- All services, including physician and other professional services, should be reviewed prior to billing to ensure that only accurate and properly documented services are billed to payers and patients.
- The diagnosis and procedures reported on claims should be based on the medical record and other appropriate or required documentation.
- Any form of "upcoding," meaning the use of a billing code that provides for a higher payment rate than the billing code that accurately reflects the services furnished to the patient, or "code creep," meaning the practice of using a code that provides a higher payment rate than the code that accurately reflects the patient's diagnosis and treatment, is strictly prohibited.
- Any form of "unbundling," or submitting bills in a piecemeal or fragmented fashion for tests or procedures which are required to be billed together for increasing reimbursement, is strictly prohibited.
- Under no circumstances should compensation for billing and coding personnel or consultants provide any financial incentive whatsoever to improperly code claims.
- Computer software systems used for coding and billing shall be monitored and reviewed to assure compliance with applicable laws and such software shall not automatically insert diagnosis codes without receipt of diagnostic information from the physician.
- Processes shall be in place to recognize overpayments and to assure prompt repayment when warranted.
- Adequate clarification shall be obtained when documentation is confusing or lacking adequate justification.
- The integrity of computerized systems shall be maintained and shall assure adequate protection from invasion (i.e., viruses, hackers, etc.).



In addition to the policies set forth above, you are encouraged to refer to and rely upon appropriate billing and coding references and recognized guidelines approved by MMM MH Vital, including those produced by the American Health Information Management Association, the Centers for Medicare and Medicaid Services, and the National Corporation for Health Statistics.

## **B. Employee and Contractor Screening:**

### **I. Background**

The effectiveness of this Compliance Program depends in large part on the integrity of company personnel and their commitment to compliance. It is incumbent upon MMM MH Vital to employ and contract with individuals and organizations that meet high standards of conduct. To that end, MMM MH Vital has adopted the following policies.

### **II. Policies**

- It is the policy of MMM MH Vital not to hire as Employees or contractors or continue the employment or contract of individuals who have been convicted of a criminal offense related to healthcare or who are debarred, excluded, or otherwise become ineligible for participation in federal healthcare programs.
- MMM MH Vital shall investigate the background of all Employees and Contractors prior to hiring by checking with all applicable licensing and certification authorities to verify that any requisite licenses and certifications are in order.
- MMM MH Vital shall require that all potential Employees certify on their employment application that they are not excluded from participation in any federal or state health programs.
- All personnel are required to report to their supervisor if, after their employment or contract, they are convicted of an offense that would preclude employment by a healthcare or contracting facility or are excluded from participation in any federal or state healthcare program.
- Pending the resolution of any federal criminal charges or proposed debarment or exclusion of a current Employee, that Employee shall be removed from the direct responsibility for or involvement in any coding or billing processes, and any other activity related to a federal healthcare program.

### **Exclusion Lists Screening:**

MMM MH Vital and each of its affiliated entities including, but not limited, to IPA management companies, consulting, and management divisions, will review the names of all Employees, Contractors and Subcontractors, against the Office of Inspector General's list of excluded individuals/entities (LEIE) and/or the General Services Administration (GSA) exclusion lists, on upon hiring and, at least, monthly thereafter, to ensure no current Employees, independent contractors, related entities or vendors have being included in this list. Individuals or Entities included on the LEIE and/or GSA are not considered for employment or contracting. Verified inclusion on the list of presently hired individuals or entities shall constitute grounds for termination. The discovery of any





individuals or entities on the LEIE and/or GSA shall immediately be reported to the CO. Verification must include social security number verification.

### **C. Confidentiality of Healthcare Information:**

#### **I. Background**

Comprehensive federal and state laws exist to protect the confidentiality of medical records and other personal information obtained by healthcare Providers when delivering medical services. Failure to comply with these laws can result in significant penalties and a breach of patient trust.

Although MMM MH Vital and its subsidiaries are not direct Providers of healthcare services, they work closely with healthcare Providers in ways that result in MMM MH Vital and its subsidiaries having access to confidential healthcare information. As a result, many laws that apply to the confidentiality of medical records and related health information apply to MMM MH Vital and its subsidiaries.

**Important:** *Do not assume that confidentiality of medical information is solely our clients' problem. Many of the services performed by MMM MH Vital and its affiliates are directly covered by laws that regulate the use of confidential information.*

Maintaining the confidentiality of medical records and related information is a fundamental rule in the delivery of quality healthcare services. Patients trust our clients to maintain confidentiality. Clients must be able to trust that MMM MH Vital and its personnel will perform their services in a manner that complies with all applicable laws related to confidentiality of medical records and healthcare information.

#### **a. HIPAA/HITECH:**

In 1996, Congress passed the Health Insurance Portability and Accountability Act (HIPAA) with the intent to improve the portability and continuity of individual and group health insurance, to combat fraud, waste, and abuse in health insurance and healthcare delivery, to improve access to long term care services and coverage, and to simplify the administration of health insurance. HIPAA/HITECH is a very comprehensive law that applies to many aspects of MMM MH Vitals' business in different ways. Depending on the type of services being provided, different rules and regulations will apply.

CMS has developed extensive regulations related to HIPAA/HITECH. Those regulations include three general categories:

- **The Transactions Regulations.** The standards for administrative simplification, including the standards for electronic transactions, the national standard healthcare Provider identifier, and the national standard employer identifier (these are commonly referred to as the "Transactions Regulations")
- **The Security Regulations.** The standards for electronic signatures and the security of individually identifiable health information (these are commonly referred to as Security Regulations)



- **The Privacy Regulations.** The standards for the privacy of individually identifiable health information (these are commonly referred to as Privacy Regulations).

The regulations also include extensive provisions to determine which types of business entities are covered by the various regulations and which parts of the law apply to each type of entity. The test to determine whether a business is subject to the law is based upon the actual activities and operations of the business. In other words, if an organization performs a service or function that falls within the scope of the law, then that organization is subject to the requirements of the law even if the rest of its business has nothing to do with healthcare or HIPAA/HITECH.

Many states in which MMM MH Vital conducts business also have laws that regulate the use of medical records and healthcare information. In some cases, state laws are more restrictive than HIPAA/HITECH regarding security and privacy of medical records.

**Important:** *Do not assume that compliance with HIPAA/HITECH means compliance with state laws. You should check with the CO and MMM MH Vitals' General Counsel to ensure that activities follow all applicable privacy laws.*

MMM MH Vital has developed written policies and procedures specific to compliance with state laws related to confidentiality of medical information. Those policies and procedures are not contained in this Compliance Program. Compliance training will include training related to state law requirements. You should consult with your supervisor or the appropriate MMM MH Vitals' department if you have any questions about state laws.

## **II. Policies**

It is the policy of MMM MH Vital to comply with their legal obligations arising under federal and state laws and regulations that relate to the security and privacy of medical records and related patient information, including but not limited to, applicable HIPAA/HITECH requirements, and regulations promulgated there under.

MMM MH Vital has developed a comprehensive program, including written policies and procedures, for purposes of ensuring compliance with HIPAA/HITECH and similar state laws. Since most states maintain their own laws related to the privacy of medical records and information, these policies and procedures will vary by state. You will receive information and training regarding the HIPAA policies and procedures applicable to you. You should consult with your supervisor or CO if you have any questions about these policies and procedures, and how they apply to you.

In addition to MMM MH Vitals' policies and procedures related to HIPAA and similar state privacy laws, MMM MH Vitals' has adopted the following general policies in furtherance of preserving the confidentiality of medical records and related patient information.

- All personnel, whether acting in a management, consulting, or other capacity, shall exercise the utmost caution to maintain the confidentiality of patient medical



records and related patient information in strict accordance with MMM MH Vitals' policies, procedures and applicable laws.

- MMM MH Vitals' shall encourage clients to adopt policies and procedures for complying with HIPAA/HITECH and applicable state privacy laws.
- All contracts between clients and MMM MH Vital shall clearly define the responsibilities of each party regarding the protection of medical records and other patient information that is subject to HIPAA/HITECH and state privacy laws.
- Except when required as part of your job and done in accordance with MMM MH Vitals' policies and procedures, the discussion, use, or transmission of patients' medical or personal information is forbidden.
- Temporary placement of patients' medical records and personal information in unattended areas should be avoided and all such records shall be maintained in the proper designated locations.
- Faxes or electronic transmissions of patient medical records or other personal information must be done in strict accordance with adopted policies and procedures.
- All computer workstations must be positioned in a manner such that the public cannot see the monitor.
- All conversations relating to patient medical information shall be conducted in areas that are not easily overheard by the public.
- All fax machines, computer printers, and copy machines shall be in areas that are not readily accessible to the public.
- The shredding of patient medical records and personal information shall only be done in strict accordance with MMM MH Vitals' policies and procedures
- All software and computer databases used by MMM MH Vital that contain patient medical record information or other personal information shall be password protected.
- All MMM MH Vitals' offices shall maintain physical security in a manner intended to limit access by unauthorized personnel to areas of the office that contain medical records and personal information.
- The violation of these policies or any other policies or procedures adopted for securing the confidentiality of medical records or other patient information is a serious offense that could result in Employee sanctions, including termination of employment.

### **III. Labor Laws**

**Non-Discrimination Policy.** MMM MH Vital believes the fair and equitable treatment of Employees, clients, patients and other persons is critical to fulfilling our goals. It is our policy to recruit, hire, train, promote, assign, and, where necessary or appropriate transfer, layoff, recall and terminate Employees based on their own ability, achievement, experience and conduct without regard to race, color, religion, gender, ethnic origin, age or disability, or any other classification prohibited by law. No form of harassment or



discrimination against anyone based on gender, race, color, disability, age, religion or ethnic origin or disability or any other classification prohibited by law will be tolerated.

Each allegation of harassment or discrimination will be promptly investigated in accordance with applicable human resource policies. MMM MH Vital also understands that numerous federal and state labor laws apply to its business and that compliance with such laws is crucial to MMM MH Vitals' growth and success. However, due to the complexity of the labor laws and issues related thereto, and MMM MH Vitals' desire to prepare and organize its policies and procedures in a manner that is both functional and practical, MMM MH Vital has not included its labor compliance policies and procedures in this Compliance Program. Rather, a separate compliance manual has been established for labor law compliance.

**For additional guidance and requirements related to labor laws and regulations that may affect you or your job, please refer to the MMM MH Vital Manual on Labor Laws.**

## V. Definitions

The following definitions apply for purposes of this document:

- **Abuse** - means Provider practices that are inconsistent with sound fiscal, business, or medical practices, and result in an unnecessary cost to the Medicaid program, or in reimbursement for services that are not medically necessary or that fail to meet professionally recognized standards for health care. It also includes recipient practices that result in unnecessary cost to the Medicaid program.
- **Agent** - means any person who has been delegated the authority to obligate or act on behalf of a Provider.
- **Anonymous** – Given without name or other identifying information.
- **Act** refers to the Social Security Act.
- **ASES** - Puerto Rico Health Insurance Administration
- **Audit** is a formal review of compliance with a set of standards (e.g., policies and procedures, laws and regulations) used as base measures.
- **Confidential** – Revealed in the expectation that anything done or revealed will be kept private. Reported concerns are kept private to the extent permitted by law.
- **Corrective Action Plan (CAP)** – A written notification outlining the mandatory steps to be implemented to maintain compliance with state, federal, NCQA, URAC and/or MMM MH Vital designated requirements.
- **Contract** - means the written agreement between ASES and MMM MH Vital for the GHP; comprised of the Contract, any addenda, appendices, attachments, or amendments thereto.
- **Contractor** - means the Managed Care Organization that is a Party of this Contract, licensed as an insurer by the Puerto Rico Commissioner of Insurance ("PRICO"), which contracts hereunder with ASES under the GHP program for the provision of Covered Services and Benefits to Enrollees on the basis of PMPM Payments.



- **Conviction or Convicted** - means that a judgment of conviction has been entered by a Federal, State, or local court, regardless of whether an appeal from that judgment is pending.
- **Deemed Provider Deemed Provider or Supplier** means a Provider or Supplier that has been accredited by a national accreditation program (approved by CMS) as demonstrating compliance with certain conditions.
- **DHHS** is the Department of Health and Human Services. CMS is the agency within DHHS that administers the Medicaid and Medicare programs.
- **DOJ** is the Department of Justice.
- **Downstream Entity** is any party that enters into a written arrangement, acceptable to CMS, with persons or entities involved with the Medicaid benefit, below the level of the arrangement between a MCO or applicant or a plan sponsor or applicant and a first tier entity. These written arrangements continue down to the level of the ultimate Provider of both health and administrative services. (See, 42 C.F.R. §, 423.501).
- **Employee(s)** refers to those persons employed by MMM MH Vital or related entities who provide health or administrative services for an enrollee.
- **Enrollee** means a Medicaid beneficiary who is enrolled in the Government Health Plan.
- **External Audit** means an audit conducted by outside auditors, not employed by or affiliated with, and independent of, MMM MH Vital
- **Exclusion** - means that items or services furnished by a specific Provider who has defrauded or abused the Medicaid program will not be reimbursed under Medicaid.
- **Ethics** – The discipline of dealing with what is good and bad and with moral duty and obligation.
- **False Claims Act** – This act permits individuals to help reduce fraud against the federal government by allowing them to bring “whistleblowers” lawsuits on behalf of the government (known as “qui tam” suits) against groups or other individuals that are defrauding the government through programs, agencies, or contracts.
- **Fraud** means an intentional deception or misrepresentation made by a person with the knowledge that the deception could result in some unauthorized benefit for him/her or some other person. It includes any act that constitutes fraud under applicable Federal or State law.
- **FWA** means fraud, waste and abuse.
- **FWA reporting mechanisms** – Ways an Employee, Provider, Enrollee/Member or other may report allegations of FWA to MMM MH Vital. Reports can be made anonymously and are kept confidential to the extent permitted by law. HIPAA – Health Insurance Portability and Accountability Act.
- **Furnished** - refers to items and services provided directly by, or under the direct supervision of, or ordered by, a practitioner or other individual (either as an employee or in his or her own capacity), a Provider, or other supplier of services.



(For purposes of denial of reimbursement within this part, it does not refer to services ordered by one party but billed for and provided by or under the supervision of another.)

- **Governing Body** means that group of individuals at the highest level of governance of the sponsor, such as the Board of Directors or the Board of Trustees, who formulate policy and direct and control the sponsor in the best interest of the organization and its enrollees. The governing body does not include C-level management such as the Chief Executive Officer, Chief Operations Officer, Chief Financial Officer, etc., unless persons in those management positions also serve as directors or trustees or otherwise at the highest level of governance of the sponsor.
- **GSA** means General Services Administration.
- **Integrity** – The adherence to a moral code, reflected in honesty and harmony in what one thinks, says and does.
- **Immediately** - means within twenty-four (24) hours.
- **Indirect ownership interest** - means an ownership interest in an entity that has an ownership interest in the disclosing entity. This term includes an ownership interest in any entity that has an indirect ownership interest in the disclosing entity.
- **Internal Audit** means an audit of MMM MH Vital conducted by auditors who are employed or affiliated by MMM MH Vital.
- **Learn.com** – A term to describe web-based learning system.
- **List of Excluded Individuals and Entities (“LEIE”)** is a database of individuals and entities excluded from Federally funded health care programs maintained by the Department of Health and Human Services Office of the Inspector General.
- **Medicaid** is a program through which the federal government contributes with the states and territories for the provision of medical services to certain low-income individuals.
- **Medicaid Compliance Officer (CO)** – The Medicaid CO oversees the compliance, Program Integrity, functioning as an independent and objective body that reviews and evaluates compliance issues/concerns within the organization.
- **Monitoring Activities** are regular reviews performed as part of normal operations to confirm ongoing compliance and to ensure that corrective actions are undertaken and effective.
- **OIG** is the Office of the Inspector General within DHHS. The Inspector General is responsible for audits, evaluations, investigations, and law enforcement efforts relating to DHHS programs and operations, including the Medicare and Medicaid programs.
- **Other disclosing entity** means any other Medicaid disclosing entity and any entity that does not participate in Medicaid but is required to disclose certain ownership and control information because of participation in any of the programs established under title V, XVIII, or XX of the Act. This includes:
  - Any hospital, skilled nursing facility, home health agency, independent clinical laboratory, renal disease facility, rural health clinic, or health maintenance organization that participates in Medicare (title XVIII);





- Any Medicare intermediary or carrier; and
- Any entity (other than an individual practitioner or group of practitioners) that furnishes, or arranges for the furnishing of, health-related services for which it claims payment under any plan or program established under title V or title XX of the Act.
- Person with an ownership or control interest means a person or corporation that;
  - Has an ownership interest totaling 5 percent or more in a disclosing entity;
  - Has an indirect ownership interest equal to 5 percent or more in a disclosing entity;
  - Has a combination of direct and indirect ownership interests equal to 5 percent or more in a disclosing entity;
  - Owns an interest of 5 percent or more in any mortgage, deed of trust, note, or other obligation secured by the disclosing entity if that interest equals at least 5 percent of the value of the property or assets of the disclosing entity;
  - Is an officer or director of a disclosing entity that is organized as a corporation; or
  - Is a partner in a disclosing entity that is organized as a partnership.
- **Provider** refers to any physician, hospital, facility, or other Health Care Provider who is licensed or otherwise authorized to provide physical or Behavioral Health Services in the jurisdiction in which they are furnished.
- **Provider Contract** - means any written contract between MMM MH Vital and a Provider that requires the Provider to order, refer, provide or render Covered Services under this Contract. The execution of a Provider Contract makes the Provider a Network Provider.
- **Program Integrity Plan (PIP)** - means the program, processes and policies that each Contactor has implemented to comply with integrity requirements. The PIP shall be developed in accordance with federal regulations and these guidelines.
- **Related Entity** means any entity that is related to a MCO sponsor by common ownership or control and;
  1. Performs some of the MCO plan sponsor's management functions under contract or delegation;
  2. Furnishes services to Medicaid Enrollees under an oral or written agreement;or
- **Retaliation**– A negative consequence for something done in good faith. This can include things like demotion, hostility, adverse changes in job requirements or other undesirable actions by an Employer, Supervisor or Coworker. Retaliation against an Employee for a good faith action is strictly prohibited.
- **Subcontractor:**





- An individual, agency, or organization to which a disclosing entity has contracted or delegated some of its management functions or responsibilities of providing medical care to its patients; or
- An individual, agency, or organization with which a fiscal agent has entered into a contract, agreement, purchase order, or lease (or leases of real property) to obtain space, supplies, equipment, or services provided under the Medicaid agreement
- **Stakeholder** - means the single state agency, the sub-grantee and all organizations contracted to provide health care management and services to Medicaid beneficiaries.
- **Suspension** - means that items or services furnished by a specified Provider who has been convicted of a program-related offense in a Federal, State, or local court will not be reimbursed under Medicaid.
- **Unbundling** – A fraudulent practice in which Provider services are broken down to their individual components, resulting in a higher payment by the payor.
- **Upcoding** – A practice of assigning a billing or diagnosis code that reflects a falsely high level of patient acuity and medical service to generate higher reimbursement than the Provider otherwise would receive right to access their medical records, request an amendment to their records and receive a list of individuals and/or entities to whom MMM MH Vital has disclosed their information.
- **Termination;**
  - a. Medicaid or CHIP Provider, a State Medicaid program or CHIP has taken an action to revoke the Provider's billing privileges, and the Provider has exhausted all applicable appeal rights or the timeline for appeal has expired; and
  - b. Medicare Provider, supplier or eligible professional, the Medicare program has revoked the Provider or supplier's billing privileges, and the Provider has exhausted all applicable appeal rights or the timeline for appeal has expired.
    - i. In all three programs, there is no expectation on the part of the Provider or supplier or the State or Medicare program that the revocation is temporary.
    - ii. The Provider, supplier, or eligible professional will be required to reenroll with the applicable program if they wish billing privileges to be reinstated.
    - iii. The requirement for termination applies in cases where Providers, suppliers, or eligible professionals were terminated or had their billing privileges revoked for cause which may include, but is not limited to;
      - 1. Fraud, Integrity; or Quality.
      - 2. Wholly owned supplier means a supplier whose total ownership interest is held by a Provider or by a person,



persons, or other entity with an ownership or control interest in a Provider

- **Waste** - occurs when someone makes careless or extravagant expenditures, incurs unnecessary expenses, or grossly mismanages resources. This activity results in unnecessary costs. It may or may not provide the person with personal gain. Waste is almost always a result of poor management decisions and practices or poor accounting controls.
- **Whistleblower** – A person that files an action under the False Claims Act is informally called a whistleblower. A person who exposes any kind of information or activity that is deemed illegal, unethical, or not correct within an organization that is either private or public.