FDR Compliance Guide

selecthealth®

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SECTION I: INTRODUCTION TO THE FDR COMPLIANCE GUIDE

SelectHealth relies on our contracted providers and other contractors to help us meet the needs of our membership according to Medicare Advantage/Part D program requirements. These individuals and organizations are considered First tier, Downstream, and Related Entities ("FDRs"). FDRs are individuals or entities to which SelectHealth has delegated administrative or health care service functions relating to the SelectHealth Medicare Advantage contract with CMS. They are a vital part of the SelectHealth Medicare Advantage program and have specific responsibilities under Medicare guidelines.

The purpose of this Compliance Guide is to assist FDRs in understanding and meeting their compliance obligations under the SelectHealth Compliance Program.

SECTION II: SELECTHEALTH MEDICARE COMPLIANCE PROGRAM

SelectHealth is committed, as a Centers for Medicare and Medicaid Services (CMS) contracted Medicare Advantage Organization (MAO), to operating a health plan that meets the requirements of all applicable laws and regulations of the Medicare Advantage and Part D programs.

Intermountain Healthcare is the parent company of SelectHealth. Our commitment to operate a compliant health plan is embodied in our standards of conduct which is called the Intermountain Healthcare Code of Ethics. The Code of Ethics is something each SelectHealth employee commits to uphold in his/her job and the standards of which are reinforced often with employees and SelectHealth-contracted providers and vendors.

According to CMS rules, each MAO (or plan sponsor) must implement a compliance program that is effective in preventing, detecting, and correcting Medicare Advantage and Part D program noncompliance as well as program fraud, waste, and Abuse. The compliance program is evaluated regularly based on CMS' seven elements of an effective compliance program.

A description of the seven elements of the SelectHealth Compliance Program as they relate to FDRs is provided below.

1. Written Policies, Procedures and Standards of Conduct

The Code of Ethics describes the principles and values by which SelectHealth operates and is the foundation for compliance policies and procedures. SelectHealth makes its Code of Ethics available to FDRs in Section IV of this Compliance Guide and on the Compliance page of the SelectHealth Advantage website at **http://www.selecthealthadvantage.org/support/fdr.aspx**.

Applicable SelectHealth Compliance Policies and Procedures are also accessible via the SelectHealth Advantage website.

2. Designation of Compliance Officer and Committee

The SelectHealth Medicare/Medicaid Compliance Committee oversees the Medicare Compliance Program by supporting and advising the SelectHealth Medicare Compliance Officer, Wade Thornock, and the Medicare Compliance Team. The Committee meets regularly with the Compliance Officer to discuss the status of the Compliance Program. SelectHealth senior management, including the SelectHealth CEO and Board of Trustees are provided regular reports of compliance activities, risk areas, and strategies.

3. Effective Training and Education

The effectiveness of training and education is apparent when everyone involved with providing health or administrative services to Medicare enrollees understand the rules and regulations that apply to their job and assignments. Effective training also prepares all of us to identify and report Medicare program noncompliance or potential fraud, waste, and abuse (FWA). Due to our strong commitment to the highest standards of ethics and integrity, compliance and FWA training is considered a requirement for SelectHealth employees and FDRs.

4. Effective Lines of Communication

SelectHealth makes available several reporting methods for FDRs including a mechanism for anonymous reporting. Section V of this Compliance Guide outlines the reporting methods and Appendix A provides a Reporting Poster that can be distributed to FDR employees. Any concerns, suspected misconduct, potential noncompliance, or possible FWA may be reported to SelectHealth and SelectHealth will promptly investigate the report. SelectHealth policy prohibits retaliation or intimidation against anyone who reports suspected violations in good faith.

5. Disciplinary Standards

SelectHealth policies enforce standards when an investigation reveals noncompliant or unethical behavior. Disciplinary standards may include re-training, specialized training, or disciplinary action up to and including termination of employment or termination of a contract for behavior that is serious or repeated.

6. Monitoring, Auditing and Identification of Risk

SelectHealth performs regular risk assessments, including an assessment of activities delegated to FDRs, which are used to guide the work and activities of the Compliance Program and to develop an annual audit plan. SelectHealth monitoring activities are structured to regularly review normal operations to confirm ongoing compliance using metrics and key performance indicators. As a federally funded health benefit plan sponsor, SelectHealth also monitors federal lists to identify providers and other individuals and entities that are excluded from participation in federal programs.

7. Response and Corrective Action

Compliance issues or suspected FWA may be discovered through the Compliance Hotline, a member complaint, during routine monitoring or auditing, or by regulatory authorities. If misconduct is discovered or suspected, a prompt investigation is initiated by SelectHealth. If the report is substantiated, an appropriate corrective action plan is developed and implemented. At times the corrective action could include disclosing the issue to applicable regulators and/or federal contractors.

SECTION III: FDR COMPLIANCE REQUIREMENTS & HOW TO MEET THEM

SelectHealth is committed to operating a health plan that meets the requirements of all applicable laws and regulations of the Medicare Advantage and Part D programs. As part of an effective compliance program, the Centers for Medicare and Medicaid Services (CMS) requires Medicare Advantage plans to ensure that any FDRs to which the provision of administrative or healthcare services are delegated are also in compliance with applicable laws and regulations.

The key compliance requirements for FDRs and recommendations for meeting those requirements are outlined below. SelectHealth provides an FDR Annual Compliance Attestation (see Appendix B) for your organization to validate compliance with these requirements.

1. Standard of Conduct and Compliance Policies

Requirement:

In order to communicate the plan sponsor's compliance expectations for FDRs, plan sponsors should ensure that Standards of Conduct and policies and procedures are distributed to FDRs' employees. Plan sponsors may make their Standards of Conduct and policies and procedures available to their FDRs. Alternatively, the plan sponsor may ensure that the FDR has comparable policies and procedures and Standards of Conduct of their own. Distribution must occur within 90 days of hire, when there are updates to the policies, and annually thereafter.

(Medicare Managed Care Manual Ch. 21 §50.1.3)

How to Comply:

You can either distribute your organization's own Standards of Conduct and compliance policies and procedures to your employees or you may distribute the SelectHealth materials. SelectHealth makes its Code of Ethics available to FDRs in Section IV of this Compliance Guide and also on the SelectHealth FDR webpage at **http://www.selecthealthadvantage.org/support/fdr.aspx**. Applicable SelectHealth Compliance Policies and Procedures are also accessible via the SelectHealth FDR webpage.

2. General Compliance and Fraud, Waste and Abuse (FWA) Training

Requirement:

General Compliance Education - Plan sponsors must ensure that general compliance information is communicated to their FDRs. The plan sponsor's compliance expectations can be communicated through distribution of the plan sponsor's Standards of Conduct and/or compliance policies and procedures to FDRs' employees.

(Medicare Managed Care Manual Ch. 21 §50.3.1)

FWA Training - The plan sponsor's employees (including temporary workers and volunteers), and governing body members, as well as FDRs' employees who have involvement in the administration or delivery of Parts C and D

benefits must, at a minimum, receive FWA training within 90 days of initial hiring (or contracting in the case of FDRs), and annually thereafter. Plan sponsors must be able to demonstrate that their employees and FDRs have fulfilled these training requirements as applicable. Examples of proof of training may include copies of sign-in sheets, employee attestations and electronic certifications from the employees taking and completing the training.

(Medicare Managed Care Manual Ch. 21 §50.3.2)

How to Comply:

- Take the SelectHealth General Compliance and FWA Training Module (available on the SelectHealth Provider Portal, SelectHealth Broker Portal, and on the FDR page of the SelectHealth Advantage website at **http://www.selecthealthadvantage.org/support/fdr.aspx**.
- Take the CMS Standardized General Compliance and FWA Training Module, available at **http://www.cms.gov/MLNProducts**.
- Ensure that any of your employees that support SelectHealth Medicare Advantage programs take the training within 90 days of hire and annually thereafter.
- If you are "deemed" (see definitions in Section VII) for FWA training, you do not need to take the SelectHealth FWA training or the CMS Standardized FWA training. However, SelectHealth must still communicate general compliance information to its FDRs. SelectHealth provides General Compliance information to you and your employees through the following methods:
  - > This FDR Compliance Guide,
  - > The FDR page of the SelectHealth Advantage website at **http://www.selecthealthadvantage.org/support/fdr.aspx**.
  - > The SelectHealth General Compliance and FWA Training Module available on the FDR page of the SelectHealth Advantage website at **http://www.selecthealthadvantage.org/support/fdr.aspx**.

3. Reporting Mechanism for FWA and Compliance Issues

Requirement:

Plan sponsors must have a system in place to receive, record, respond to and track compliance questions or reports of suspected or detected noncompliance or potential FWA from employees, members of the governing body, enrollees and FDRs and their employees. Reporting systems must maintain confidentiality (to the greatest extent possible), allow anonymity if desired (e.g., through telephone hotlines or mail drops), and emphasize the plan sponsor's / FDR's policy of non-intimidation and non-retaliation for good faith reporting of compliance concerns and participation in the compliance program. FDRs that partner with multiple plan sponsors may train their employees on the FDR's reporting processes including emphasis that reports must be made to the appropriate plan sponsor.

The methods available for reporting compliance or FWA concerns and the non-retaliation policy must be publicized throughout the sponsor's or FDR's facilities. Plan sponsors must make the reporting mechanisms user friendly, easy to access and navigate, and available 24 hours a day for employees, members of the governing body, and FDRs. It is a best practice for plan sponsors to establish more than one type of reporting mechanism to account for the different ways in which people prefer to communicate or feel comfortable communicating.

(Medicare Managed Care Manual Ch. 21 §50.4.2)

How to Comply:

- Distribute the SelectHealth FDR Reporting Poster to your employees or post it in your facility. The SelectHealth FDR Reporting Poster will provide the required notifications regarding the availability of an anonymous reporting method and the SelectHealth policy prohibiting retaliation or retribution against anyone who reports suspected violations in good faith. The SelectHealth FDR Reporting Poster is in Appendix A of this Compliance Guide and is also available on the FDR page of the SelectHealth Advantage website at **http://www.selecthealthadvantage.org/support/fdr.aspx**.

- If you partner with multiple Medicare Advantage plan sponsors, train your employee's on your organization's reporting processes including an emphasis that reports must be made to the appropriate Medicare Advantage plan sponsor. SelectHealth provides criteria for when issues should be referred/reported to SelectHealth in Section V of this Compliance Guide.

- Notify your employees that they are protected from retaliation for False Claims Act complaints, as well as any other applicable anti-retaliation protections your organization has.

4. OIG and GSA Exclusion Screening

Requirement:

Plan sponsors must review the DHHS OIG List of Excluded Individuals and Entities (LEIE list) and the GSA Excluded Parties Lists System (EPLS) prior to the hiring or contracting of any new employee, temporary employee, volunteer, consultant, governing body member, or FDR, and monthly thereafter, to ensure that none of these persons or entities are excluded or become excluded from participation in federal programs. Monthly screening is essential to prevent inappropriate payment to providers, pharmacies, and other entities that have been added to exclusions lists since the last time the list was checked.

(Note: The General Service Administration (GSA) has incorporated the EPLS within the System for Award Management (SAM))

(Medicare Managed Care Manual Ch. 21 §50.6.8)

Plan sponsors must provide evidence that sampled first tier entities' employees were timely checked against the OIG/GSA exclusion lists.

(CMS Audit Protocols, Appendix B, Attachment III-A)

How to Comply:

- Review the Department of Health and Human Services (DHHS) Office of Inspector General (OIG) List of Excluded Individuals and Entities (LEIE) at the time of hiring or contracting and monthly thereafter. The LEIE is available at: **http://oig.hhs.gov/exclusions/index.asp**.

- Review the General Service Administration (GSA) System for Award Management (SAM) at the time of hiring or contracting and monthly thereafter. The SAM is available at: **www.sam.gov**

- Be prepared to produce evidence that your employees and any entities with whom you contract have been timely checked against the exclusion lists.

5. Downstream Entities

Requirement:

Plan sponsors are responsible for the lawful and compliant administration of the Medicare Parts C and D benefits under their contracts with CMS, regardless of whether the plan sponsor has delegated some of that responsibility to FDRs. The plan sponsor must develop a strategy to monitor and audit its first tier entities to ensure that they are in compliance with all applicable laws and regulations, and to ensure that the first tier entities are monitoring the compliance of the entities with which they contract (the plan sponsors' "downstream" entities).

Monitoring of first tier entities for compliance program requirements must include an evaluation to confirm that the first tier entities are applying appropriate compliance program requirements to downstream entities with which the first tier contracts.

(Medicare Managed Care Manual Ch. 21 §50.6.6)

How to Comply:

If your organization subcontracts with other entities (external vendors to your organization and downstream entities to SelectHealth) to perform any of the services contractually delegated to your organization to perform on behalf of SelectHealth that relate to the SelectHealth Medicare Advantage and/or Part D program(s), your organization must distribute materials and information to those downstream entities and monitor and audit the downstream entities' performance to ensure they also comply with all applicable CMS requirements and the requirements discussed in this Compliance Guide.

6. Offshore Subcontractors

Requirement:

Medicare Advantage Organizations that work with offshore subcontractors (first tier, downstream and related entities) to perform Medicare-related work that uses beneficiary protected health information (PHI) are required to provide CMS with specific offshore subcontractor information and complete an attestation regarding protection of beneficiary PHI.

(CMS Memo dated August 28, 2008: Offshore Subcontractor Data Module in HPMS)

How to Comply:

- Notify SelectHealth if your organization or if any of your organization's subcontractors or delegates perform contractually delegated services offshore that require the sharing of member protected health information (PHI) as defined in §160.103 of the HIPAA Privacy Rule. SelectHealth will request the information necessary to complete the Offshore Subcontractor Data Module in HPMS (refer to Appendix C)
- Verify that any contractual agreements with those entities include all required Medicare Part C and D language.
- Conduct annual audits of offshore subcontractors and make audit results available upon request from CMS.

7. Record Retention and Record Availability

Requirement:

First tier and downstream entities must comply with Medicare laws, regulations, and CMS instructions (422.504(i)(4)(v)), and agree to audits and inspection by CMS and/or its designees and to cooperate, assist, and provide information as requested, and maintain records a minimum of 10 years.

(Medicare Managed Care Manual Ch. 11 §100.4)

Plan sponsors are accountable for maintaining records for a period of 10 years of the time, attendance, topic, certificates of completion (if applicable), and test scores of any tests administered to their employees, and must require FDRs to maintain records of the training of the FDRs' employees.

(Medicare Managed Care Manual Ch. 21 §50.3.2)

CMS has the discretionary authority to perform audits under 42 C.F.R. 44 422.504(e)(2) and 423.505(e)(2), which specify the right to audit, evaluate, or inspect any books, contracts, medical records, patient care documentation, and other records of plan sponsors or FDRs that pertain to any aspect of services performed, reconciliation of benefit liabilities, and determination of amounts payable under the contract or as the Secretary of Health and Human Services may deem necessary to enforce the contract…Plan sponsors and FDRs must provide records to CMS or its designee. Plan sponsors should cooperate in allowing access as requested. Failure to do so may result in a referral of the plan sponsor and/or FDR to law enforcement and/or implementation of other corrective actions, including intermediate sanctioning in line with 42 C.F.R. Subpart O.

(Medicare Managed Care Manual Ch. 21 §50.6.11)

How to Comply:

- Maintain all records, reports, and supporting documentation that relate to the functions your organization is performing or providing under the SelectHealth Medicare Advantage program for 10 years.
- Maintain records of any Medicare general compliance and fraud, waste, and abuse training and education taken by your employees for 10 years. The records must demonstrate the date of the training, the topic, attendance, and certificates of completion and/or test scores, if applicable. Examples of proof of training may include copies of sign-in sheets, employee attestations and electronic certifications from the employees taking and completing the training.
- Be prepared to make your records available to SelectHealth as part of a SelectHealth audit or monitoring activity and to CMS or a CMS designee in the event of a program audit.

The recommendations provided in this Section for "How to Comply" are suggestions and should not replace analysis by your organization regarding your compliance obligations. Additionally, the above recommendations are not intended to encompass all of your compliance obligations as they relate to the function(s) your organization may be performing under the Medicare Advantage program.

SECTION IV: SELECTHEALTH CODE OF ETHICS

Every day, patients, plan members, and their families come to us in times of need, trusting that we will give them our very best medical care and service.

We are committed to honoring their trust by providing excellent clinical care and superior service with the highest standards of integrity.

This commitment applies to every aspect of our work and is fundamental to our Mission, Vision, and Values.

Although we each have different roles and responsibilities, and we work in a complex and ever-changing healthcare and regulatory environment, we all abide by our high standards because it is the right thing to do. We expect every employee, clinician, trustee, supplier, contractor, and volunteer who is a part of our organization to understand and follow the rules and requirements that apply to their work.

This Code of Ethics booklet outlines our high standards of ethics and integrity, and it can guide you as you care for our patients, customers, members, suppliers, and each other.

Thank you for doing your part to ensure our services are performed with honesty and integrity. If you notice anything you consider questionable, I urge you to report it immediately through the appropriate channels.

Thank you for all you do.

Sincerely,

Charles W. Sorenson Jr., MD

President and CEO

This Code of Ethics booklet provides a broad overview of key responsibilities of Intermountain's workforce. For more in-depth information, please refer to Intermountain's Policy Library. Each of us is responsible to report concerns and suspected misconduct that could violate this Code of Ethics, any applicable law or regulation, or Intermountain policy.

To report concerns, you can speak to your immediate supervisor or call the Compliance Hotline at 1-800-442-4845.

General Overview

At Intermountain Healthcare, we are committed to creating and maintaining a culture that continually reinforces our high ethical standards. We believe honesty and integrity are essential to our Mission and Vision of providing extraordinary care and superior service to the people we serve. We embrace these standards of ethics and integrity because it is the right thing to do for our patients, members, their families, our community, and each other.

The purpose of this Code of Ethics booklet is to provide clear guidelines and expectations about our standards.

Specific subjects are highlighted to illustrate what to watch for and to provide guidance on how these and other similar situations should be handled. Specific policies are identified that provide additional details about the standards. Please review these examples and refer to the Policy Library often, which is available on Intermountain.net.

Because our high standards are so important, employees, clinicians, suppliers, trustees, volunteers, and other business partners of Intermountain must accept personal responsibility to act with the utmost integrity in all business activities and to adhere to the policies, regulations, and laws that govern their work. Depending on our status at Intermountain (employee, clinician, trustee, supplier, contractor, volunteer), violations of this Code of Ethics, or the underlying laws and regulations, may result in disciplinary action up to and including termination; suspension of privileges; termination of business relationships; civil or criminal liability; and/or financial penalties.

General Ethics Standards

1. **We are committed** to Intermountain's values of Trust, Excellence, Accountability, and Mutual Respect.

2. **We perform** our jobs, roles, and assignments with the highest standards of honesty and integrity. We treat each other, our patients and members, business partners, suppliers, and competitors fairly.

3. **We know**, abide by, and understand the specific laws, policies, and procedures that apply to our jobs, roles and assignments, and to us as individuals.

4. **We speak up** with concerns about compliance and ethics issues. Specifically, we report observed and suspected violations of laws or policies, and we agree to report any requests to do things we believe may be violations. Furthermore, we coordinate any investigation of potential violations through appropriate channels.

5. **We recognize** that our daily work gives us each the opportunity to see problems in our local areas before they become apparent to others or to management. We are empowered and responsible to raise questions about potentially noncompliant or unethical practices.

6. **If we have questions** about a situation, we ask for help. We may talk to our supervisor or director, our Regional Compliance Team, Human Resources, a company attorney, the Corporate Compliance Officer, or call the 24-hour Compliance Hotline at 1.800.442.4845.

Specific Ethics Standards

Our Responsibility for Privacy and Confidentiality

WE PROTECT PRIVACY AND CONFIDENTIALITY

While working, or providing a service, for Intermountain, we are committed to safeguarding the privacy of patient and member information maintained by Intermountain. This obligation applies even after we are no longer employed or associated with Intermountain.

When someone who is usually a caregiver becomes a patient (e.g., a nurse becomes a patient), we must remember to protect his or her privacy as a patient. It is not appropriate to access co-worker information (unless it is part of our job duties). We should not discuss with the patient's co-workers the fact that a fellow employee is being treated.

Accessing protected health information of a family member, when the information is not needed for your job, is a violation of our policy.

WE PROTECT IDENTIFIABLE PATIENT AND MEMBER INFORMATION

We routinely collect personal information about our patients and members in order to provide care. We understand how sensitive this information is and maintain its confidentiality accordingly. Consistent with privacy laws, we only disclose patient identifiable information to care for or serve the patient, obtain payment for his or her care, or as allowed by law. In certain situations, Intermountain may use health information for other limited purposes, such as for research or analysis. When this is the case, we will only do so as the law or the patient permits.

Identifiable information includes any information that could identify patients or members, not just their name or picture (e.g., a date of treatment or their zip code, in combination with other information such as their diagnosis or procedure, may be enough to identify them).

We do not discuss a patient's information with our friends, family, or through social media. We have a responsibility to respect patient privacy in all settings. When discussing or describing patients through social media, it is similar to actually posting an image of them for others to view if you give enough identifiable details. Privacy Coordinators, Regional Compliance Teams, Human Resources, and the Compliance Hotline can help address questions and concerns.

Privacy regulations require that we notify the individual and the federal government of privacy breaches of patient information—which may include inappropriate access to family members' and co-workers' records. This notification requires an explanation of the breach, so it is possible that if you inappropriately access a family member's or co-worker's information, the individual may deduce from the explanation of the breach that you are the person who accessed their information inappropriately.

WE USE CARE WITH CONFIDENTIAL AND PROPRIETARY INFORMATION THAT COULD IDENTIFY EITHER PATIENTS OR MEMBERS

We protect confidential and proprietary information by:

- Following Intermountain's policies related to protecting such information
- Properly disposing of information when it is no longer necessary to maintain it
- Taking appropriate safeguards when transmitting information
- Complying with agreements signed to protect the confidentiality of information. We are responsible for knowing what these agreements require and abiding by them

Clinicians should only access patient information where an established care provider relationship exists, a new patient relationship is developed, or a request for consultation or authorized quality review is made.

WE SAFEGUARD AND PROTECT THE CONFIDENTIALITY OF INFORMATION CONTAINED ON INTERMOUNTAIN'S COMPUTER AND NETWORK SYSTEMS

We only use and access Intermountain's systems as necessary to perform our assigned functions.

Intermountain's Access and Confidentiality Agreement describes our responsibility to not disclose information about our patients and members without proper authorization. This applies even after our employment or association with Intermountain ends.

Access to your own treatment information can be obtained through My Health, or by requesting a copy of your records from the facility that provided the treatment. Using your job-related system access to look at your own records is normally not part of your job assignments and therefore not appropriate.

WE MAINTAIN COMPUTER AND NETWORK SECURITY

Intermountain's computer systems are critical to help provide care to patients and members. To protect these systems, we comply with Intermountain's policies related to computer and network security.

Accessing sexually explicit, offensive, or violent material may result in the termination of access to Intermountain's information systems resources. In some instances this may also result in termination of employment.

Ways to protect confidential information:

- **Appropriately using passwords, access codes, and screensavers**
- **Log off computers when we are finished or away from the computer**

WE SAFEGUARD PERSONNEL INFORMATION

We recognize that our personnel records contain sensitive information. Intermountain will not disclose these records outside of the company, except upon an individual's own request, for a legitimate business reason, or as required by law.

Our Responsibility to our Work Environment

WE PROVIDE A RESPECTFUL, CARING, AND HEALING ENVIRONMENT FOR PATIENTS AND FAMILIES

This means:

- We help patients understand and exercise their rights. We keep patients—and when permission is given, their families and others—informed of options in directing their own care, treatment, and services.
- We listen with sensitivity and consider the informed preferences of patients, including informed decisions to discontinue care, treatment, and services.
- If a conflict arises during a patient's treatment, we offer clinical and ethical consultations to patients and families.
- We protect our patients' dignity, respect their cultural, psychological, and spiritual values, and safeguard their personal information.

WE ASSIST INDIVIDUALS SEEKING SERVICES WITH SPECIAL COMMUNICATION NEEDS

We are committed to ensuring that all individuals, including those who are Limited English Proficient, have meaningful access and equal opportunity to our services and programs.

We are committed to making reasonable accommodations to ensure effective communication with individuals with disabilities. This also includes an obligation to provide effective communication to a patient's or member's companion who is an individual with a disability. Potential disabilities that may require communication accommodations include, but are not limited to, impaired hearing, sight, and/or learning disabilities such as dyslexia.

Using one of Intermountain's qualified interpreters should be the first choice when communication assistance is needed. If a patient or family member insists on using someone other than a qualified interpreter (such as having another family member or friend do the interpretation), a qualified interpreter should be involved to ensure that legal, consent, or other critical information is interpreted appropriately.

WE DOCUMENT AND REPORT EVENTS SO THAT WE CAN IMPROVE OUR PROCESSES AND REDUCE THE RISK OF HARM.

When an unexpected event impacts, or may impact, the quality of patient care or the safety of our patients, members, visitors, or ourselves, we report these incidents.

WE MAINTAIN OUR REQUIRED LICENSES AND PROFESSIONAL CREDENTIALS TO PERFORM OUR JOBS

We understand the scope of practice that our licensure or credentials permit us to perform and stay within those boundaries. When a job requires a license or specific credentials, we only allow individuals with current and valid licenses and credentials to perform those functions. Individuals who have been excluded from participating in federally funded healthcare programs are not permitted to practice or bill through Intermountain.

WE ADDRESS INAPPROPRIATE AND DISRUPTIVE BEHAVIORS

We treat each other with honesty and respect. We have processes in place to address inappropriate or disruptive behaviors and performance issues through our Employee Corrective Action processes and Medical Staff Bylaws.

We are expected to act professionally and refrain from making comments, gestures, or acting in any manner that can be construed as harassing or disruptive. Retaliation against anyone reporting inappropriate behaviors in good faith is strictly prohibited.

WE ARE COMMITTED TO EQUAL OPPORTUNITY EMPLOYMENT

We make employment decisions without considering a person's age, disability, gender, gender identity, national origin, ethnicity, race or color, religion, sexual orientation, genetic information, or protected military or veteran status.

WE ARE COMMITTED TO FAIR PRACTICES

We understand that the depth of talent of Intermountain personnel comes from our diversity. By continuing to recruit the most qualified employees from a diverse pool of applicants, Intermountain is committed to equal opportunity employment. Talent and performance serve as the basis for advancement within Intermountain.

WE OBSERVE A DRUG-FREE WORKPLACE

To protect the safety and well-being of our patients and colleagues, we commit ourselves to an alcohol- and drug-free work environment. When we report to work, we do so free from the influence of alcohol and illegal drugs.

WE KEEP OUR WORKPLACE SAFE

Each of us makes sure Intermountain is a safe place for both patients and personnel. We complete required safety training. We also comply with all laws, regulations, and Occupational Safety and Health standards, including those requiring Intermountain to maintain records about injuries, inspections, illnesses, and motor vehicle accidents. If we see a hazardous condition we respond appropriately. We follow Intermountain's policies regarding workplace safety.

WE ENCOURAGE APPROPRIATE REPORTING RELATIONSHIPS

We avoid working relationships such as having one family member reporting directly to another family member (including one's spouse, parents, siblings, grandchildren, etc.). In addition, we avoid situations where objectivity could be compromised or a decision inappropriately influenced because of an outside relationship (such as a household relationship or close personal relationship).

If any of these situations develop, we will let management know so that the situation can be resolved. We also disclose to management any of these types of relationships we have with an Intermountain supplier or business partner.

Our Responsibility to Protect Intermountain's Interests

WE PROTECT COMPANY ASSETS

We respect and use Intermountain's resources for legitimate business reasons and encourage others to do the same. Intermountain's resources include, but are not limited to, property, funds, information, records, intellectual property, clinical and business equipment, computer systems, telephones, and the corporate name.

Employees, medical staff, volunteers, and suppliers have a responsibility to immediately report any known or suspected irregularity. Irregularities include, but are not limited to: misrepresentation of payroll time and attendance, inappropriate alteration of financial documents, misappropriation of funds, misuse of supplies or other services, or any misuse of Intermountain resources. Accepting or seeking anything of material value from contractors or service providers should be reported.

WE ARE HONEST WITH INTERMOUNTAIN FUNDS

We are careful with Intermountain funds to make sure they are used effectively. We:

- Abide by company policies and procedures for the secure handling of Intermountain funds.
- Accurately prepare financial records.
- Make sure that any funds we spend or approve reflect the appropriate use of Intermountain resources.

WE DISCLOSE POSSIBLE CONFLICTS OF INTEREST

We avoid situations where our personal interests may conflict with those of Intermountain. A conflict of interest arises if we have a personal, financial, or other relationship or interest that could interfere or compete with the interests

of Intermountain, or if we are in a situation to use our position with the company for personal gain. We inform our managers when confronted with any situation that could be perceived as a conflict of interest, even if we do not think the situation would violate Intermountain's guidelines.

WE ARE RESPONSIBLE WITH COMPANY TIME AND RESOURCES

We use our time at Intermountain to further the company's mission. We accurately report and record our time. Misuse of paid time or Intermountain resources may be considered theft from Intermountain.

Examples of potential conflicts of interest include:

- **Outside employment. If we work in a job similar to the assignments we perform for Intermountain, or that may conflict with our jobs or assignments, this may be a conflict of interest.**
- **Payment for services. If we receive payment for participating in forums that are related to our jobs or assignments, that could constitute a conflict of interest.**

WE SUPPORT INTERNAL AND EXTERNAL AUDITS

Audits are routinely performed to assess areas for compliance. These audits are performed by internal and external auditors with experience in the area under review. If corrective action is needed, a written plan is developed and implemented to ensure compliance.

Intermountain's property includes the phone system, email, and Internet access. Access to Intermountain's information systems is a privilege granted and is not a right of any employee.

WE PROTECT INTERMOUNTAIN'S INTELLECTUAL PROPERTY

Intermountain encourages the creation of new inventions and processes. To protect our interests, employees and affiliated providers must disclose the invention to the Invention Management Office before publishing, using, or disclosing the invention or information outside of Intermountain.

WE ENCOURAGE INDIVIDUALS TO TAKE AN ACTIVE INTEREST IN GOVERNMENT PROCESSES

If we choose to participate in a political process outside of our job responsibilities, we will do so as individuals and not as representatives of Intermountain. It is our responsibility to report any lobbying activity to Intermountain Government Relations so that it can be appropriately reported.

Intermountain values innovation that leads to extraordinary healthcare. We have guidelines in place to reward innovators and developers appropriately.

WE ARE RESPONSIBLE IN OUR LOBBYING EFFORTS

Lobbying government officials is a sensitive activity requiring strict controls. For this reason, Intermountain Government Relations directs any lobbying efforts. Employees are not allowed to provide, receive, or solicit gifts from government or legislative officials or lobbyists.

If an employee incurs and is reimbursed for any expense where a legislator is in attendance, the activity needs to be reported to the Legal and Government Relations Department.

WE REVIEW CONTRACTS AND SIGN THEM BASED ON SIGNING AUTHORITY

Contracts obligating Intermountain are required to receive a legal review, unless specifically exempted in the policy. Contracts can only be signed by employees who are authorized by policy to do so. The policy applies to all legally enforceable agreements that create an obligation for Intermountain. These obligations may be in written, online, verbal, or in other forms.

Care should be given when accepting any obligation, including a click-through agreement online (such as accepting Terms and Conditions), as this acceptance can be considered a contract between Intermountain and another party.

WE PROTECT OUR BENEFITS

We responsibly use company benefit plans for ourselves and other covered individuals and provide accurate information when doing so. We take steps to make sure that ineligible individuals are not covered under our plans.

WE USE APPROPRIATE COMMUNICATION CHANNELS

We work with our Corporate Communications Department to ensure accuracy as we prepare public presentations or media interviews, and we forward all media requests to them.

Our Responsibility to Fair and Ethical Business Practices

WE ACT AS A RESPONSIBLE NONPROFIT ORGANIZATION

As a nonprofit organization, we engage in activities to further our charitable and social welfare mission, including responsible financial activities. This means we:

- Avoid compensation arrangements in excess of fair market value.
- Avoid actions that inappropriately create revenues for Intermountain, such as intentionally billing claims incorrectly.
- Submit accurate financial reports to appropriate taxing authorities.
- File all tax returns and information in a manner consistent with applicable laws.

As a not-for-profit organization, we are bound by local, state, and federal tax law to make sure that we operate for the benefit of the community and not for the benefit of any private individuals or groups. All payments and business dealings must be reasonable and may not provide an excessive financial benefit to any party.

Not-for-profit organizations are formed to operate for the benefit of the communities they serve. Surplus funds are used to cover operating expenses and are typically reinvested to further their charitable and social welfare purposes.

In exchange for these charitable activities, the organization is exempted from paying many federal, state, and local taxes. To retain its tax exemption, a not-for-profit organization must meet rigorous standards established by federal, state, and local tax authorities.

Intermountain's community benefit includes the provision of charity care (services provided at reduced or no cost), funding of school and community-based clinics, sponsoring of health fairs, gifts to other nonprofit, health-related organizations, etc.

WE FOLLOW ALL LAWS AND REGULATIONS

We are committed to knowing, understanding, and abiding by all laws, regulations, and Intermountain policies that apply to our jobs or assignments. We are required to report all suspected violations through the proper internal channels for investigation. Intermountain management will report violations of law to the appropriate authorities. We refrain from conduct that may violate any laws pertaining to fraud, waste, and abuse of government funds.

The Federal False Claims Act makes it a crime for any person or organization to knowingly make or file a false claim for payment from the federal government. There are provisions that allow an individual who knows that a false claim was submitted for payment to file a lawsuit in federal court on behalf of the government.

WE ENSURE ACCURACY OF RECORDS AND REPORTING

Intermountain's credibility is judged in many ways—including the accuracy and completeness of our records. These include business records such as financial transactions and financial reports, personnel, insurance, and medical records. We depend on accurate and reliable information to make responsible business decisions. We ensure that our records are accurate and not misleading.

We comply with local, state, and federal laws relating to the accuracy and completeness of all records. We retain our records according to legal requirements and Intermountain's record retention schedules. We are honest, objective, and accurate in our recordkeeping. If we make mistakes, we will follow standard protocol to correct them and will not hide them. Altering documentation of any type to hide or mislead the users of the information is not appropriate. Coding and billing records are created based on accurate documentation that supports each claim.

We create, approve, and archive records to document our work, including the services rendered to patients, members, and others; work performed by employees, contractors, and others; and purchases made from suppliers. The accuracy of records involves both factual documentation and ethical evaluation or appraisal.

One reason it is important to have records that are accurate is that several government agencies have implemented time-sensitive reporting requirements. Our reporting obligations may begin the minute any Intermountain employee knows of an error. Please call the Compliance Hotline at 1-800-442-4845 as soon as a mistake in billing or breach of patient information is suspected.

WE COOPERATE WITH AND DOCUMENT GOVERNMENT INQUIRIES AND INVESTIGATIONS

Intermountain is regulated by state and federal agencies. From time to time, we may encounter officials responsible for regulating various aspects of healthcare or other business practices.

If we receive a non-routine request for information from a government investigative agency, external surveyor, or enforcement agency, either on site or through correspondence, we take the following steps:

- Check with our manager and/or administrator.
- Refer to Intermountain's External Investigation Guideline.
- Call the Compliance Hotline at 1.800.442.4845, Legal Department, or Regional Compliance Team when an investigation or inquiry is underway.
- Carefully preserve documents related to a known or possible government investigation.

WE MAINTAIN OUR COMMUNITY'S TRUST BY COMPETING FAIRLY IN THE MARKET

We comply with antitrust laws. Antitrust laws are designed to create a level playing field in the marketplace and to promote fair competition with other health systems and facilities in markets where we operate. We risk violating these laws by discussing with a competitor certain aspects of Intermountain's business such as how we establish our prices,

the terms of supplier relationships, or agreeing with a competitor to refuse to deal with a supplier. In general, we avoid discussing potentially sensitive topics with competitors or suppliers without first seeking the advice of Intermountain's Legal Department.

WE CAREFULLY REVIEW FINANCIAL RELATIONSHIPS WITH PHYSICIANS AND OTHER HEALTHCARE PRACTITIONERS FOR COMPLIANCE WITH THE ANTI-KICKBACK AND STARK LAWS

All financial arrangements and contracts with physicians and physician groups must be approved by the Physician Contracting Department. Intermountain will not improperly induce or reward referrals of patients or services as prohibited under these laws and regulations.

WE INTERACT WITH SUPPLIERS HONESTLY

We value our suppliers, as they play a role in the success of Intermountain. Suppliers include anyone providing products or services to Intermountain, including patient service and product providers, physician or clinician service and product providers, and technical, maintenance, inspection, delivery, and construction personnel. Our selection of suppliers will be made on their ability to meet our business needs, rather than on personal relationships and friendships, or on any inducements or personal offers. We interact with our suppliers with honesty and integrity, which means we do not take kickbacks or bribes from them, nor do we offer such inducements to them. When working with suppliers, we do so free from conflicts of interest and are compliant with applicable laws and fair business practices.

We do not request additional items or services from our suppliers that are over and above their contracted service. For example, we do not ask for items such as pens, pencils, notepads, etc., nor do we ask for items such as gift certificates or supplies.

We understand that occasionally exchanging small gifts with others can help strengthen relationships and help create a positive overall work environment. Gifts of any kind from suppliers are discouraged and not solicited. We exercise professional judgment in each case, considering the circumstances at hand—this includes the context in which the gift was made, applicable laws, and Intermountain's related policies.

- We only accept entertainment that is appropriate in an existing business relationship and that does not influence or appear to influence our decisions and actions.
- Examples of entertainment that may be appropriate to accept are meals, attendance at a local theater or sporting event, or similar entertainment.

WE RESPECT THE PROPRIETARY INFORMATION OF OTHERS

Just as we protect our own confidential information, we respect the proprietary and confidential information of others. This includes written materials, software, music, and other intellectual property.

Any software used at Intermountain must be licensed and approved—and used as outlined in the software owner's license agreements.

Copyright permission should be obtained from the copyright holder prior to use. Permission should be obtained on all nongovernment or nonpublic domain materials, including print, audio, and video.

WE ENSURE THE CONFIDENTIALITY OF MATERIAL NONPUBLIC INFORMATION

Intermountain is actively engaged in new growth opportunities and at times may be involved in discussions with publicly traded companies. We will not communicate material nonpublic information, either directly or indirectly, to anyone, including family, friends, or acquaintances.

Material Nonpublic Information: Information is material if a reasonable investor would consider it important in deciding whether to buy, sell, or hold a security. Any information that is likely to affect the price of a company's securities is material, and any information that would motivate you or others to trade in a security is material. Information is nonpublic if it is not generally known by the public. Accordingly, if an individual becomes aware of information that is not widely available to the investing public, such information is nonpublic.

WE FOLLOW ENVIRONMENTAL REGULATIONS

We abide by all laws, regulations, and company policies relating to the protection of the environment. We strive to manage and operate our business in a manner that respects our environment, conserves natural resources, and complies with environmental laws and regulations. Employees should:

- Utilize resources appropriately and efficiently.
- Recycle where possible and dispose of all waste in accordance with applicable laws and regulations.
- Work cooperatively with the appropriate authorities to remedy any environmental contamination for which Intermountain Healthcare may be responsible.

WE EXERCISE GOOD JUDGMENT AND DISCRETION WHEN ACCEPTING GIFTS FROM PATIENTS AND MEMBERS

We treat all of our patients and members with equal care and concern without the need for extra expressions of gratitude or rewards. We exercise good judgment and discretion in accepting gifts. If a gift is accepted, the value of the gift should only be of nominal value. We refer individuals wishing to give larger donations to our local Administration.

Our Responsibility to Report Concerns of Misconduct

WE REPORT SUSPICIOUS ACTIVITY, CONCERNS OF MISCONDUCT, AND DISRUPTIVE BEHAVIORS

Each of us is responsible to report concerns and suspected misconduct that could violate Intermountain's Code of Ethics, state or federal laws, or Intermountain policy. We can report or raise these concerns by doing any of the following:

- Report any suspected violations to your supervisor or director, Regional Compliance Team, Human Resources representative, or Intermountain's Legal Department.
- Contact the Corporate Compliance Officer.
- Call the 24-hour Compliance Hotline at 1.800.442.4845. The hotline is staffed by a team of Compliance professionals and is available 24 hours a day, seven days a week. Anonymity and interpretation services are available.
- Information on reporting to other agencies is included in the Compliance Violation Reporting Policy.

Any individual who reports a legitimate concern in good faith will be protected from retaliation. We take concerns seriously and appreciate individuals who report concerns or misconduct.

In addition to reporting to the Compliance Hotline at 1.800.442.4845, medical staff concerns can be reported to Intermountain Physician Relations at 1.801.442.2840. Safety and quality-of-care issues may also be reported to The Joint Commission.

REMEMBER

The key is to speak up and bring concerns out in the open so that they can be resolved quickly before serious harm occurs. There will not be retaliation against anyone who reports legitimate concerns. Please also pay attention to any suspicious activity occurring in your work area that may be a risk to patients, employees, volunteers, other personnel, or data.

Suspicious activities and threatening behaviors that need to be reported to the local facility's Security

Department include:

- Individuals in work areas without identification badges.
- Individuals requesting patient information without proper authorization.
- Unattended packages or boxes.
- Physical violence or verbal threats of harm to self or others.
- Display of a deadly weapon.

If we have questions about a situation, we ask for help. We may talk to our supervisor or director, our Regional Compliance Team, Human Resources, a company attorney, the Corporate Compliance Officer, or call the 24-hour Compliance Hotline at 1.800.442.4845.

SECTION V: REPORTING COMPLIANCE ISSUES AND FRAUD, WASTE & ABUSE (FWA)

Reporting is key in the prevention, detection, and correction of program noncompliance and FWA. SelectHealth policy protects any individual or organization who reports a legitimate concern in good faith from retaliation and intimidation.

Failure to report a possible violation or suspected FWA that you know about may result in investigation of you and/or your organization and potentially disciplinary action. To the extent possible, reports are kept confidential. Anonymous reporting and interpretation services are available through the Compliance Hotline.

Reports can be made to SelectHealth by doing any of the following:

- Call the 24-Hour Compliance Hotline at 800-442-4845.
- E-mail us at SHMedicareCompliance@imail.org
- Write to the SelectHealth Compliance Officer at:
  SelectHealth Medicare Compliance
  Attn: Wade Thornock, Medicare Compliance Officer
  5381 Green Street
  Murray, UT 84123

A SelectHealth FDR Reporting Poster is available for your use. See Appendix A of this Compliance Guide. The SelectHealth FDR Reporting Poster can also be accessed electronically on the FDR page of the SelectHealth Advantage website at **http://www.selecthealthadvantage.org/support/fdr.aspx**.

Your organization may have its own reporting process. It's important that concerns relating to SelectHealth Advantage are reported to SelectHealth either directly or through your organization's procedures for referring issues to Medicare Advantage plans plan sponsors.

Below are suggested criteria for referring reported issues to SelectHealth. The list is not intended to be all inclusive. Any concerns about program noncompliance or suspected FWA should always be reported.

- Generally, any complaints or allegations that reference SelectHealth.
- Complaints from a SelectHealth member about quality of care received from a SelectHealth contracted provider or any entity involved with the SelectHealth Medicare program.
- Complaints from SelectHealth members regarding access to care or services.
- Complainants wishing to appeal a SelectHealth coverage decision (medical or pharmacy) or file a grievance about SelectHealth.
- HIPAA violations that impact SelectHealth members.
- Allegations that the complainant has been contacted by "someone" from SelectHealth requesting personal or medical information.
- Instances where Medicare Advantage requirements (e.g., timeframes, appropriate enrollee notifications, marketing guidelines, etc.) are not being met.
- Instances of alleged FWA.
- Instances where you or your organization becomes aware that an individual or entity involved with the SelectHealth Medicare Advantage program has become excluded from participation in federal programs.

SECTION VI: CMS MEDICARE ADVANTAGE PROGRAM AUDITS

The Centers for Medicare & Medicaid Services (CMS), Medicare Parts C and D Oversight and Enforcement Group (MOEG) is responsible for conducting program audits for Medicare Advantage (MA) and Prescription Drug (Part D) plans to ensure compliance with CMS requirements. The 2012 Part C and Part D Program Audit Annual Report dated May 2, 2013, states: "[i]t is MOEG's goal to audit every plan sponsor in the Part C and Part D programs within a reasonable time period." Therefore, it is essential that Medicare Advantage plans be audit ready at any time.

Part of audit readiness is working with our FDRs to ensure we coordinate efforts in advance of an audit so that in the event of an audit all parties are prepared to produce the necessary audit documentation within the CMS required timeframes. The CMS Audit Protocols now include an element for FDR Oversight. As part of the FDR Oversight element, SelectHealth will be obligated to provide the following information related to FDRs at the "universe" level and at the "sample case" level.

Please be familiar with the audit provisions and be prepared to produce the necessary documentation should it be requested by SelectHealth or by CMS.

FDR Oversight – CMS Audit "Universe" Information

- A current list of the names and functional responsibilities of all first-tier entities.
- Identification of all first tier entities that SelectHealth audited during the audit period, together with the dates on which the auditing occurred.
- A statement of whether each first tier entity audited is deemed or non-deemed for purposes of FWA training.
- A list of all general Medicare compliance education provided to FDRs during the audit period; including date, topic, audience, and method of education.
- A list of all Medicare FWA training provided to FDRs during the audit period; including date, topic, audience, and method of education.
- A statement explaining the mechanism used to provide FWA training to FDRs:
  - > Plan sponsor provided FWA training to FDRs, and/or
  - > Plan sponsor provided FWA training materials to FDRs, and/or
  - > FWA training provided to FDRs by some other means (please specify)
- Evidence that reporting mechanisms were provided to FDRs and their employees.

FDR Oversight – CMS Audit "Sample Case" Minimum Documentation

First Tier Entity Records - For each identified first tier entity (selected from the universe, as described above), a Medicare Advantage plan must provide the following documentation, including the date of receipt (e.g. signed certifications, attestations, training logs, etc.):

Training, Education and Exclusion List Checking

- Evidence that general compliance training was timely provided to FDRs.
- Evidence that sampled non-deemed first tier entities' employees received timely FWA training.
- Evidence that FWA training or training materials were provided to the non-deemed first tier entity for its employees' timely FWA training or otherwise ensured that the first tier entity completed the CMS FWA training module through the Medicare Learning Network (MLN) (Required).
- Evidence that the sampled first tier entities are required to maintain records for ten years of the training of their employees, including the following details: time, attendance, topic, certificate of completion, if applicable and test scores, if any.
- Evidence that sampled first tier entities' employees were timely checked against the OIG/GSA exclusion lists.

Effective Communication

- Evidence that the MA plan's compliance/FWA reporting mechanism(s) are accessible to FDRs. Evidence that the MA plan's compliance/FWA reporting mechanism(s) have been publicized to FDRs.
- Evidence that sampled FDRs' employees have been notified of the no-retaliation policy for reporting potential FWA.
- Evidence that either the MA plan or the sampled first tier entities have communicated to their employees the obligation to report compliance concerns and potential FWA.

Disciplinary Standards

- Evidence that disciplinary standards have been publicized to FDRs, including the duty and expectation to report.

Monitoring/ Auditing Records

- Evidence of monitoring of the sampled first tier entities (please provide full report as available)
- Evidence of auditing of the sampled first tier entities (please provide full report as available)
- Evidence that the sampled first tier entities were audited to determine whether they are monitoring / auditing their downstream entities' compliance with Medicare regulations and requirements.
- Issues identified from monitoring.
- Issues identified from auditing.
- If applicable, issue tracked through completion.
- Corrective actions taken as a result of the monitoring and/or audit and date started and completed.
- If applicable, report to senior management and/or the compliance committee.
- If applicable, names and titles of person responsible for the corrective action.
- If applicable, names and titles of individuals requesting the monitoring and /or audit.
- Names and titles of individuals receiving the results.
- If applicable, the risk analysis that demonstrated the need for the monitoring and/or audit.

SECTION VII: DEFINITIONS

The terms used in this Compliance Guide are consistent with the definitions of those terms in Medicare Medicare Managed Care Manual Chapter 21, Section 20:

Abuse includes actions that may, directly or indirectly, result in: unnecessary costs to the Medicare Program, improper payment, payment for services that fail to meet professionally recognized standards of care, or services that are medically unnecessary. Abuse involves payment for items or services when there is no legal entitlement to that payment and the provider has not knowingly and/or intentionally misrepresented facts to obtain payment. Abuse cannot be differentiated categorically from fraud, because the distinction between "fraud" and "abuse" depends on specific facts and circumstances, intent and prior knowledge, and available evidence, among other factors.

Audit is a formal review of compliance with a particular set of standards (e.g., policies and procedures, laws and regulations) used as base measures.

Deemed FDRs who have met the FWA certification requirements through enrollment into Parts A or B of the Medicare program or through accreditation as a supplier of DMEPOS are deemed to have met the FWA training and education requirements. No additional documentation beyond the documentation necessary for proper credentialing is required to establish that an employee or FDR or employee of an FDR is deemed. In the case of chains, such as chain pharmacies, each individual location must be enrolled into Medicare Part A or B to be deemed.

Downstream Entity is any party that enters into a written arrangement, acceptable to CMS, with persons or entities involved with the MA benefit or Part D benefit, below the level of the arrangement between an MAO or applicant or a Part D plan 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 the plan sponsor or a First Tier, Downstream or Related Entity (FDR) who provide health or administrative services for an enrollee.

Enrollee means a Medicare beneficiary who is enrolled in a plan sponsor's Medicare Part C or Part D plan.

FDR means First Tier, Downstream or Related Entity.

First Tier Entity is any party that enters into a written arrangement, acceptable to CMS, with an MAO or Part D plan plan sponsor or applicant to provide administrative services or health care services to a Medicare eligible individual under the MA program or Part D program. (See, 42 C.F.R. § 423.501).

Fraud is knowingly and willfully executing, or attempting to execute, a scheme or artifice to defraud any health care benefit program or to obtain (by means of false or fraudulent pretenses, representations, or promises) any of the money or property owned by, or under the custody or control of, any health care benefit program. 18 U.S.C. § 1347.

FWA means fraud, waste and abuse.

Medicare is the health insurance program for the following:

- People 65 or older,
- People under 65 with certain disabilities, or
- People of any age with End-Stage Renal Disease (ESRD) (permanent kidney failure requiring dialysis or a kidney transplant).

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.

NBI MEDIC means National Benefit Integrity Medicare Drug Integrity Contractor (MEDIC), an organization that CMS has contracted with to perform specific program integrity functions for Parts C and D under the Medicare Integrity Program. The NBI MEDIC's primary role is to identify potential FWA in Medicare Parts C and D.

Related Entity means any entity that is related to an MAO or Part D plan sponsor by common ownership or control and

1. Performs some of the MAO or Part D plan plan sponsor's management functions under contract or delegation;
2. Furnishes services to Medicare enrollees under an oral or written agreement; or
3. Leases real property or sells materials to the MAO or Part D plan plan sponsor at a cost of more than $2,500 during a contract period. (See, 42 C.F.R. §423.501).

Special Investigations Unit (SIU) is an internal investigation unit responsible for conducting investigations of potential FWA.

Plan sponsor refers to the entities described in the Introduction to these guidelines.

Waste is the overutilization of services, or other practices that, directly or indirectly, result in unnecessary costs to the Medicare program. Waste is generally not considered to be caused by criminally negligent actions but rather the misuse of resources.

Compliance is Important

Be a part of the solution.

There are many people available to respond to your concerns. If you witness non-compliant, or unethical behavior, or if you suspect fraud, waste, or abuse, let someone know.

You can "Speak Up" in the following ways:

> 24-Hour Compliance Hotline
(Anonymity and interpretation services are available)

> E-mail

> Regular mail

All reports are treated confidentially. SelectHealth policy prohibits retaliation against anyone who reports suspected violations in good faith.

selecthealth ADVANTAGE

COMPLIANCE HOTLINE

800-442-4845

E-MAIL

SHMedicareCompliance@imail.org

WRITE

SelectHealth Medicare Compliance
Attn: Wade Thornock, Compliance Officer
5381 Green Street
Murray, UT 84123

APPENDIX B: FDR ANNUAL COMPLIANCE ATTESTATION

First Tier, Downstream and Related Entitites (FDR)

2013 Annual Compliance Attestation

SelectHealth is committed to operating a health plan that meets the requirements of all applicable laws and regulations of the Medicare Advantage and Part D programs. As part of an effective compliance program, the Centers for Medicare and Medicaid Services (CMS) requires Medicare Advantage plans to ensure that any FDRs to which the provision of administrative or healthcare services are delegated are also in compliance with applicable laws and regulations. Therefore, SelectHealth has developed an annual attestation as part of its efforts to validate that each contracted FDR has met CMS requirements.

My organization,_____, is contracted with SelectHealth, Inc. to provide an administrative or health care service function that relates to the SelectHealth Medicare Parts C and D contract(s) as set forth in 42 C.F.R. § 422.504(i) and Medicare Medicare Managed Care Manual Chapter 21 § 40.

I have authority to attest on behalf of my organization, and I attest as follows:

1. Standard of Conduct and Compliance Policies: My organization has received, understands, and has complied with the regulatory requirement to provide a copy of:

   ❑ Our organization's Standards of Conduct and compliance policies and procedures; or

   ❑ The SelectHealth Code of Conduct and applicable compliance policies and procedures

   that meet the standards specified in applicable guidance to our employees who are involved with functions related to the SelectHealth Medicare Advantage and/or Part D program(s) within 90 days of hire and annually thereafter. My organization maintains record of distribution of the Standard of Conduct and compliance policies and procedures to all employees for a period of ten years and will provide such records and the distributed documents to SelectHealth upon request.

2. General Compliance and Fraud, Waste and Abuse (FWA) Training: My organization has fulfilled the regulatory requirement to provide General Compliance and FWA Training via:

   ❑ The CMS Standardized General Compliance and FWA training;

   ❑ The SelectHealth General Compliance and FWA training module;

   ❑ Another General Compliance and FWA training that meets or exceeds the requirements set forth by CMS; or

   ❑ My organization is "deemed" to have met the FWA training requirement through enrollment into Part A or B of the Medicare program or through accreditation as the supplier of Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS); therefore, completion of only the General Compliance component of the above marked training was required for my organization.

   My organization maintains record of the training provided to all employees for a period of ten years and will provide such records to SelectHealth upon request. If training other than the CMS standardized training or the SelectHealth training was used, my organization will provide a copy of the training material to SelectHealth upon request.

3. Reporting Mechanism for FWA and Compliance Issues: My organization complies with the requirement to maintain a confidential FWA and Compliance reporting mechanism that has been distributed and widely publicized for all employees and contractors within our organization to encourage reporting potential FWA and Compliance issues without fear of retaliation via:

   ❑ Maintenance of our own system for reporting; or

   ❑ Distribution of the SelectHealth reporting mechanisms.

4. OIG and GSA Exclusion Screening:

   ❑ My organization is currently complying with the regulatory requirement to review the Department of Health and Human Services (DHHS) Office of Inspector General (OIG) List of Excluded Individuals and Entities (LEIE) and the General Service Administration (GSA) System for Award Management (SAM) at the time of hiring or contracting with employees, temporary employees, volunteers, consultants, contractors and governing body members to

ensure no individual or entity involved with functions related to the SelectHealth Medicare Advantage and/or Part D program(s) is excluded from participating in federal programs. My organization also complies with the requirement to review the federal programs exclusion lists on a monthly basis. If an individual or entity appears on the exclusion list they will be removed from work related directly or indirectly to SelectHealth federal health care programs. My organization will provide evidence that employees were timely checked against the federal program exclusion lists upon request.

- ❑ My organization does not currently perform exclusion screening at the time of hiring and/or contracting and monthly thereafter. Within 60 days of receipt of this Attestation, and monthly thereafter, a check will be done to confirm that employees, temporary employees, volunteers, consultants, contractors and governing body members are not excluded from participating in federal programs according to the OIG and SAM exclusion lists. If an individual or entity appears on the exclusion list they will be removed from work related directly or indirectly to SelectHealth federal health care programs. My organization will provide evidence that employees were timely checked against the federal program exclusion lists upon request.

5. Downstream Entities: If my organization subcontracts with other entities (external vendors to our organization and downstream entities to SelectHealth) to perform any of the services contractually delegated to my organization to perform for SelectHealth that relate to the SelectHealth Medicare Advantage and/or Part D program(s), my organization has distributed materials to these downstream entities to ensure they also comply with all of the requirements attested to herein.
6. Offshore Sub-Contractors: My organization has notified SelectHealth if any of my organization's subcontractors or delegates perform contractually delegated services offshore that require the sharing of member protected health information (PHI) as defined in §160.103 of the HIPAA Privacy Rule and my organization has verified that any contractual agreements with those entities include all required Medicare Part C and D language. My organization conducts annual audits of offshore subcontractors and will make audit results available upon request from CMS.
7. Record Retention and Availability: My organization understands and agrees to maintain supporting documentation for a period of ten years and will furnish evidence of the above to SelectHealth, CMS and/or an agent of CMS upon request.

Signature_____ **Date**_____/_____/_____

I certify that I have the signatory authority to attest on behalf of my organization.

Name_____ Title_____

Organization_____

Address_____

Phone Number (_____)_____ Email Address_____

Please return the completed and signed Annual Compliance Attestation to:

SelectHealth
Attn: Medicare Compliance
5381 Green Street
Murray, UT 84123

APPENDIX C: OFFSHORE SUBCONTRACTOR INFORMATION

Add Offshore Subcontractor Data

A. OFFSHORE SUBCONTRACTOR INFORMATION

Offshore Subcontractor Name_____

Offshore Subcontractor Country _____

Offshore Subcontractor Address _____

Describe Offshore Subcontractor Functions _____

_____

_____

State Proposed or Actual Effective Date for Offshore Subcontractor _____/_____/_____

B. OFFSHORE SUBCONTRACTOR INFORMATION

Describe the PHI that will be provided to the Offshore Subcontractor _____

_____

_____

Discuss why providing PHI is necessary to accomplish the Offshore Subcontractor objectives

_____

_____

_____

_____

Describe alternatives considered to avoid providing PHI, and why each alternative was rejected

_____

_____

_____

_____

Attestation of Safeguards to Protect Beneficiary Information in the Offshore Subcontract		
Item	**Attestation**	**Response**
I.1.	Offshore subcontracting arrangement has policies and procedures in place to ensure that Medicare beneficiary protected health information (PHI) and other personal information remains secure.	❑ Yes ❑ No
I.2.	Offshore subcontracting arrangement prohibits subcontractor's access to Medicare data not associated with the plan sponsor's contract with the offshore subcontractor.	❑ Yes ❑ No
I.3.	Offshore subcontracting arrangement has policies and procedures in place that allow for immediate termination of the subcontract upon discovery of a significant security breach.	❑ Yes ❑ No
I.4.	Offshore subcontracting arrangement includes all required Medicare Part C and D language (e.g., record retention requirements, compliance with all Medicare Part C and D requirements, etc.)	❑ Yes ❑ No

Attestation of Audit Requirements to Ensure Protection of PHI		
Item	**Attestation**	**Response**
II.1.	Organization will conduct an annual audit of the offshore subcontractor.	❑ Yes ❑ No
II.2.	Audit results will be used by the Organization to evaluate the continuation of its relationship with the offshore subcontractor.	❑ Yes ❑ No
II.3.	Organization agrees to share offshore subcontractor's audit results with CMS, upon request.	❑ Yes ❑ No