



CORPORATE COMPLIANCE POLICY AND PROCEDURE

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| Title: Fraud, Waste, or Abuse (Whistleblower) Policy | Policy # 1010 | |
| Sponsor: Corporate Compliance | Issued: June 25, 2007 | Page: 1 of 5 |
| Approved by: Russell J. Matuszak, Vice President, Compliance, Privacy & Ethics Chief Compliance Officer | Last Reviewed/Updated: 5/22/2020 | |

I. PURPOSE

The purpose of this policy is to promote HealthNow's compliance with applicable laws and government standards by requiring all HealthNow workforce members to report suspected fraud, waste or abuse (FWA), and ensuring that all reports are handled appropriately, and workforce members filing such reports in good faith are not subject to retaliation or intimidation.

II. APPLICABILITY

This Policy Rule and Procedure applies to the following groups:

- Management (Supervisor and Above)
- Salaried/Exempt
- Hourly/Non-exempt (excluding bargaining unit)
- Bargaining Unit
- Temporaries, Coops/Interns, Consultants/Contractors, Vendors

III. POLICY/RULE

Reporting Responsibilities

It is the responsibility of all workforce members to report observed or suspected FWA or other improper activity relating to the operation of HealthNow. FWA may be committed by HealthNow workforce members, members, providers, or others.

Examples of the types of activity that must be reported by employees include, but are not limited to, the following:

- Billing Medicaid, Medicare, or other government programs for individuals not enrolled in HealthNow products.
- Inflating or otherwise misrepresenting HealthNow's costs on cost reports filed with government agencies.



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- Improperly denying or restricting access to medically necessary health care services for which HealthNow is responsible.
- Submitting inaccurate or misleading data or reports to government agencies.
- Theft or other misuse of HealthNow funds or property by workforce members.
- Violations of HealthNow compliance policies or other guidance.
- Violations of laws, regulations, or government contract provisions.

Reporting Mechanisms

Workforce members have several options for reporting FWA compliance concerns or other improper conduct by using the following:

Anonymously:

- The Compliance hotline 1-800-798-1453
- The Special Investigation Unit fraud line 1-800-333-8451
- Compliance Concerns link on iConnect

Other reporting options:

- Compliance e-mail - complaint.compliance@healthnow.org
- Russell J. Matuszak, Interim Director, Corporate Compliance and Privacy Officer - 716-887-6056
- Susan Crandall, Sr. Corporate Compliance Specialist - 716-887-8406
- Devin White, Sr. Corporate Compliance Specialist- 716-887-2048
- Stephanie Moll, Privacy Specialist - 518-220-5829

Workforce members may file reports with the Compliance Officer (CO), the Special Investigation Unit, their supervisor or department director.

Qui Tam

As set forth in HealthNow's Fraud Waste and Abuse Laws in Health Care, employees have the legal right to file *qui tam* lawsuits under seal if they become aware that HealthNow has submitted claims for reimbursement to Medicare, Medicaid, or other government programs in violation of the False Claims Act. Workforce members may not be intimidated or retaliated against for filing such a lawsuit. Workforce members will be advised of this right through HealthNow's compliance training program, but are encouraged to report and attempt to resolve compliance or fraud concerns through the internal procedures described in this policy.

HealthNow will not retaliate against any employee, agent or contractor who reports suspected fraud activity to the Federal Government or any other regulatory agency with oversight authority.



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Investigations

All reports of fraudulent, abusive, or other improper conduct if not made to the CO, through the hotline, or through Compliance Concerns link will be promptly forwarded by all workforce members to the CO for review. The CO in consultation with other HealthNow staff and counsel, as deemed appropriate, will determine whether the report warrants an investigation. The CO will use best efforts to make this determination within five days of receiving the report.

If the CO determines an investigation is warranted, he or she will promptly coordinate the investigation. The CO may obtain the assistance of other HealthNow staff and outside legal and financial advisors as necessary to carry out a proper investigation. Workforce members are required to cooperate in such investigations. The CO or his/her designee will monitor the activities of any outside advisors performing investigative services for HealthNow. HealthNow will make reasonable efforts to protect the identity of any individuals filing non-anonymous reports except when disclosure of the individual's identity is necessary to conduct an effective investigation.

The CO will provide the Chief Executive Officer and the Audit Committee of the Board of Directors with regular reports of all pending investigations.

Upon completion of an investigation, the CO will prepare a written report of the findings which will indicate whether fraudulent, abusive, or other improper conduct was committed. If such conduct is found, the CO will recommend to the Chief Executive Officer and other HealthNow management, as necessary, any corrective or disciplinary action deemed appropriate.

The CO will maintain records of all compliance-related reports, including reports filed through the hotline, the Compliance Concerns link, or other means. The records will specify the nature of the report, the date of the report, the reporting method (hotline, etc.), the name of the person filing the report (if the report was not filed anonymously), whether an investigation was conducted, and if so the outcome of the investigation and the corrective or disciplinary action, if any, taken by HealthNow. The records, investigation reports, and other related documents (such as witness lists and interview notes) will be maintained by the CO in accordance with the Corporate Records Retention Policy and federal and state requirements. These documents will be kept confidential and will be shared with employees or advisors only as necessary to comply with this policy or to otherwise carry out HealthNow operations.

Non-Retaliation and Non-Intimidation

Retaliation or intimidation is prohibited in any form for an individual that in good faith participates in the compliance program, including, but not limited to reporting potential issues, investigating issues, self-evaluations, audits and remedial actions, and reporting to appropriate officials as provided in New York State Labor Laws Sections 740 and 741. Retaliation is also prohibited against a workforce member for refusing to carry out any activity that is the subject of a report made under this policy in good faith. No workforce members may threaten or intimidate another workforce member for filing a report. (See the "Non-Retaliation and Non-Intimidation Policy # 1018" for more information.)



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IV. PROCEDURE

N/A

V. DEFINITIONS

Abuse practices that are inconsistent with sound fiscal, business or medical practices and result in an unnecessary cost to the state or federal government or HealthNow, or in reimbursement of services that are not medically necessary or fail to meet professionally recognized standards for health care.

Fraud any type of intentional deception or misrepresentation made by a person with the knowledge that the deception could result in some unauthorized benefit to himself or herself, or to HealthNow or another person.

Waste is the overutilization of services, or other practices that, directly or indirectly, result in unnecessary costs to a healthcare program. Waste is generally not considered a criminally negligent act, but rather a misuse of resources.

Workforce Member- Employees, temporary personnel, interns, consultants, contractors, board members, agents, and vendors

V. RESPONSIBILITIES

All management staff will be accountable for communicating and administering this policy and taking action in conjunction with other responsible components of HealthNow. It is HealthNow policy to take appropriate disciplinary action ranging from a verbal warning up to and including termination for workforce members who are encouraging, directing, facilitating, or permitting non-compliant behavior or fail to comply with this policy.

This policy is fairly and firmly enforced.

VI. RELATED POLICIES/REFERENCES

- Federal Sentencing Guidelines §8B2.1
- 18 NYCRR Part 521.3(c)(8)
- Medicare Managed Care Manual, Section 50.1
- New York State Labor Laws Sections 740 and 741
- Non-Retaliation Policy#1018
- Fraud Waste and Abuse Laws in Healthcare Policy #1011
- Reporting of Ethical or Compliance Concerns Policy #1004
- HealthNow's Code of Conduct



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VIII. DISTRIBUTION

This Policy Rule and Procedure is available to all employees via the Intranet, managers should communicate the policy to their staff within their respective span of control.

IX. REVISION

It shall be the responsibility of the Compliance Officer (or designee) to review this Rule/Policy and Procedure on a regular basis and make revisions as appropriate. All rule/policy and procedure changes may be completed without prior notice. (As a policy applies to Bargaining Unit employees, the current agreement between HealthNow and the Office and Professional Employees International Union will be followed.)