

# CORPORATE COMPLIANCE PLAN

*for*

THE UNISON COMPANIES

*January 2009*



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## 1. INTRODUCTION

As government health care regulations and their enforcement are an extremely complex area of the law and because Unison Administrative Services, LLC and its affiliates (collectively Unison) is committed to full compliance with these rules and regulations, Unison has a Corporate Compliance Program (Program) for the Unison family of companies. Unison's Board of Directors has resolved to create and approve this Program consistent with its commitment to organization-wide compliance. The Program, implemented through this Unison Corporate Compliance Plan (Plan) sets forth standards of conduct, identifies mechanisms for measuring such standards, and describes processes for correcting any identified deficiencies.

This Plan replaces and supersedes any and all compliance plans developed for any company in the Unison family including those companies formerly known as the Unison family of companies. "Team Members" is used in this Plan to refer to all officers, directors and employees of any company within the Unison family.

The Unison family of companies was acquired by AmeriChoice Corporation in June 2008. AmeriChoice is a wholly owned subsidiary of UnitedHealth Group Incorporated ("UHG"). It is UHG's goal to comply with all laws and regulations, contractual obligations and company policies that apply to its business operations, including Unison. It is also UHG's goal to conduct its dealings with the highest legal and ethical standards. To promote these goals, UHG has implemented an Ethics and Integrity Program. As a part of the UHG Program and because it is simply a good business practice, UHG has adopted a variety of policies. Some of the company-wide UHG policies are compiled into a document called the Principles of Ethics and Integrity (also known as the Code of Conduct).

As UHG employees, Unison Team Members are required to comply with all laws, contractual obligations and company policies, including the UHG Principles of Ethics and Integrity and other components of the UHG Program. UHG employees are also required to report any suspected misconduct by another employee or one of the company's contractors to their manager, someone else in management or by contacting the UHG Ethics and Compliance HelpCenter.

A written description of the UHG Ethics and Integrity Program, the Principles of Ethics and Integrity, a manual with all company wide policies, and other information about the UHG Ethics and Integrity Program are available on the UHG Ethics and Integrity website. Unison Team Members have access to the UHG Ethics and Integrity Web site.

AmeriChoice, as provider of government sponsored health plan products, also maintains a Regulatory Compliance program specific to the products and lines of business offered, sold, and administered by AmeriChoice. The Unison Compliance Program is a combination of the same functions carried out by the AmeriChoice Regulatory Compliance program and the UHG Ethics and Integrity program.

Since the acquisition, Unison has begun the process of being integrated into the AmeriChoice Regulatory Compliance program and the UHG Ethics and Integrity program. However, at the time this version of the Plan was printed, the Unison Program, the AmeriChoice Regulatory Compliance program, and the UHG Ethics and Integrity program had not been fully integrated. All of the pre-acquisition Unison Compliance Program structure and resources are intact and have not been changed since the acquisition. Until the integration of the respective compliance programs occurs at some time in the future, Unison and the Unison Team Members have been directed to follow and comply with the Unison Program and Plan as well as the AmeriChoice Regulatory Compliance program and the UHG Ethics and Integrity program. The decision to maintain the Unison Program during the transition to the AmeriChoice and UHG programs was made based on the understanding the all programs promote identical concepts and have similar requirements and expectations. During this period of overlap and transition, Unison Team Members can still rely on and access the Unison Compliance structure and resources as well as having access to the AmeriChoice and UHG structure and resources.

While there are some references to the AmeriChoice and UHG programs in this Plan, the references are limited so as to reduce confusion and were only made where necessary. Changes have been made to the Plan however, where applicable, to reflect the fact that Unison Team Members are now employees of UHG and all human resource-related functions are now performed by or on behalf of UHG. In addition, all references to the Unison Team Member Handbook have been removed.

On or after the point of complete integration of the Compliance Programs, this Plan may be modified, replaced or superseded in accordance with the direction of the Board of Directors.

### **Statement of Purpose**

Unison is an organization dedicated to providing quality managed care services to its corporate affiliates under various turn-key operations agreements. Unison and all of its affiliates exist to own, operate and perform other necessary functions in connection with various health maintenance and other health insurance and service provider organizations, which participate in various government funded health care programs. Unison and its Team Members strive to be fully compliant with all of the complex rules and regulations governing the health care industry, including those laws, regulations and contractual provisions specifically applicable to each managed care program operated by Unison. Unless otherwise noted, this Plan applies to all Unison lines of business, including but not limited to Medicaid, Medicare, CHIP, adult Basic, and the District of Columbia Alliance program, as well as any additional product lines that are offered by Unison.

### **Establishing a Formal Compliance Structure**

The Plan is designed to aid all Unison's Team Members in complying with the increasingly complex rules and regulations governing the health care industry by providing uniform policies and procedures. This Plan contains the policies and procedures that Unison has developed, as well as references to other Unison manuals that contain the specific policies

and procedures through which the Program and the Plan are executed. All Unison personnel responsible for revising and implementing the policies and procedures contained in other manuals must ensure that these revisions are appropriately reflected in this Plan. If any inconsistencies exist between other policies and the Plan, the Plan shall govern.

Unison operates a compliance Program that applies to all the companies in the Unison corporate family. Unison approaches compliance in a two-pronged manner: Unison compliance is divided between general, high-level compliance, and specific operational-department-line of business compliance. On the general, high level compliance, the organization-wide Program is administered by the Unison Compliance Officer. The Program is primarily documented in the Plan which includes a Code of Ethics. Introductory compliance training is provided to all new hires, and refresher compliance training is done annually for management and as determined by the Compliance Officer. The Compliance Department also has written policies and procedures. On the specific operational-department-line of business level, compliance with law, policy and contracts becomes the responsibility of each operational and business unit leader. The Compliance Officer works in conjunction with all of the operational and business unit leaders to ensure that Unison, its employees, and subcontractors comply with all applicable laws, policies and contracts.

The Unison Compliance Plan and other Unison compliance-related documents can be viewed at the Compliance Department page on the Intranet and [www.unisonhealthplan.com/pages/compliance.aspx](http://www.unisonhealthplan.com/pages/compliance.aspx).

### **Cultivating an Environment Conducive to Free Communication**

Unison also intends that the Plan aid in the identification and correction of any actual or perceived deviations from the standard of conduct set forth in government health care rules and regulations, Unison's Code of Ethics or any other Unison policy or procedure. In order to attain this goal, the Unison Code of Ethics requires that all Team Members report any actual or perceived violation of the Code of Ethics, the Plan or any other Unison policy.

Unison has designated a Compliance Officer, to oversee the Program and to ensure that all potential issues or violations that Team Members identify are addressed in an appropriate and timely manner, including but not limited to, initiating investigations and taking corrective, as well as disciplinary, action. The Compliance Officer will report to the Board of Directors from time to time. The Compliance Officer reserves the right to fully investigate any compliance violation of the Compliance Plan.

Unison cultivates an environment wherein each and every Team Member can communicate their concerns freely either to their immediate supervisor or to the Compliance Officer or to a designated member of the Board of Directors. Of course, Unison will treat any such report confidentially to the maximum extent consistent with the fair and rigorous enforcement of the Program and the requirements of law. It is Unison's express policy that no adverse action or retribution, of any kind whatsoever, will be taken by Unison against any Team Member due solely to the reporting of a suspected violation or irregularity.

## **2. CODE OF ETHICS**

### **A. Introduction**

Unison is committed to conducting its business lawfully and ethically. As Unison's reputation is the sum of its Team Members', vendors, and subcontractors' reputations, all Team Members, vendors, and subcontractors must meet and maintain the highest standards of legal and ethical conduct in the performance of their work. To protect Unison's reputation, to inform its Team Members, vendors, and subcontractors of Unison's expectations and to assure uniformity in standards of conduct, Unison has established this Code of Ethics (Code).

This Code establishes the general policies and procedures with which all Unison Team Members, vendors, and subcontractors must comply in order to ensure that the conduct exhibited conforms to the highest ethical standards and is in accordance with all applicable laws, rules and regulations. The Code cannot and is not meant to cover all situations or address all unethical, inappropriate or illegal conduct. Any doubts whatsoever as to the propriety of a particular situation, or whether or not the situation is described within this Code, should be submitted to Unison's Compliance Officer. If the Compliance Officer considers it necessary, the Compliance Officer will refer the matter to another member of Unison's senior management to review the situation and render a decision in keeping with Unison's Corporate Compliance Program and the law. The intent of Unison's Corporate Compliance Program is to safeguard Unison's tradition of strong moral, ethical and social standards of conduct.

Every Unison Team Member, vendor, and subcontractor is required to understand and comply with this Code. Unison's owners, directors and officers strongly support the Program and express their commitment to compliance with the Plan. The standards of conduct that govern Unison's relationship with the government are applicable to all Unison Team Members in their capacity as employees of Unison and in their work for and/or on behalf of Unison's affiliates, whether or not the Team Member is directly engaged in performing activities relevant to any federal, state or private contracts. Any Team Member violating any provision of this Code will be subject to disciplinary action (as described in Section 6), up to and including termination of employment.

To the extent that any additional policies and/or procedures are created in any other Unison manual, those policies and/or procedures will be consistent with this Code. In case of any inconsistency, this Code will govern.

### **B. Compliance with all Laws, Regulations and Contract Provisions**

All Unison Team Members, vendors, and subcontractors must comply with all federal, state and local laws, government regulations, and contracts applicable to government funded health care programs or otherwise applicable to Unison, including directives and instructions communicated by appropriate regulatory agencies. Unison is committed to complying with requirements governing all lines of business including but not limited to Medicaid,

Medicare, CHIP, adult Basic, and the District of Columbia Alliance program as well as any additional product lines offered by Unison. In addition, Unison is committed to complying with the Medicare Improvements for Patients and Providers Act (MIPPA), Deficit Reduction Act of 2005 (DRA) and the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA), as well as the CMS Medicare Marketing Guidelines, and the Medicare Part D Program rules including but not limited to those requirements set forth in Chapter 9 of the CMS Prescription Drug Benefit Manual, as amended (collectively the Medicare Requirements). Team Members, vendors, and subcontractors must also comply with all Unison policies and procedures, which policies and procedures shall reflect and be consistent with the federal, state and local laws and regulations applicable to Unison. Questions regarding Unison's legal rights or obligations should be directed to Unison's Legal Affairs or Compliance Departments.

### **C. Honest Dealings with Customers, Suppliers and Consultants**

#### *High Quality Service*

Unison is committed to providing services that meet all contractual obligations and Unison's quality standards. Further, Unison is committed to always improving the quality of services it provides. These objectives can only be achieved through the continuous efforts of each Unison Team Member and is dependent upon the integrity and honesty of each such Team Member.

#### *Contract Negotiation*

Unison has an affirmative duty to be truthful in all marketing, proposals and advertising and shall disclose current, accurate and complete cost and pricing data where such data are required under appropriate Federal or state law or regulation. Team Members involved in pricing contract proposals or negotiating payor contracts must ensure that all data generated and made available to supervisors and other Team Members is accurate, complete and current.

Likewise, Unison Team Members must ensure that all representations made to customers and suppliers, both government and commercial, regarding such data are accurate, complete and current. The submission to a government customer of a representation, quotation, statement or certification that is false, incomplete or misleading can result in civil and/or criminal liability for Unison, the involved Team Member, vendor, or any subcontractor. Unison shall ensure that, when required, billing programs accurately calculate the appropriate acquisition cost as required by government programs. Unison will engage in reasonable, good faith negotiations regarding contractual services obtained from health care providers.

### *Competitive Analysis*

In conducting market analyses, Unison Team Members, vendors, and subcontractors should not accept or use information known to be proprietary to one of Unison's competitors. Supervisors must attempt to ensure that a competitor's proprietary information is not improperly obtained or used in any improper fashion. Team Members, vendors, and subcontractors shall not disparage the services of a competitor and, when performing any Unison comparison, shall be fair and accurate.

### *Antitrust Issues*

Antitrust laws may apply to commercial and/or government transactions by Unison, vendors, and subcontractors, both domestic and foreign (in some instances), and they are designed to ensure that competition exists to preserve the free enterprise system. As this is a highly complex area, and as this Code cannot cover all situations in which antitrust laws may apply, Team Members should take special care in this area, and promptly refer any questions to the Compliance Officer, who will consult legal counsel as required.

Team Members, vendors, and subcontractors may encounter antitrust issues in the areas of pricing, boycotts and trade association activity. Examples of actions that violate the antitrust law and in which a Team Member, vendor, and subcontractor must not be engaged under any circumstances, are:

- ❖ Entering into or negotiating an agreement with one or more competitors to: a) fix prices at any level or to fix other terms and conditions of sale; b) allocate customers or markets; c) fix levels of production or production quotas; or d) boycott a supplier or customer;
- ❖ Engaging in any form of bid rigging;
- ❖ Entering into or negotiating an agreement with a customer to fix a resale price.

Team Members should refrain from any discussion of pricing schemes or market divisions with competitors unless approval has been granted in advance from the Compliance Officer. The above-stated list is not all inclusive. Team Members should report all antitrust concerns to the Compliance Officer.

### *Anti-Kickback Issues*

Federal law and some state laws prohibit Unison and its Team Members, vendors, and subcontractors from offering anything of value to an entity or person to induce that customer or potential customer to purchase supplies or services or to refer a patient to Unison. As this is a highly complex area of the law, this Code of Ethics cannot list all situations in which the anti-kickback or false claims laws may apply. Therefore, Team Members, vendors, and subcontractors must take special care in this area, and promptly refer any questions to the

Compliance Officer, who may refer the question to legal counsel, if appropriate.

Examples of the types of actions that could violate applicable Medicare/Medicaid anti-kickback laws include, but are not limited to, the following:

- ❖ Offering or receiving anything of value, including the sale or purchase of services or supplies for less than fair market value, to induce someone to buy a Unison product or an item or service;
- ❖ Offering or receiving anything of value, including the sale or purchase of services or supplies for less than fair market value, to induce someone to refer a patient for enrollment with Unison;
- ❖ Offering or receiving any cash payments to anyone in marketing Unison's products;
- ❖ Offering or receiving free goods in conjunction with provider contracting.

#### *False Claims Issues*

The federal False Claims Act is a statute that covers fraud involving any federally funded contract or program, including the Medicare and Medicaid programs. The Act establishes liability, such as fines, termination of federal contract, and debarment from federal programs, for any person who knowingly presents or causes to be presented a false or fraudulent claim to the U.S. government for payment. The term "knowingly" is defined to mean that a person, with respect to information has actual knowledge of falsity of information in the claim; acts in deliberate ignorance of the truth or falsity of the information in a claim; or acts in reckless disregard of the truth or falsity of the information in a claim. The Act does not require proof of a specific intent to defraud the U.S. government. To encourage individuals to come forward and report misconduct involving false claims, the Act includes a "qui tam" or whistle-blower provision. This provision essentially allows any person with actual knowledge of false claims activity to file a lawsuit on behalf of the U.S. government. Individuals seeking whistle-blower status must meet several criteria to prevail. If the government determines the lawsuit to have merit and it may decide to join the suit. If the suit is successful, the qui tam whistle-blower may receive an award ranging from 15-30% of the amount recovered by the government. Whistle-blowers are entitled to certain relief, such as back pay, arising from retaliatory conduct. Certain states, including states where Unison does business, have laws modeled on the Act.

Examples of the types of actions that could violate the Federal False Claims Act include, but are not limited to, the following:

- ❖ Filing a claim for services that were not rendered at all or were not rendered as described on the claim form;

- ❖ Filing a claim for services that were rendered, but were unnecessary;
- ❖ Submitting a claim containing information known to be false;
- ❖ Misusing Social Security, Medicaid or Medicare symbols, emblems, names, or similar items in marketing.

This list is not all inclusive. All concerns regarding the anti-kickback and false claim laws must be reported to the Compliance Officer as soon as such concerns are identified.

This Plan and various departmental policies and procedures will help ensure Unison's compliance with the Act, the federal Deficit Reduction Act of 2005, and the applicable state false claim laws, as well as to detect and prevent fraud, waste and abuse. Team Members, vendors, and subcontractors must abide by the Plan and the relevant policies and procedures in this regard.

#### *Accurate Cost Charging and Time Reporting*

Each vendor and subcontractor is required to accurately track and invoice its charges and fees to Unison in accordance with the applicable contract. Falsification of any charges or fees on any bills or invoices is prohibited and may result in contract termination.

Each Team Member is required to record his or her hours of work for Unison via the UHG electronic timekeeping system. Accurately recording your time is required to be sure that you are paid for all hours worked as required by law. Team Members are required to complete applicable electronic time records for each pay period in accordance with UHG policy. All timesheets must be reviewed and approved in accordance with UHG policy. Falsification of unapproved or inaccurate edits to any time sheet is strictly prohibited and subject to discipline up to and including termination of employment.

#### *Recruiting and Employing Government Employees*

Complex rules govern Unison's recruitment and employment of government employees into private industry. Unison Team Members must obtain prior approval from legal counsel or the Compliance Officer, who will consult with legal counsel as necessary, to discuss possible employment of, make offers to, or hire (as a Team Member or consultant) any current or former government employee (military or civilian).

### **D. Proper Use of Unison Resources**

#### *Political Contributions*

Federal law, as well as the law of most state laws, prohibits corporations from making direct contributions or expenditures or providing anything of value to any Federal/state election candidate or committee. No political contribution or expenditure shall be made with Unison's assets. Team Members may not contribute or donate Unison's funds, products,

services or other resources to any political cause, party or candidate without the advance written approval of the Compliance Officer. Team Members may personally contribute to any lawful political cause, party or candidate as long as:

- ✓ The Team Member does not represent that such contributions come from Unison; and
- ✓ The Team Member does not obtain the funds, products or services contributed from Unison for the sole purpose of making such a contribution.

Additionally, no Team Member shall provide anything of value to a government official with the intent to influence any official act. Prohibitions in connection with government customers are further discussed in “Government Customers and Supplies” below.

*Business Courtesies to Customers, Vendors, or Subcontractors*

Unison’s success in the marketplace results from providing superior services at competitive prices. Unison does not seek to gain an improper advantage by offering business courtesies such as entertainment, meals, transportation or lodging to a vendor, subcontractor, customer, or a customer referral source. To avoid even the appearance of impropriety, Team Members must not provide any customer, referral source, vendor, or subcontractor with gifts or promotional items (e.g., pens or calendars) of more than nominal value only with the advance approval of the Chief Executive Officer, Vice President of Finance or Compliance Officer. The offering of any gift (regardless of value) in exchange for the provision or receipt of services or referral of patients for enrollment in Unison’s government funded programs is a possible violation of the Federal anti-kickback laws as further discussed in “Anti-Kickback and False Claims Issues” above.

Notwithstanding the above and except for government customers and suppliers as described below, Team Members may pay reasonable meal, refreshment and/or entertainment expenses for customers, referral sources, providers, vendors, and other subcontractors, as long as such expenses are:

- ✓ Incurred only occasionally;
- ✓ Not requested or solicited by the recipient; and
- ✓ Not intended to or highly likely to affect the recipient's business decisions with respect to Unison.

A Team Member may provide or pay travel or lodging expenses of a customer, referral source, provider, vendor, or other subcontractor only with the advance approval of the Chief Executive Officer, Vice President of Finance or Compliance Officer. The Chief Executive Officer and Vice President of Finance shall consult with the Compliance Officer regarding the payment of such expenses.

### *Government Customers and Suppliers*

Team Members may not provide or pay for any meal, refreshment, entertainment, travel or lodging expenses for government employees without the prior approval of the Compliance Officer. Federal, state, local and foreign governments (and their respective agencies) may also have restrictions on the provision of business courtesies, including meals and refreshments. Unison Team Members doing business with such government bodies are expected to know and respect all such restrictions. Questions regarding such restrictions should be raised in advance, to the Compliance Officer.

### *Accurate Books and Accounts*

Unison is entrusted with government funds for use in health care programs. Unison must properly expend and accurately report these funds in order to comply with Federal and State laws. Additionally, proper expenditure and accounting of these monies is necessary to comply with the anti-money laundering provisions of the USA Patriot Act (Public Law 107-56). All Unison payments and other transactions must be properly authorized by management and be accurately and completely recorded on Unison's books and records in accordance with generally accepted accounting principles and established corporate accounting policies. No false, incomplete or unrecorded corporate entries shall be made.

No undisclosed or unrecorded corporate funds or assets shall be established for any purpose, nor shall Unison's funds be placed in any personal or non-corporate account. No payment on behalf of Unison shall be approved or made with the intention that any part of such payment will be used for any purpose other than that described in the supporting or approving documents related to such payment. All corporate assets must be properly protected, and asset records must be regularly compared with actual assets. Proper action must be taken to reconcile any variances. Violations of this Section shall be subject to discipline up to and including termination of employment.

## **E. Avoiding Abuses of Trust**

Unison respects each Team Member's right to engage in private activities outside of his or her work for Unison. However, Unison expects its Team Members to avoid engaging in any activity that might conflict with or reflect negatively on the business objectives of Unison or might interfere or appear to interfere with the Team Member's independent exercise of judgment in the performance of his or her work for Unison. Team Members shall avoid situations where the Team Member's personal interests might detract from or conflict with Unison's best interests.

### *Conflicts of Interest*

All Team Members must avoid conflicts of interest and disclose such conflicts of interest, whether or actual or potential. Conflict of Interest means a situation where a person is not free from the influence of personal considerations when representing Unison in transactions with others, when making recommendations relating to such transactions, or when making decisions about such transactions.

Unison will obtain the signature of each person that is an officer, director-level Team member or above, or Board member on a Conflict of Interest Statement on an annual basis. Each Statement that contains information on any disclosed Conflict of Interest shall be provided to the Compliance Officer for review and any necessary action.

Specifically, no Unison Team Member may have any employment, consulting or other business relationship (including as an owner, spouse, partner, officer, director, creditor or stockholder having a one-percent or greater interest) with a competitor, customer, referral source, provider, vendor, or any other subcontractor, or invest in any competitor, customer, referral source, provider, vendor or other subcontractor (except for moderate holdings of publicly-traded securities) unless advance written permission is granted by the Compliance Officer. Permission also is required before a Team Member may invest in any privately-held company or entity that performs services for Unison or that employs providers who may refer patients for enrollment with Unison. Additionally, the business relationship or employment arrangement of a Team Member's close family member may create a conflict between the personal interests of the Team Member and Unison's interests.

Outside employment (i.e. a second job) may constitute a conflict of interest if such employment:

- ✓ Places a Team Member in the position of appearing to represent Unison;
- ✓ Involves services substantially similar to those that Unison provides or is considering making available; or
- ✓ Lessens the efficiency, alertness or productivity normally expected of Team Members on their jobs.

Outside employment may also constitute a conflict of interest if Team Members are employed by, have a financial or business interest in or otherwise perform services for:

- ❖ Physicians or providers under contract with, employed by or who refer patients for enrollment with Unison;
- ❖ Any privately-held company or entity that provides services for physicians or other providers;
- ❖ Any privately-held company or entity that employs physicians or other providers who may refer patients for enrollment with Unison.

All outside employment or other arrangements that raise any question in this regard must be disclosed to Unison and approved in advance by the Compliance Officer. The Compliance Officer shall review each disclosed employment or other arrangements to determine whether it creates a potential for harm to Unison or its interests or whether it creates an appearance of improper influence. The Compliance Officer may select a course of action to remove the conflict situation. In the event the conflict situation cannot be otherwise removed, the Team Member may be required to forego the outside employment or arrangement or may be discharged from employment with Unison. Any questions concerning whether a potential or actual employment or other business arrangement creates a conflict of interest should be addressed to the Team Member's supervisor or directly to the Compliance Officer.

All Team Members must not engage in any self dealing with the Unison companies, including:

- (1) The sale, exchange or leasing of property, goods or services between any Unison company and themselves, or an organization controlled by the Team Member, in a manner less favorable to the Unison company than the manner in which such property, goods or services are made available to the general public.
- (2) The furnishing of goods, services or facilities by any Unison company to any Team Member, unless the furnishing is made on a basis no more favorable to the Team Member than the basis on which the goods, services or facilities are made available to the general public or employees of any Unison company; and
- (3) A transfer of the income or assets of any Unison company for use by or for the benefit of Team Member, except by purchase for fair market value, excluding cash dividends, stock dividends, stock distribution and stock split transactions.
- (4) Rendering professional or personal services to individuals enrolled in the managed care plans operated by a Unison company, such as acting as an advocate for such individuals in any role other than performance of a Team Member's duties.

Team Members must obtain permission from the Compliance Officer or his/her designee

before he/she invests in any privately-held company or entity that performs services for Unison or that employs providers who may refer patients for enrollment with Unison.

Team Members must not engage in conduct or business transactions with government officials or employees that would violate applicable federal or state laws, such as 41 U.S.C. 423 or 45 CFR Part 93, or the requirements of a contract with a government agency regarding such transactions. The Team Members must not, to the best of their knowledge and belief, of for any business where they hold >5% ownership or be employed by, or be otherwise affiliated with, has ever have been subjected to any sanction as regards participation in the Medicare or any Medicaid program that would require disclosure under 42 CFR Part 455.

Team Members must consult with General Counsel or the Compliance Officer if there is any question whether certain conduct or a proposed transaction meets the standards set forth herein.

#### *Accepting Business Courtesies*

Team Members shall not accept anything of value from someone doing business with Unison or someone whose services are subject to Unison's review if the gratuity is offered or appears to be offered in exchange for any type of favorable treatment or advantage, whether intended for the benefit of Unison or the individual Team Member. To avoid even the appearance of impropriety, Team Members should not accept any gifts or promotional items of more than nominal value (under \$50). The acceptance of any gift (regardless of value) in exchange for the provision or receipt of services or referral of patients under the company's government funded programs is a violation of the Federal anti-kickback laws as further discussed in "Anti-Kickback and False Claims Issues" above. A Team Member may accept meals, drinks or entertainment only if such courtesies are unsolicited, infrequently provided, and reasonable in amount. Such courtesies must also be directly connected with business discussions, unless an exception is approved, in writing, by a supervisor. A Team Member shall not accept reimbursement for lodging or travel expenses or free lodging or travel from someone doing business with Unison or someone whose services are subject to Unison's review, without the express written approval of the Chief Executive Officer, Vice President of Finance, or Compliance Officer. The Chief Executive Officer and Vice President of Finance shall consult with the Compliance Officer regarding reasonable lodging and travel arrangements.

#### *Safeguarding Unison's Restricted Information*

It is Unison's policy to closely control the dissemination of Unison's proprietary information. Except as specifically authorized by management, pursuant to established policy and procedure, Team Members and subcontractors shall not disclose proprietary information to any outside party. Examples of proprietary information include:

- ❖ Business strategy plans that are not publicly known;
- ❖ Marketing and sales approaches and plans;

- ❖ Payor/Provider contract rates and vendor and customer lists;
- ❖ Team Member names, addresses, home telephone numbers and wage information;
- ❖ Private data developed by Unison or entrusted to Unison by customers, vendors, or subcontractors;
- ❖ Financial and technological information, data, designs and plans.

During the term of employment at Unison, a Team Member should disseminate these types of information only to individuals, including Team Members having a "need to know" and protect such information from access by unauthorized personnel.

Upon termination of employment or contract, a former Team Member, vendor, or subcontractor may not copy, take or retain any documents containing Unison's restricted information. The prohibition against disclosing Unison restricted information continues after employment or subcontract (for so long as the information has not been made public). A Team Member's agreement to continue to protect the confidentiality of such information after the term of employment ends is considered an important part of that person's obligations as a Unison Team Member.

#### *Confidential Information; HIPAA Compliance*

When conducting managed care operations, Unison' Team Members often obtain access to and use confidential information. Various statutes and regulations, both state and Federal, require that Unison take reasonable steps to protect the individually identifiable health and demographic information of our enrolled members. Unison uses multiple approaches to fulfill this obligation. Each Team Member must sign a confidentiality agreement upon commencement of his or her employment at Unison. Unison has also adopted a Unison-wide policy and procedure, which limits access and use of member information to those purposes permitted by law. In addition, each Unison department has a department-specific policy and procedure assuring that such information will be stored, accessed and used only to the extent minimally necessary to accomplish legitimate business purposes, including treatment, payment, operations, response to government oversight and disclosure as required by law.

Team Members must become familiar with and abide by the confidentiality rules that apply to their job duties. In particular, all Team Members must ensure that member specific information is not disclosed to anyone outside of Unison unless that disclosure is permissible under the applicable confidentiality policies and procedures. Routine audits and reviews conducted by government representatives or their designees must be performed in compliance with the applicable department policies and procedures. In addition, all periodic departmental reporting to government agencies must be performed in accordance with the company's policies regarding protection of patient health information communicated and/or incorporated into each department's confidentiality policies as applicable.

Privacy issues also arise when Team Members, who do not have a legitimate business need to access particular member information, are made aware of such information. No Team Member shall access or request access to information regarding members, providers or operations unless the Team Member has a legitimate business need for such information and then may only access information minimally necessary to meet his/her business need. Team Members should also be aware of their obligation to respect and protect the confidential nature of records regarding drug abuse, alcoholism or alcohol abuse or other personal information of other Team Members.

Any suspected violation of Unison's confidentiality rules must be reported, either to the Team Member's supervisor or to the Compliance Officer. Team Members may also report such concerns to the HIPAA Privacy Officer or Coordinator. Violations of the confidentiality policy will be subject to discipline, up to and including termination of employment.

#### *Government Proprietary Information*

Unison does not solicit nor will it attempt to receive any sensitive proprietary government information, including budgetary or program information, before it is available through normal processes. Supervisors must ensure that their subordinates are aware of, and abide by, this policy.

#### *Copyright and License Infringement Prohibited*

Unison may from time to time purchase, subscribe or otherwise properly obtain printed or online publications or other information, which is protected by federal and/or state copyright laws. These laws generally prohibit the copying or reproduction of the material without the specific authorization of the publisher. Team Members shall not make unauthorized copies of such copyright protected materials. Violation of this policy and of applicable copyright laws is subject to discipline up to and including discharge from employment and may also be subject to civil damages and penalties.

Similarly, Unison purchases, licenses and/or otherwise properly obtains the right to use certain hardware and software in its business. Unless specifically authorized by the owner, developer or provider of the software or hardware, Unison generally may not copy or reproduce such software or hardware without violating the terms of the applicable license or purchase agreement. Team Members shall not make unauthorized use or copies of company software or hardware without a license or proper authorization from the provider. Questions regarding this policy should be directed to the Compliance Officer. Violation of this policy and of applicable software/hardware licenses and agreements shall be subject to discipline up to and including termination of employment and may also be subject to civil damages and penalties.

#### *Proper Use of E-mail, Internet, and Communication Tools*

Unison provides Team Members with e-mail access to facilitate the exchange of business information. Those Team Members who have a need for business information from outside the organization that will assist Unison in managing its business more effectively may also be granted access to the Internet if approved by their manager.

Additionally, Unison grants access to Team Members to certain communication tools, including telephones, cellular telephones, and Plan letterhead, and to certain computer systems, including desktop and laptop computers, to assist in performing their job duties.

Unison's policies regarding use of any such communication tools and computer systems are designed to ensure lawful use, including but not limited to maintaining an appropriate work environment, ensuring the confidentiality of our enrollees' individually identifiable health and demographic information and protecting Unison's reputation. All electronic communication tools and computer systems are valuable assets, including the passwords for their use, must be safeguarded against abuse and unauthorized access. All Team Members should be aware that all such communication tools and computer systems are provided for business purposes, that Unison reserves the right to monitor the use of such communication equipment and that Team Members do not have a reasonable expectation of privacy as to their use of Unison's equipment.

#### *Prohibition on Substance Abuse*

Unison strives to provide Team Members, vendors, and subcontractors with a work environment that is free of the issues associated with the use and abuse of controlled substances and the abuse of alcohol. Accordingly, the consumption, possession, sale or purchase of alcohol on Unison property is prohibited with the exception of conferences, meetings or recreational events where those activities have been approved in advance by management. Unison also prohibits the use of alcohol by Team Members either directly before or during the workday whether in connection with business or on personal time (i.e. lunch hour). If a Team Member violates this policy, management will determine the appropriate disciplinary action (as described in Section 6), which may include discharge from employment.

#### *Program to Detect, Prevent, and Control Fraud, Waste and Abuse (FWA)*

In addition to the general compliance training as described in Section 8 of this Plan, Unison shall provide or arrange for specialized training for Unison employees, subcontractor employees, directors and agents in the areas described in the Medicare Requirements, the Medicaid requirements, the District of Columbia Alliance program requirements, or the requirements for any other Unison line of business, as applicable. Such training shall also address areas required by the DRA.

## **F. Reporting Violations and Discipline**

Unison Team Members and subcontractors must immediately and directly report to Unison's Compliance Officer any actual or perceived violation of these laws and regulations, this Code, the Program or any other Unison policy. Such reports may be made through the Anonymous Compliance Reporting Hotline (as described in Section 5).

Strict adherence to this Code is vital and a condition of continued employment by Unison. Failure to report a known compliance violation is also a violation of the Plan, including this Code. Supervisors are responsible for ensuring that Team Members are aware of and adhere to the provisions of the Code. Questions regarding this policy should be addressed to the Compliance Officer.

## **G. Limitation on the Effect of Code of Ethics**

Nothing contained in this Code is to be construed or interpreted to create a contract of employment or any right of continued employment, either express or implied, nor is anything contained in this Code intended to alter a person's status of employment with Unison to anything but an "employment-at-will" relationship. In the absence of a separate written contract between Unison and the Team Member, either the Team Member or Unison may terminate the employment relationship at any time, with or without cause, subject to Unison's disciplinary policies and procedures applicable to the Team Member.

## **H. Reservation of Rights**

Unison reserves the right to amend the Code of Ethics, in whole or in part, at any time and solely at its discretion. While Unison will employ best efforts to provide notice of any such amendment, actual notice to a Team Member, vendor, or subcontractor is not a requirement for the amendment to take effect.

### **3. DEPARTMENT POLICIES AND PROCEDURES; SPECIFIC BUSINESS AREAS**

To ensure effective implementation of the Compliance Program including the Plan, the operation of every Unison department is governed by written policies and procedures. Every Unison Team Member is obligated to review, be familiar with and abide by the policies and procedures governing their department. All managers and supervisors must ensure that their subordinates are familiar with and abide by the applicable policies and procedures, both department-specific and Unison-wide.

All such policies and procedures shall be reviewed, by the responsible department, at least annually. All such departmental policies and procedures shall be timely reviewed upon receipt, by the responsible supervisor, of information regarding a change in law, regulations and/or government contract requirements. All new departmental policies and procedures and all revisions to existing policies and procedures shall be reviewed by the Compliance Officer or Legal Affairs Department.

All Unison departmental policies and procedures, as approved and adopted, reviewed, amended, modified, and replaced or retired from time to time, shall be incorporated herein by reference as if set forth herein and attached hereto in their entirety.

The specific business areas for which there shall be written policies and procedures are as follows:

#### **A. Medicare**

In accordance with the Medicare Requirements, Unison has developed certain policies and procedures to ensure compliance.

Unison shall have policies and procedures to detect, prevent, and control FWA that include but are not limited to:

- A commitment to comply with applicable statutory, regulatory and other requirements, sub-regulatory guidance, and contractual commitments related to the delivery of the Medicare Part D benefit.
- Procedures for the identification of potential fraud, waste and abuse in any of Unison's provider networks.
- A process to conduct a timely, reasonable inquiry into potential violations of federal and state criminal, civil, administrative laws, rules and regulations in a timely basis.
- A process to ensure Unison, its subcontractors, agents and brokers are marketing in accordance with applicable federal and state laws, including state licensing laws, the Medicare Requirements, and CMS policy.
- Policies that emphasize confidentiality, anonymity, and non-retaliation for compliance related question, or reports of potential non-compliance.
- Policies that ensure and document the review of the DHHS OIG and General Services Administration (GSA) exclusion lists for all new employees and at least once a year thereafter to ensure that its employees, board members, officers, and first tier, downstream entities, or related entities that assist in the administration or

delivery of Part D benefits are not included on such lists.

- A commitment to Pharmacy & Therapeutic (P&T) Committee decisions that are made in accordance with the Medicare Requirements, federal and state regulation and guidance, CMS regulations and guidance.
- Establish a process to ensure Unison's officers, directors, and managers sign a statement, attestation or certification related to conflict of interest at time of hire and annually thereafter.

#### *Accountability and Oversight of Subcontractors*

While Unison may contract with third parties to perform certain functions that would otherwise be its responsibility, Unison acknowledges and agrees that it maintains ultimate responsibility for fulfilling the terms and conditions as set out in the contract with CMS. Unison will work with its first tier, downstream, and related entities to meet its contractual requirements.

Unison's major subcontractors will annually receive a copy of the Unison Code. The subcontractors should have a contractual obligation to report violations of law, and policy including the Code, to CMS, its responsible designee, or law enforcement. The contracts between Unison and each subcontractor should include a statement that the contract will be subject to the Code and penalties, including termination, could result from a violation of the Code.

### **B. Beneficiary Enrollment Practices and Marketing**

Unison recognizes that, given its activities as a managed care organization contracting with the beneficiaries eligible for various government funded healthcare programs, enrollment and marketing practices are highly regulated. Due to the complex nature of the regulations, this Plan cannot describe every potential violation. However, the following activities are areas subject to potential abuse:

- ❖ Using improper incentives to attract members;
- ❖ Pre-screening potential members regarding health status;
- ❖ Engaging in activities which mislead or confuse potential members;
- ❖ Identifying plan representatives as agents of the government;
- ❖ Overstating the plan's coverage;
- ❖ Engaging in improper solicitation (such as door-to-door contact or other cold-call marketing); and
- ❖ Engaging in illegal commission structures for marketing personnel.

Unison has designed marketing policies and procedures to avoid the abuses set forth in this Section and to otherwise assure compliance with applicable laws, regulations and contract provisions. All marketing personnel must review, become familiar with, and abide by those marketing policies and procedures.

#### *Accuracy and Completeness of Information Provided to Beneficiaries*

Unison has a duty to provide its members with information regarding its structure and provider network, the benefits covered and excluded (including out-of-area and emergency coverage) and cost sharing arrangements. All of this information should be accurate and complete. It should be consistent with applicable program coverage requirements and should be in compliance with applicable program marketing guidelines, including those established by the U.S. Department of Health and Human Services and all regulating state governments. The information materials should not overstate the plan's coverage or otherwise confuse or mislead beneficiaries. To fulfill this obligation, the format of the information Unison provides its members shall be reviewed at least annually by the management of the Marketing Department and Legal Department (in conjunction with the Compliance Officer as necessary).

#### *Appropriate Utilization*

Unison's objective is to have a utilization review program in place which results in appropriate utilization of medical services. Unison wishes to avoid both under-utilization and over-utilization of medical services.

#### *Underutilization Remedial Procedures*

To prevent under-utilization of medical services, Unison has developed department-specific procedures and policies, which policies must be reviewed and complied with by all Team Members who perform duties relative to medical management. Also, Unison has a corporate policy against rewards or incentives to encourage inappropriate under-utilization.

Unison's Utilization Management, Behavioral Health Services, Grievance and Appeals, and Quality Improvement Departments shall employ business practices designed to identify instances of inappropriate under-utilization of covered services and remediate such instances. Such practices shall include ongoing monitoring of the prior authorization process, denial of coverage for requested services, and utilization matters in general. Unison shall also ensure that providers are informed of the appeal process to request review of any denial of coverage for requested services. Instances of possible under-utilization shall be analyzed to ascertain, where possible, root causes and interventions designed to target such root causes shall be undertaken as to both providers and members where appropriate. Such analysis shall include periodic review of Unison's provider appeals process for its managed care products, to ascertain whether that process for review of denials of coverage for requested services, which must be conducted in accordance with applicable laws and regulations, is so cumbersome as to create an

unwarranted impediment to appropriate utilization.

#### *Ensuring Member Access to Appropriate Care*

Unison is obligated to ensure member access by maintaining networks of providers with appropriate office locations and appointment hours. In addition, Unison is aware of the need for accurate reports regarding patient visits, treatment cost and outcome data (including, where appropriate, the HEDIS measures). Unison has adopted department-specific policies and procedures, designed to meet these member access goals. All Unison Team Members, whose duties relate to developing the provider network or reviewing provider activities and reports, must review, become familiar with, and abide by those member access policies and procedures.

### **C. Provider Contractual Arrangements**

#### *Physician Incentive Plans*

Unison recognizes that physician incentive plans are highly regulated. Accordingly, Unison obtains approval of its standard provider agreements by the appropriate state agencies for each line of business. Any variance from the approved standardized agreement forms must be submitted to the Legal Department or Unison's Contract Review Committee for review. Where necessary, these variances must also receive approval by the appropriate state agency.

To ensure performance of the government approved standard provider agreements, Unison's departments are responsible for developing and implementing policies to verify provider compliance with contractual obligations. The Audit Department shall regularly conduct audits to ensure such compliance. Unison is committed to working with its participating providers to ensure contract compliance. However, repeated and/or serious compliance failure may result in provider exclusion from the network. Additionally, Unison may be required to report such non-compliance to its regulating government agencies if the activities raise fraud or program integrity concerns.

#### *Cooperative Marketing*

Provider involvement in Unison's marketing and enrollment processes is highly regulated; however, certain cooperative efforts with physicians are permissible. Any proposed marketing cooperation with a provider should be submitted to the Compliance Officer for review and, where necessary be approved by the appropriate government agency, prior to being implemented.

### **D. Accuracy of Data Provided to Federal and State Agencies**

Unison has an obligation to ensure that all data provided to federal and state agencies in connection with its activities is accurate in all material respects. Managers and Supervisors are responsible for ensuring that Team Members are aware of the obligation

to submit accurate data. Violation of this policy shall be subject to discipline up to and including termination of employment. Because Unison participates in government funded programs and as part of that participation is required to accurately report all monies to regulating agencies, Unison has put in place safeguards to ensure its compliance with the anti-money laundering provisions of the USA Patriot Act.

#### **E. Compliance with Applicable HHS and State Notifications**

The U.S. Department of Health and Human Services (HHS) Office of Inspector General periodically issues alerts describing patterns of fraud, waste and abuse (FWA) activity which may implicate legal and enforcement issues.

Similarly, the state agencies responsible for the administration of the government programs in which Unison's affiliates participate periodically issue bulletins that may implicate FWA issues. The Legal Affairs Department has established procedures to regularly receive these alerts and to evaluate them carefully. Where appropriate, such publications should be forwarded to the departments affected thereby.

Should the Compliance Officer determine that Unison's conduct is subject to question as a result of an FWA alert, the Compliance Officer should recommend procedures to cease and correct any such conduct and should take reasonable action to prevent such conduct from occurring in the future. If appropriate, the Compliance Officer should take steps described in Sections 6 and 7 regarding investigations, reporting, and correcting of identified problems.

#### **F. Prohibition on Association with Sanctioned Individuals**

##### *Non-Employment or Retention of Sanctioned Individuals*

No individual who has been convicted of a criminal offense related to health care fraud or the regulations governing the health care industry or who is listed by a Federal or state agency as debarred, excluded or otherwise ineligible for participation in federally funded health care programs shall be employed by or contracted to Unison. No individual who is charged with criminal offenses related to health care or proposed for exclusion or debarment shall have direct responsibility for or involvement in any federally or state funded health care program in which Unison participates. See Federal Acquisition Regulation 9.406 and 9.407.

In order to carry out the provisions of this section, UHG or Unison as applicable shall make reasonable inquiry into the status of any current or potential Team Member or consultant. Such inquiry shall include, at a minimum, the HHS OIG's Cumulative Sanction Report and the General Services Administration's (GSA) list of parties excluded from Federal Procurement Programs. UHG conducts background checks on all individuals offered employment in a position responsible for or involving federally or state funded health care programs.

### *Non-Association with Sanctioned Individuals*

Unison, as regards its obligations under any government contract, shall not knowingly form a contract with, purchase from, or enter into any substantial business relationship with, for the purpose of fulfilling its obligations under any government contract, any individual or entity charged with a criminal offense involving government business, listed by a federal agency as debarred, proposed for debarment or suspended, otherwise excluded from federal program participation or listed as a known terrorist or blocked individual. Unison, including its affiliates, will not knowingly contract with a provider that has been so convicted, debarred or excluded from participation.

In order to carry out the provisions of this section, Unison shall make reasonable inquiry into the status of any current or potential contractor or business partner. Such inquiry shall include, at a minimum, a review of DPW's Mediceck list (or the comparable list maintained by other state agencies), the HHS OIG's Cumulative Sanction Report and the GSA's List of parties Excluded from Federal Procurement Programs. Unison shall also require all persons and entities with which it contracts to certify that they are not subject to any sanction which precludes them from contracting with federal agencies and have not been convicted of, or are under investigation for, any crime involving fraud or deceit.

In order to ensure compliance with the False Claims Act, the USA Patriot Act and all applicable terms of the federal and state Medical Assistance programs, Unison shall terminate any agreement or other arrangement if it determines that the other party to the arrangement is either barred from participation in the Medicare or Medicaid programs or is included in the various federal government lists of known terrorists or other blocked individuals.

### *Periodic Review of Sanction Reports*

Unison's Legal Affairs, Finance and Credentialing Departments may receive and review the OIG Sanction report and the GSA's list of individuals excluded from participation in federal programs. At least as often as the OIG publishes an update to the cumulative sanction report (which currently occurs monthly), all network participating providers and subcontractors shall be reviewed against the most recently published report to assure that no excluded individual or entity is under contract with Unison. The network participation agreements and subcontracts shall require that each provider or subcontractor shall provide prompt notice of any sanctions or exclusions from participation in the Medicare, Medicaid, or other similar government funded programs. Those Departments may also receive and review periodic lists of providers excluded from State government programs, such as Medical Assistance, from the various State government agencies with which it contracts. These Departments work closely with other Unison Departments to ensure that providers excluded from participating in Federal or state government funded programs do not participate in Unison's provider networks.

### *Subcontractors*

Unison subcontractors are responsible for checking the OIG and GSA sanction lists pertaining to their employees and for removing from Unison Part D administration any employee who appears on a sanctioned list.

## **G. Procurement Practices**

Unison intends to comply with all applicable federal and state procurement requirements. Practices to guard against submission of inaccurate or fraudulent data during the contract dealing process, unlawful influence of government officials involved in the selection process and employing formal government employees in violation of statutes are set forth in "Recruiting and Employing Government Employees". Any and all questions regarding acceptable procurement practices must be raised in advance, with the Compliance Officer.

## **H. Retention of Records**

Unison is required by law and by its state and federal provider contracts to maintain records for prescribed periods of time. Unison has in place a comprehensive records retention policy which addresses required timeframes for retaining and methods for storing records related to Unison's business. The policy also specifically prohibits the knowing destruction, alteration or falsification of records involved or related to any federal investigation or bankruptcy. Additionally, Unison's Departments may have record document retention policies in place to address specific Department related functions. Unison's policies reflect the records retention requirements set forth in federal and applicable state law. All Team Members are required to review, become familiar with, and comply with all applicable document retention policies. Any questions regarding document retention should be discussed with the Team Member's immediate supervisor or with the Compliance Officer.

## **I. Compliance as Element of Team Member Incentive Plans**

Unison believes that adherence and promotion of its Corporate Compliance Program is the responsibility of all Team Members. Therefore, all Team Members shall receive periodic compliance training in Unison's compliance policies and procedures at time of hire. Compliance with such procedures shall be an element in evaluating all Team Members for purposes of Team Member bonuses, promotion and similar matters.

Compliance awareness and enforcement is also an essential element of the job duties of managers and supervisors. Accordingly, in addition to the foregoing general requirements, managers and supervisors bear primary responsibility under the Corporate Compliance Plan to perform the following compliance functions:

- ✓ Inform all supervised Team Members of the applicable department-specific compliance policies and procedures, as well as the legal requirements applicable to the Team Members' functions;
- ✓ Inform all supervised Team Members that strict compliance with these policies and requirements is a condition of employment; and
- ✓ Disclose to all supervised Team Members that Unison will take disciplinary action up to and including termination for violation of these policies or requirements.

Managers and supervisors who fail to adequately instruct their Team Members or to detect non-compliance with applicable requirements, where reasonable diligence would have revealed the situation and allowed Unison to implement corrective measures, are subject to disciplinary action (as described in Section 6) up to and including termination of employment.

#### **J. Non-discrimination**

UHG is committed to compliance with Title VI, the Americans with Disabilities Act and all other applicable laws prohibiting discrimination. It is UHG's policy that each employment applicant and each Team Member shall be provided an equal opportunity for employment, training, promotion and benefits. UHG's employment applicants, Team Members, providers and members shall be free from discrimination based upon gender, race, natural origin, creed, color, marital status, disability, education or economic or religious backgrounds. All Team Members and network providers must comply with Unison's and UHG's non-discrimination policies. Network providers are required to so comply by the terms of their participation agreement with Unison. Unison's commitment to non-discrimination is expressed in its internal policies and procedures and in provider and member materials. Any suspected violations of this policy by a Team Member or a network provider should be reported to the Compliance Officer. A Team Member violating this policy will face appropriate disciplinary action (as described in Section 6), which may include termination of employment.

#### **K. Identifying and Addressing FWA**

Unison shall have policies and procedures in place to identify and address FWA at both the Unison and third party levels in the delivery of prescription drugs through the Medicare benefit.

#### **L. False Claims Acts**

Unison shall have policies and procedures that provide detailed information about the federal False Claims Act, the administrative remedies for false claims and statements, applicable state laws pertaining to civil or criminal penalties for false claims and statements, and the whistle-blower protections under the federal False Claims Act and state laws with respect to

the role of such laws in preventing and detecting FWA in federal healthcare programs. See also Section 2.C.

#### **4. COMPLIANCE OFFICER AND COMPLIANCE COMMITTEE**

##### **A. Designation and Duties of Compliance Officer**

Each Unison business unit and department has an obligation to see that their work product and day to day conduct is compliant with the all of the laws, regulations, contracts, and policies that are applicable to that business unit and department. Notwithstanding that responsibility, Unison's Compliance Officer is charged with overseeing and has ultimate responsibility for Unison's overall compliance with all of the laws, regulations, contracts, and policies that are applicable to Unison's business as well as the administration of the Program. The Compliance Officer will be responsible for developing, operating, and monitoring the FWA program and has the authority to report directly to the Unison Board of Directors and the CEO. The Compliance Officer is responsible for ensuring compliance with the Medicare Part D Program requirements in accordance with the Medicare Requirements. The Compliance Officer shall oversee the Plan and Code of Ethics, and all Compliance Department Policies and Procedures. Once issues or irregularities are reported, it shall be the duty of the Compliance Officer to investigate the complaint and take whatever steps are necessary within a reasonable time period. The Compliance Officer also will be responsible for conducting or arranging for appropriate Team Member training seminars regularly to address general compliance, areas of concern, and to inform Team Members of changes in government standards. He or she shall report annually to the Board of Directors on the status of the Program.

The Compliance Officer shall receive training on an annual basis (either as required by his/her professional licensure, if any, or as otherwise determined appropriate by the Compliance Committee). Training shall focus on compliance issue, including matters pertaining to fraud and abuse issues, relevant to the government-funded programs in which Unison participates, including but not limited to Medicare, CHIP, adult Basic, the Medicaid programs in Tennessee, South Carolina, Ohio, Pennsylvania, the District of Columbia, and Delaware, the District of Columbia Alliance program and any other product offered by Unison. Training shall ordinarily be obtained from appropriate outside vendors, such as compliance or fraud and abuse seminars. However, if and when available, training may be provided by involved government agencies.

##### **B. Designation and Duties of Compliance Committee**

Unison' Compliance Committee shall be comprised of Unison Team Members at the discretion of the Compliance Officer. It shall be overseen by the Compliance Officer. The Committee shall advise the Compliance Officer and assist in the implementation of the Part D compliance program. Such committee shall meet quarterly or as more frequently as necessary, and annually to review the annual Corporate Compliance Report and the Plan and the Compliance Department policies and procedures, as necessary. Upon approval of the annual Corporate Compliance Report, the Committee shall recommend that the Board of Directors approve and adopt such Report at the next regularly scheduled Board meeting of Unison, or by unanimous written consent as appropriate. The Board of Directors shall not be

bound by the recommendation of the Compliance Committee. Additionally, the Compliance Committee of Unison shall meet on an ad hoc basis to review compliance reports and matters and to discuss the Plan and activities of the Compliance Department as determined by the Compliance Officer. The Compliance Officer, or his/her designee, shall act as the Chairperson of the Compliance Committee.

Duties of the Committee include but are not limited to:

- Develop strategies to promote compliance and the detection of any potential violations.
- Ensuring that training and education are appropriately completed.
- Assist with the creation and implementation of the monitoring and auditing workplan.
- Support the Compliance Officer's needs for sufficient staff and resources to carry out his or her duties.
- Ensure that Unison has appropriate, up to date compliance policies and procedures.

### **C. Compliance Department Policies and Procedures**

The Compliance Officer shall, subject to the approval of the Committee, develop written policies and procedures governing the operation of the Program and delineating the specific duties of the Compliance Officer. As with all other departments, the Compliance Department policies and procedures shall be reviewed at least annually by the Committee.

## **5. COMMUNICATION**

Unison recognizes that effective and timely communication is the foundation of an effective corporate compliance program. The prompt identification of potential compliance issues allows Unison to provide the highest quality service to all of its customers by instituting timely corrective measures, as necessary.

### **A. Reporting of Potential Issues or Areas of Noncompliance**

The Compliance Department ensures avenues of anonymous reporting for compliance-related issues. Unison encourages every Team Member who is concerned about potential areas of noncompliance or any alleged improprieties to report these issues, in person or in writing, to their immediate supervisor, to the Compliance Officer, or directly to the MEDIC. These functions are not avenues for redress of personal grievances. All reports must contain sufficient information for the Compliance Officer to investigate the concerns raised. It is Unison's policy that reports will be treated confidentially to the maximum extent consistent with the fair and rigorous enforcement of the Program. Unison will ensure that no adverse action or retribution will be taken by Unison against the reporting Team Member due merely to the reporting of a suspected violation or irregularity.

Filing a false compliance report, either written or verbal, may result in Team Member discipline as outlined in Section 6.

### **B. Anonymous Compliance Reporting Hotline**

If a Team Member, provider, member or other individual wishes to remain anonymous, the complaint or report may be submitted to the Compliance Officer in writing or via the Anonymous Compliance Reporting Hotline (Hotline) by calling 412-380-8025 or toll free at 1-877-766-3844. To permit adequate information, all anonymous reports, either written or submitted via the Hotline, should contain the following information:

- ✓ Date, time and place of incident;
- ✓ Names of the individual(s) involved, if known;
- ✓ Pertinent facts; and
- ✓ Reason(s) why the person filing the report believes the incident raises compliance concerns.

### **C. On-Line Anonymous Compliance Reporting Tool**

If a Team Member wishes to remain anonymous, the complaint or report may be submitted to the Compliance Officer via an On-Line Anonymous Compliance Reporting tool that can be accessed by all Unison Team Members via a link found on the Unison Intranet.

## **D. Other Methods of Reporting Compliance Incidents**

Compliance Incidents may also be reported in other ways too. They include an In Person report to the Compliance Officer in the Unison Monroeville or Churchill offices; via Email to the Compliance Officer at [john.beck@unisonhealthplan.com](mailto:john.beck@unisonhealthplan.com); or by mail to the Compliance Officer at 1001 Brinton Rd. Pittsburgh, PA 15221 or Interoffice mail; or by telephone at 412-858-4000, ext 2228 or 3302, or by secure fax at 412-457-1387.

The Medicare Drug Integrity Contractor, or MEDIC, may be contacted directly at 877-772-3379.

## **E. Privileged Nature of Compliance Reports**

The Program exists in part so that Unison may obtain timely advice of legal counsel regarding compliance related issues. The Compliance Officer also acts as legal counsel to Unison. All communications to or from the Compliance Officer or the Legal Affairs Department in connection with a known or suspected compliance complaint or report may be protected by the attorney-client privilege, which belongs to Unison. Unless informed otherwise by the Compliance Officer or Legal Affairs Department, Unison's attorneys, whether employed or retained by Unison, do not represent the personal legal interests of Unison Team Members. Additionally, there is no attorney-client privilege between the Compliance Officer or other attorney employed or retained by Unison and either a Team Member filing a compliance report or a Team Member interviewed during a compliance investigation.

## **F. Non-Retaliation Policy**

**No Team Member shall be disciplined or suffer any adverse employment action or other retaliation by Unison solely for making a compliance report or complaint in good faith that there has been a compliance violation.** The Compliance Officer and Team Member's managers/supervisors must enforce this non-retaliation policy. However, discipline will be imposed if Unison reasonably determines that any complaint or report was:

- ✓ Knowingly fabricated; or
- ✓ Knowingly exaggerated, distorted or minimized so as to injure another or to protect the reporting party or others who might be subject to discipline for a compliance violation.

Further, any person whose compliance report or complaint admits personal misconduct is not insulated from appropriate discipline simply by virtue of filing the complaint or report. However, the self-reporting, if timely, complete and truthful, may be considered a mitigating factor when imposing discipline in such a case.

No Team Member shall be disciplined or suffer any adverse employment action or other

retaliation by Unison for lawfully providing information to a federal, state or local regulatory or law enforcement agency or otherwise assisting in a government investigation.

## **G. Management's Compliance Responsibilities**

Unison cultivates an environment of compliance. Accordingly, departmental directors, managers and supervisors are an integral part of the Compliance Program and bear primary responsibility for ensuring that their departments operate in compliance with all applicable laws, regulations and contract provisions.

Managers and supervisors are also designated as one of the points of first contact to receive compliance complaints and reports. Although every issue that arises in day-to-day operations does not necessarily present a compliance question, managers and supervisors must be sensitive to compliance concerns. While managers and supervisors will ordinarily be involved in compliance investigations, managers and supervisors cannot conduct compliance investigations without the involvement or consent of the Compliance Officer. All complaints or reports that raise compliance issues must be forwarded, in a confidential manner, to the Compliance Officer. If there is any question whether a complaint or report raises a compliance concern, the manager or supervisor must raise the issue with the Compliance Officer. Where a complaint or report implicates compliance concerns, the manager or supervisor must take prompt action to ensure the continued availability of records pertinent to the incident(s) in question.

If it is determined that a compliance issue exists, the manager or supervisor shall cooperate with the Compliance Officer to make appropriate revisions to the department's policies and procedures to prevent, wherever possible, the recurrence of the compliance issue.

## 6. DISCIPLINARY ACTIONS FOR VIOLATION OF UNISON POLICIES

It is the policy of Unison that the standards of conduct set forth herein shall be consistently enforced through appropriate disciplinary sanctions. Disciplinary action shall be tailored to address the specific circumstances and may include termination of employment.

### A. Unison Wide, Consistent Disciplinary System

The Compliance Officer shall, in consultation with management and the Human Resources Department, establish and administer a company-wide disciplinary system, including written disciplinary procedures, designed to produce appropriate and consistent results in disciplinary cases. The system shall provide for the making of disciplinary decisions by appropriate Unison officials in consultation with the Compliance Officer.

*No Team Member shall be disciplined solely for filing a compliance report or complaint with the good faith belief that there has been or may be a compliance violation.* However, discipline will be imposed for falsification of a compliance report as described in Section 5 above.

### B. Available Disciplinary Sanctions

Unison employs a system of progressive discipline for violation of the Compliance Program, with sufficient flexibility to tailor the sanction(s) imposed to the severity of the violation. Available sanctions include, but are not limited to, the following:

- ❖ Warning with retraining;
- ❖ Verbal or written warning and reprimand with retraining in compliance procedures;
- ❖ Retraining in compliance procedures and transfer to other duties;
- ❖ Retraining in compliance procedures and mandatory reduction in Team Member's performance evaluation;
- ❖ Suspension, without pay; and
- ❖ Termination of employment.

In addition, where appropriate, Unison shall inform the proper regulatory agencies of the results of its compliance investigation and may institute legal proceedings in regards to the Team Member(s) or other individuals subject to discipline.

### C. Factors Considered In Imposing Sanctions

Decisions regarding the appropriate disciplinary sanctions to be imposed shall be made by Unison senior management. In serious cases where the Compliance Officer has recommended the imposition of specific sanction(s), the disciplinary decision shall be

made by appropriate members of senior management (not the Compliance Officer), one of whom shall be the manager responsible for the operation of the department involved. The Compliance Officer shall take all steps necessary to ensure that there are no conflicts of interest regarding the imposition of discipline. When rendering the disciplinary decision, senior Unison management shall, in consultation with Compliance Officer, consider all relevant factors. Such factors include, but are not limited to, the following:

- ❖ Team Member's prior disciplinary history, if any;
- ❖ Whether the violation was deliberate (i.e. knowing and willful), reckless (i.e. caused by a wanton disregard for the consequences of one's actions); or negligent (i.e. the result of inadvertence or inattention to job duties);
- ❖ Responsibility level of the Team Member involved;
- ❖ Severity of the violation;
- ❖ Facts underlying the violation (including any mitigating factors, such as timely, truthful and complete self-reporting);
- ❖ Team Member's statement in explanation of their conduct (if any was offered);
- ❖ Team Member's cooperation in the investigation or lack thereof (if any);
- ❖ Compliance Officer's recommended sanction (if any);
- ❖ All other relevant facts established by the investigation; and
- ❖ Sanctions previously imposed in similar cases (if any).

#### **D. Progressive Discipline**

Unison employs a system of progressive discipline. This means that Team Members will be subjected to more severe sanctions for repeated violations, whether identical, similar or unrelated to the Team Member's prior compliance history. Unison reserves the right to employ appropriate discretion in the sanction(s) imposed for a given violation, based on the facts and evidence revealed through the investigation. Further, Unison reserves the right to employ appropriate discretion to design and impose different disciplinary sanction(s) as warranted by the facts and evidence revealed through the investigation. However, without limitation, the following types of violations may be subject to immediate termination:

- ❖ Willfully providing false information to Unison, a government agency or any other customer (internal or external);
- ❖ Violation of any Federal or state criminal statute that relates to the health care industry or establishes fraudulent or dishonest intent;

- ❖ Willful failure to report another Team Member’s conduct that violates the Code of Ethics or that a reasonable person should know is criminal in nature;
- ❖ Intentional misuse of the compliance hotline by willfully providing false or intentionally incomplete information; and
- ❖ Willful failure to cooperate in a compliance investigation.

In all cases, discipline will be imposed only after consideration of the factors specified in “Factors Considered in Imposing Discipline” above.

#### **E. Discipline for Failure to Report and/or Detect Compliance Violations**

Appropriate discipline shall be imposed in all instances where Unison, after investigation, reasonably concludes that, despite unequivocal knowledge of a compliance violation, a Team Member willfully failed to report that compliance violation. Appropriate discipline shall also be imposed in all instances where Unison, after investigation, reasonably concludes that a reasonable manager or supervisor, diligently performing their duties, would have earlier detected, and allowed Unison to remedy, the compliance incident.

#### **F. Discipline Report and Review**

The Compliance Officer shall advise the Board of Directors regarding the disciplinary sanctions imposed by management. The Board may, in the sound exercise of its business discretion, review and revise the sanction(s) imposed by management. The Board may also order an expanded internal investigation of the matter or an investigation of the matter by outside counsel. In all cases where the sanction imposed by management significantly differs from the Compliance Officer’s disciplinary recommendation, the Board shall review the case.

#### **G. Publication of Disciplinary Guidelines**

The disciplinary sanctions that may be imposed for violations of the Compliance Plan shall be widely publicized through multiple avenues. As to Team Members, the Compliance Plan, which details disciplinary sanctions, shall be available to all Team Members including via the Intranet. As to providers and delegated entities, both the Unison participation agreements and the provider manuals shall include details regarding the consequences of fraud and abuse, which may include contract termination as well as recoupment of prior payments.

### **7. INVESTIGATION AND CORRECTIVE ACTION**

#### **A. Investigations**

To the extent permissible by law and consistent with fair and vigorous enforcement of the Program and Plan, strict confidentiality is to be maintained as to all compliance investigations. To the extent permissible by law and consistent with fair, rigorous

enforcement of this Plan, the existence, subject and nature of the investigation shall remain confidential. In all cases, such information will only be disclosed on a “need to know” basis.

The Compliance Officer conducts an investigation of all compliance incidents, complaints and reports that come to his/her attention via one of the reporting methods or by any other manner. The Compliance Officer or the Compliance Administrator for the particular line of business will timely review the incident/complaint/report. During initial review, the Compliance Officer, exercising sound professional judgment (based upon applicable, laws, regulations, agency rules, contracts, the provisions of the corporate compliance plan and all relevant departmental policies/procedures), shall determine whether the complaint/report implicates corporate compliance concerns. The Compliance Officer shall, as necessary, consult with other Unison personnel to reach the appropriate conclusion regarding the initial review. Where initial review indicates that the complaint or report has merit, (i.e. the complaint or report raises questions regarding corporate compliance), an investigation shall be commenced. FWA can occur at Unison and at the levels of first tier, downstream and related entities and subcontractors, and therefore review shall include those entities.

The Compliance Administrator for the particular line of business will investigate reports relating to that line of business and will consult with the Compliance Officer in the review and resolution of such reports. The responsible manager/supervisor shall be informed of the need to ensure the continued existence of all documents and records, pertinent to the incident(s) that led to the complaint/report, while the investigation is conducted.

- (a) If during the investigation, the Compliance Officer or Compliance Administrator, as applicable is placed in a position of conflict of interest (including instances giving rise to the appearance of impropriety), he/she shall recuse herself and refer the matter to Unison’s General Counsel or to outside counsel.
- (b) If, as a result of the initial review, the Compliance Officer concludes that a corporate compliance issue has been presented, the Compliance Officer shall commence an investigation.
- (c) If, as a result of the initial review, the Compliance Officer concludes that no compliance investigation is necessary, the Compliance Officer will close the complaint/report.. Such closed complaints/reports shall be referred or returned to the appropriate manager/supervisor for further action as needed. In all such instances, the manager/supervisor shall be informed that there shall be no retaliation of any kind whatsoever against the person making the complaint.
- (d) In all cases, the steps taken during the initial review/investigation and the results thereof shall be noted on the compliance incident cover sheet.
- (e) In cases where the person filing the complaint/report has disclosed their identity (i.e. all cases other than those initiated by use of anonymous reporting methods), the person filing the complaint/report shall be informed of the result of the initial review/investigation.

The Compliance Officer may in his sole discretion delegate any part of his responsibilities as outlined above to the Compliance Administrator or the Company's General Counsel or may rely on General Counsel's review of any complaint/report brought to the attention of General Counsel instead of the Compliance Officer.

Whenever a compliance initial review or investigation occurs, the manager/supervisor of the department under investigation shall be informed when appropriate of the need to ensure the continued existence of all documents and records, pertinent to the incident(s) that led to the investigation and the need for continued confidentiality regarding the existence of the investigation.

The Compliance Officer shall prepare a report summarizing the initial review/investigation and findings regarding every compliance complaint or report and shall maintain a log regarding the status of each such report. Depending on the nature of the complaint or report, the initial review/investigation should ordinarily include interviews of appropriate personnel and review of relevant documents and other records. All Team Members are expected to fully cooperate in such initial reviews/investigations.

The Compliance Officer, Compliance Administrator, General Counsel or outside counsel, exercising sound professional judgment, may involve the manager/supervisor of the affected department in the investigation, but only when such involvement will not interfere with the investigation.

The investigation shall be conducted in a manner appropriate to the facts as presented in the complaint/report and as revealed during initial review. As necessary, investigations shall include the following steps:

- (a) Ensuring that all documents and other records relevant to the investigation are preserved for review.
- (b) Interviewing team members, providers, members and where appropriate, other individuals, identified as potential sources of relevant information.
- (c) Where necessary, ordering a special performance audit of the department involved.
- (d) Reviewing documents and other records containing pertinent information.
- (e) As necessary, reviewing relevant statutes, regulations, government funded program bulletins, contracts, as well as internal policies and procedures.

In all instances the results of the investigation will be summarized in the compliance incident cover sheet that becomes part of the compliance file for the incident.

Every Team Member whose conduct is implicated as a potential violation during a compliance investigation may submit a written statement setting forth his or her recollection of events and/or his or her explanation for the conduct.

All Unison Team Members shall fully cooperate with compliance investigations. Failure to fully cooperate shall result in discipline.

All conversations with Team Members will be kept confidential to the maximum extent consistent with the fair and rigorous enforcement of the Program.

Following the investigation, disciplinary action, if any is necessary, shall be imposed in accordance with the procedures described in Section 6. Where necessary, the Compliance Officer may contact the appropriate regulatory agency regarding the violation.

In all cases, the Compliance Officer will ensure that there is no adverse action, or any retaliation whatsoever, taken by the company against any person who filed a compliance report or complaint, except that, where the investigation results in a determination that the person filing the compliance complaint/report bears responsibility for a violation, appropriate discipline shall be imposed. In such cases, the reporting person's act(s) of self-disclosure, if prompt, complete and truthful, will be considered as a mitigating factor.

## **B. Reporting to Appropriate Government Agencies and MEDICs**

When the Compliance Officer receives credible evidence of misconduct and the investigation reveals reasonable grounds to believe that the misconduct either violates criminal law, or constitutes a material violation of the civil law, rules or regulations governing federally funded health care programs, then the Compliance Officer may, after consultation with Unison's General Counsel, report the existence of the misconduct to the appropriate government official or Medicare Drug Integrity Contractor (MEDIC) within 60 days after receipt of the credible evidence. The Compliance Officer may also consult with the Board of Directors and/or outside counsel regarding the issue prior to reporting. When reporting misconduct to government officials or MEDIC, the Compliance Officer should give such officials any evidence relating to the misconduct that the Compliance Officer possesses, including evidence disclosed to him from sources outside Unison. After reporting to the appropriate government official or MEDIC, the Compliance Officer should, if necessary and appropriate, continue to investigate the reported violation. Upon conclusion of the investigation, the Compliance Officer should notify the appropriate government officials or MEDIC, if applicable of the outcome of the investigation including a description of the effect of the violation or misconduct on the government program involved or its beneficiaries.

## C. Corrective Action

Corrective actions should be designed to correct the underlying problem that results in Program violations and prevent future misconduct. A corrective action plan should be tailored to address the particular misconduct identified.

If the investigation reveals that a violation of the Program occurred, the following steps will be taken:

- ✓ Appropriate disciplinary action (as described in Section 6) shall be taken;
- ✓ If reporting is required, the Compliance Officer shall so notify the Board of Directors, in advance, and timely report the incident to the appropriate government representatives;
- ✓ The Compliance Officer, in consultation with the managers and supervisors responsible for the affected department, shall develop a corrective action plan to prevent any recurrence of the incident;
- ✓ The corrective action plan shall, at a minimum, include a review of the department's policies and procedures for compliance improvements; and
- ✓ The Compliance Officer shall recommend such corrective action to the Board of Directors.

The corrective action plan should provide structure with timeframes so as not to allow continued misconduct. When developing corrective action plans for misconduct committed by a first tier, downstream or related entity, the elements of the corrective action should be detailed in a written agreement with the entity that includes ramifications should the subcontractor fail to satisfactorily implement the corrective action. Likewise the elements of the corrective action plan that addresses misconduct committed by Unison should be documented, and should include ramifications should Unison or its Team Members fail to satisfactorily implement the corrective actions. Corrective action plans will continue to be monitored after implementation to ensure effectiveness.

The Board of Directors is not bound by the recommendations regarding corrective action. However, the Board of Directors, in a proper exercise of professional discretion, will take all steps necessary to ensure that appropriate steps necessary to remedy the situation are taken.

## **8. EDUCATION AND TRAINING**

Training is a mechanism through which Unison apprises Team Members of its compliance expectations. The Compliance Officer shall oversee the development of Team Member compliance training seminars and shall ensure that these seminars are conducted in accordance with the Corporate Policy on Compliance Training.

### **A. Mandatory Unison Wide Training Regarding Medicaid and Medicare Managed Care Laws**

#### *Initial Training*

The Compliance Officer or his/her designee shall provide approximately one (1) hour of compliance training to each new Team Member, which training will orient new Team Members to the Program, including the Code of Ethics, and the Compliance Officer will educate new Team Members regarding the components of Compliance Plan and how to report a possible violation of the Plan. ??

#### *Update Training*

The Compliance Officer, his/her designee, or the UHG Learnwell or online education tool will provide refresher compliance training to each Team Member in each calendar year. Such training shall refresh the previous Program training and/or provide additional training/education on issues affecting Team Members at that time.

### **B. Departmental Compliance Training Programs**

Each manager and supervisor is responsible for ensuring that his/her supervised Team Members are properly trained regarding the specific compliance policies and procedures relevant to the Team Member's specific job duties. Managers and supervisors are responsible for documenting such training. As appropriate, the Compliance Officer may audit and recommend revisions to each department's training regimen.

### **C. Training by First Tier, Downstream and Related Entities**

First tier, downstream and related entities should have their own specialized compliance training, including but not limited to training on the Medicare Requirements and the false claims acts, or where possible, have access to Unison's training programs. Unison will provide its first tier, downstream and related entities with appropriate training resources in compliance with the Medicare Requirements. The first tier, downstream and related entities can administer the training if the materials are provided by Unison. Certifications of such subcontractors' training efforts shall be certified in writing to Unison upon request.

#### **D. Team Member Training as to FWA Issues**

Initial and periodic update training for Team Members shall include training pertinent to the detection and prevention of all FWA in government-funded managed care programs. In addition to training provided by the Compliance Officer or his/her designee, the Internal Audit Department or General Counsel shall provide annual training on FWA issues for Team Members either through in person sessions, via internet, or through written communication.

#### **E. Provider and Delegated Entity Training as to FWA Issues**

The Compliance Officer, working with the Audit Department, shall provide training for providers and delegated entities on FWA issues. Such training shall, at a minimum, include materials distributed through the provider newsletters on at least an annual basis. Additional training shall be rendered upon request or when appropriate under the circumstances. For example, the Audit Department shall, when deemed appropriate in the exercise of professional discretion, use specific audits as tools to educate the providers and delegated entities being reviewed regarding FWA issues and Unison's approach to detecting and preventing FWA. Similarly, orientation meetings for new network providers, as well as the provider manuals, shall also include information regarding FWA.

## **9. AUDITING AND MONITORING**

### **A. Monitoring**

The Compliance Officer shall monitor the implementation of the Program through:

- ✓ Effective training regarding compliance issues;
- ✓ Vigorous investigation and enforcement of compliance reports and complaints; and
- ✓ Periodic audits.

The Compliance Officer shall ensure the adequate monitoring of compliance activities and shall work with Unison's internal Audit Department in this regard, including requesting internal audits and reviewing the results of both general departmental and special audits where appropriate. Unison's Audit Department shall be primarily responsible for overseeing both internal audits and audits conducted by outside professional firms but shall coordinate with the Compliance Officer and Legal Affairs Department in connection with internal and external audits as necessary. Unison will have a monitoring system that is overseen by the Compliance Officer to assess performance in, at a minimum, areas identified as being at risk. This monitoring system includes the Compliance Officer receiving regular reports of performance, documentation review, and updates on peripheral issues such as systems, finance, quality, staffing, etc. The Compliance Officer should provide updates on the monitoring results to the Compliance Committee and senior management. The Compliance Officer should regularly receive audit reports and results.

### **B. Internal Audits**

Auditing is an essential component of the Program. Unison subjects internal departments to auditing practices aimed at detecting deficiencies and irregularities. Internal audits of each selected department shall be conducted on a periodic basis and shall involve an examination of:

- ✓ Actions that Unison has taken to comply with all applicable state and Federal statutes and regulatory requirements including Medicare Part D and the federal DRA;
- ✓ Corporate policies and procedures to detect areas of concern; and
- ✓ Business conduct that is likely to result in potential legal risk.

The Audit Department shall determine the scope and format of internal audits. All audits of internal audits and those of participating providers and other external sources shall be conducted using statistically valid samples to ensure an accurate audit profile. The Audit Department may conduct preliminary probe audits, using smaller samples, to determine the necessity of a larger, full scale audit.

### **C. Audits by Outside Counsel**

Unison's Compliance Officer or Legal Department shall retain outside counsel as needed for guidance on issues arising under the Corporate Compliance Program. Where the Compliance Officer or Legal Department deems a matter to require investigation by outside counsel, he or she shall recommend that the Board of Directors retain outside counsel. As needed, the Compliance Officer or Legal Affairs Department may authorize and implement audits by outside counsel if the need arises. With assistance from outside counsel, the Legal Department will identify the specific areas on which the external audit will focus and a timetable for completing the audit. The Legal Department will oversee, organize and implement all audits conducted by outside counsel.

### **D. Primary Audit Areas**

Due to the complex nature of the various provisions that generate compliance issues, the list of areas to be audited will likely change over time in response to revisions in statutes, regulations, program bulletins, contracts and other relevant sources. However, the following areas should be considered for review during internal and/or external audits:

- ❖ Compliance with the Part D program;
- ❖ Compliance with state and federal requirements including the Medicare Requirements;
- ❖ Fraud and abuse issues, e.g., purchasing and sales practices (including payment policies and discounts), relations with providers, and charitable donations;
- ❖ Employment policies (e.g., ADA, sexual harassment policies and procedures, etc.);
- ❖ Pharmacy issues; and
- ❖ Third party billing and payment practices.

### **E. Report to Board of Directors**

The Audit Department shall report the results of all department audits to those management personnel responsible for the functions of the audited department and those senior managers identified in the Department's policies and procedures. Audit reports prepared in connection with special request audits will be forwarded to those individuals determined necessary by the Audit Department Manager. The Legal Department shall periodically report audit results and findings to the Board of Directors.

### **F. Implementing Audit Recommendations**

The Compliance Officer will identify any compliance issues discovered during the audit and, with the cooperation of the responsible manager or supervisor, will develop a corrective action plan and a schedule for addressing these issues. The plan will include a timeline for following through on the implementation of the corrective action and measures to evaluate the effectiveness of the correction action taken. The Audit Department's annual audit plan shall include audits necessary to confirm implementation, or to determine the adequacy of, corrective actions taken from a compliance issue. The Compliance Officer will report compliance issues to the Board, outside agencies and law enforcement bodies as necessary.

### **G. Monitoring and Auditing Workplan**

Unison has developed a monitoring and auditing workplan that addresses the risks associated with the Part D benefit and the Medicaid benefits on an annual basis. The Delegation Oversight Committee and the Compliance Officer are key participants in this process. The workplan includes information regarding all the components and activities needed to perform monitoring and auditing such as: subcontractor interactions, internal audit department requirements; audit schedule and methodology; and types of auditing. As part of the workplan, Unison developed a strategy to monitor and audit first tier, downstream, and related entities involved in the administration of the Part D benefit. Auditing and monitoring shall be both routine and random at times, and shall include on-site visits if possible. In the event that entities perform their own audits related to the Part D benefit, Unison will obtain written assurances from those entities that they have an adequate audit workplan in place.

### **H. Oversight of Subcontractors**

Unison conducts inquiries into its subcontractors' compliance practices to ensure as much as possible that they are following the requirements for the line of business served, such as the Medicare Requirements, Medicaid programs, the District of Columbia Alliance program, or the requirements of the agencies that administer other programs in which a Unison entity participates. Unison obtains written certification from subcontractors involved in Part D to attest that its management is not excluded from federal health care program participation.

## **10. COMPREHENSIVE FRAUD AND ABUSE PLAN**

Unison has a comprehensive fraud and abuse plan to detect, correct, and prevent FWA. Unison has integrated FWA provisions into each of the elements of this Plan. Unison acknowledges that self-reporting of FWA is a critical element to an effective FWA program.

As stated in Section 7 of this Plan if after conducting a reasonable inquiry the Compliance Officer determines that potential fraud or misconduct has occurred, the matter may be referred to the appropriate government agency or MEDIC promptly but no later than 60 days after the determination that a violation has occurred.

## **11. THIRD PARTY AUDITS, INTERVIEWS, SEARCHES AND OTHER REQUESTS FOR INFORMATION**

### **A. Purpose**

It is Unison's policy to cooperate with every reasonable request by federal, state and local authorities seeking information concerning company operations. However, Unison also wishes to protect its rights and the rights of its Team Members, including the right to legal representation from the first contact.

As such, it is important to provide a uniform method for Team Members to respond to any government employee (federal or state) who contacts a Unison Team Member either during office hours or at home for information regarding Unison or any other entity which provides health care services or equipment, for example a home health agency, a physician, or another supplier of medical equipment or supplies.

### **B. Procedures**

When a representative from a federal or state government agency requests an interview with a Team Member or copies of documents, files or records, the policy to be followed by the Team Member is as follows:

- ✓ Inform the representative that Unison wishes to cooperate, but that the matter must be discussed with Unison's Legal Department;
- ✓ Ask for a business card or other proper identification of the government representative; if not available, obtain the individual's name, office, address, and telephone number;
- ✓ Make a copy of any documents, subpoenas or other hard copy requests produced by the representative;
- ✓ If the representative is requesting an interview, make an appointment for a later date; the Team Member has the right to decline an immediate interview and to consult Unison's Legal Department prior to the interview or to have Unison's legal counsel present during the interview; tell the truth in any interview;
- ✓ If the representative is requesting to search Unison's premises, ask for and make a copy of the representative's search warrant; verify the time, date and premises to be searched on the warrant; and
- ✓ Report the request to the Legal Department or the Compliance Officer immediately.

Note that the attorneys employed and retained by Unison represent the legal interests of some or all of the companies that comprise Unison family. Unless a Team Member is otherwise instructed, these attorneys do not represent the personal legal interests of Unison's Team Members. As a result, Team Members are advised to seek their own personal legal counsel if they feel they require independent representation. Any questions regarding the

policies set forth in this Section should be directed to the Compliance Officer.

**12. MISCELLANEOUS**

In the event there is any conflict between the Plan and any Unison departmental policy and procedure, contract, RFP, RRT, application, training material, website, intranet, or form, the terms and conditions of this Plan shall govern and control. In the event there is any conflict between the Plan and the UHG policies, the terms and conditions of the UHG policies shall govern and control.

**13. TEAM MEMBERS' ACKNOWLEDGEMENT OF COMPLIANCE PLAN TERMS AND CONFLICT OF INTEREST**

Each Team Member shall review the Plan. Each Team Member will be able to view a copy of the Plan on Unison's Intranet, and request a hard copy of the Plan.

Each Team Members is required to acknowledge that he/she has read and understood the Plan by signing the Acknowledgement Form at the back of the Plan and providing it to the Compliance Department. Each Team Member shall complete the Acknowledgement Form, including disclosing any known areas of compliance concern or known conflicts of interest, and return it to the Compliance Officer, or his or her designee, within 30 days of the related training session.

**ACKNOWLEDGMENT REGARDING  
THE CORPORATE COMPLIANCE PLAN AND CONFLICTS OF  
INTEREST DISCLOSURE**

By signing this Acknowledgement, I acknowledge and agree that:

- I have received and reviewed a copy of the Unison Corporate Compliance Plan which includes the Unison Code of Ethics (collectively the Plan).
- I have reviewed the Unison Conflict of Interest portion of the Plan as set forth in section 2.E.
- I understand the Plan and have been permitted to ask questions.
- I agree to comply with the standards of conduct established by the Plan.
- I have completed approximately one (1) hour of Compliance training.

I certify that I am not currently aware of any actual or potential conflicts of interest between myself (or another Team Member) and Unison as described in the Code of Ethics, with the exception of the following possible/actual situation (state "none" if no disclosure is necessary):

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I certify that I am not currently aware of any violations of the Plan, including the Code of Ethics, with the exception of the following areas of concern known to me at this time (state "none" if no disclosure is necessary):

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I further certify that I am not aware of any additional circumstances, other than those disclosed above (if any), that could represent a potential violation of the Plan or the Code of Ethics. I will promptly report any potential violation of which I become aware to my immediate supervisor, to the Unison Compliance Officer or to the Unison Anonymous Compliance Hotline. I understand that any violation of the Plan including the Code of Ethics is grounds for disciplinary action, up to and including discharge from employment.

Signature of Team Member: \_\_\_\_\_

Name (Print): \_\_\_\_\_

Title: \_\_\_\_\_

Compliance Training Date: \_\_\_\_\_

Today's Date: \_\_\_\_\_

Please return this form to the Compliance Department within **30** days of Compliance Training.