Policy Number	**07-005**
Policy Title	**Compliance Reporting, Investigation and Prompt Response**
Business Unit	**Compliance Department**
Department VP	**Milly Koranteng**
Orig. Effective Date	**04/14/03**
Last Revision Date	**06/23/2021**

1.0 POLICY STATEMENT

Medica requires reporting of all known or suspected violations of law and unethical conduct and has established a system to receive, record, investigate, respond to, and track these reports while maintaining confidentiality and allowing anonymity where feasible.

Medica reinforces its policy of non-retaliation, non-retribution, non-harassment, and non-intimidation towards an individual who in good faith reports a suspected or actual violation of law, regulation, or Medica's Standards of Conduct.

2.0 PURPOSE

The purpose of this policy is to provide information and requirements regarding employees' responsibility to report in good faith known or suspected violation of the laws and regulations that governs Medica's business and Standards of Conduct.

As a provider of services that involve state and federal public dollars, Medica is subject to certain laws designed to curtail fraud, waste and abuse of these dollars.

3.0 SCOPE

This policy applies to all Medica employees, Board members and FDR's. This policy applies to the following Medica products: Commercial business, State Public Programs, Medicare Parts C and D, and Qualified Health Plans on both federally facilitated and state-based marketplaces.

4.0 DEFINITIONS

4.1 **Business Partners** means partner to Compliance who has been designated in business area.

4.2 **Compliance Committees** refers to bodies that assists the board in overseeing Medica's compliance and ethics program. Medica has two compliance committees: Government Programs and Medica Compliance Oversight Committees.

4.3 **Employee** means an employee, temporary employee, volunteer, trainee, and other person whose work for Medica is under Medica's direct control, regardless of whether they are paid by Medica. This does not include individuals who do NOT perform work under Medica's direct control.

4.4 **Material Complaint** means a complaint made to Compliance, Human Resources, Special Investigations Unit (SIU) or the Legal Department that involves:

- Behavior that calls into question the ethics or integrity of a Medica employee or Medica's business conduct
- Misuse of corporate resources
- Complaints concerning potential misconduct involving Medica Leaders (directors or above), or
- Any allegations of sexual harassment or misconduct involving employees at any level

4.5 **Retaliation** means any action in response to an individual's report of suspected misconduct, which causes a materially adverse employment, condition (such as firing, demotion, reassignment to less desirable duties, intimidation, or harassment) for that individual, and which would reasonably have the effect of dissuading others from making such reports.

4.6 **Significant Legal Risk** means conduct that, if proven, would show Medica intentionally violated state/federal law or acted in reckless disregard of state/federal law, or would subject Medica to civil monetary penalties, fines, sanctions or other monetary remedies, program suspension, program exclusion, or loss of state certificate of authority.

5.0 PROCEDURE

5.1 Investigation

5.1.1 Under Medica's Compliance Program, employees are required to promptly report any good faith belief of any suspected or known violation of Medica's business; violations of Medica's Standards of Conduct; violations of financial reporting and standards; or violations to Medica's Compliance Program including Medica's Privacy or Security Programs, and potential FWA either orally or in writing, to:

- Supervisor or Manager
- Business Partners
- The Compliance Department
- Medica Human Resources Department
- Special Investigations Unit at Medica's fraud hotline, available24 hours, 7 days a week at 1-866-821-1331 or 952-992-2237
- The online compliance issue report form located at the bottom of the IRIS home page
- Medica Legal Department

Employees are encouraged to reach out to the above persons and methods if they have questions about making a report or to inquire further. The employee's responsibility is to make a report or raise a concern in good faith.

5.1.2 Employees who are uncomfortable reporting to any of the above resources, or who do not wish to be identified may report anonymously to Medica's Integrity Line, available 24 hours a day, 7 days a week, at 1-866-595-8495.

5.1.3 If an incident is reported to a supervisor or manager, the supervisor or manager will report the incident to the Compliance Department, if it is a concern that cannot be addressed between the person making the report and the supervisor or manager. If the incident involves a privacy concern, the supervisor or manager will direct the person making the report to the privacy incident form located on Medica's intranet.

5.1.4 Reporting Methods for vendors, FDRs, subcontractors, etc. There are several methods for individuals and entities to make reports to Medica regarding any known or suspected violations or law, FWA, or other incidents. These methods include:

- Their Medica Contact/Contract Relationship Manager
- Medica Website- Compliance

- Special Investigations Unit at Medica's fraud hotline, available24 hours, 7 days a week at 1-866-821-1331 or 952-992-2237

5.1.5 The Compliance Department will conduct a timely and well-documented reasonable inquiry into any compliance incident or issue involving potential noncompliance or FWA. Investigations generally should not take more than 30 days to complete from date of report, but could take longer if such time is reasonable under the circumstances.

5.1.6 The Compliance Department will commence an investigation as quickly as possible but no later than 2 weeks from the date of the report. Where the Special Investigations Unit (SIU) does not have the time or resources to investigate a potential FWA in a timely manner, Medica may refer the matter to an appropriate agency within 30 days of the date the potential FWA is identified.

5.1.7 The Compliance Officer may convene (if needed), the Compliance Committees and/or Medica's executive team, particularly in serious cases and/or in matters that affect multiple departments, at any time after a report is received. The Compliance Committees and Medica's executive team may assist in planning the investigation, determining whether a violation has occurred, and recommending remediation action (s). The Compliance Committees reports via the Compliance Officer to the Board of Directors.

5.1.8 In addition to the confidential responses provided to a reporter through the Integrity Line automated system, the Compliance Department will keep, in a confidential and secure manner, the background of the investigation or review of the Integrity Line report. Such documentation should, at a minimum, include who was contacted regarding the Integrity Line report, a summary of these conversations, a summary of documents or information reviewed, a summary of the conclusions and resolution and basis for the conclusions/resolution.

5.1.9 For Integrity Line or Material Complaints referred to Human Resources, the Legal Department, or the Special Investigations Unite (SIU) for review, the department staff who handled the review will provide the documentation outlined in section 5.1.8 above to the Compliance Officer for storage in a confidential and secure manner. This will ensure that documentation sufficient for a general understanding of the Material Complaints, the investigation or review and resolution are maintained for

future reference, if needed, and ensure Compliance or legal staff can trend such information as well as provide reports to senior leadership or the Board, as appropriate.

5.2 Self-Reporting Potential FWA and Non-Compliance

5.2.1 After conducting a reasonable inquiry, the Compliance Officer or designee determines whether an issue should be disclosed to CMS or other regulatory agencies.

5.2.2 The Compliance Officer or designee in consultation with Business Partners will use the established criteria below in determining whether an issue should be disclosed to a government agency:

- the number of members impacted;
- the severity of the member impact based on access to care, quality of care and/or financial burden;
- duration of the issue;
- whether the issue was isolated or systemic in nature;
- remediation activities completed; vi) actions taken to prevent similar incidents in the future; and
- any other consideration relevant to the issue.

5.3 Tracking and Incident Data Reporting

5.3.1 Compliance Department will undertake appropriate remediation actions in response to potential noncompliance or FWA and document in the compliance program software (C360) using the Compliance Incident Management User Guide.

5.3.2 Documentation of the investigation will include:

1. Root cause analysis to determine what caused or allowed the problem or deficiency to occur;
2. A plan tailored to correct the underlying problem that addresses the particular FWA or issue that has been identified;
3. Timeframes for specific corrections;
4. Ramifications if the employee or FDR fails to implement the remediation actions satisfactorily.

5.3.3 Compliance Department will monitor the remediation actions after their implementation to ensure that they are effective.

5.3.4 The Compliance Department will document and track all reported integrity line issues in ComplianceLine, a secure third-party vendor system.

5.3.5 A general description of all Integrity Line and Material Complaints (maintaining anonymity when required) will be in the Compliance Reports provided to the Audit committee of the Board of Directors.

6.0 CROSS REFERENCES

- 04-006 Integrity Line and Material Complaints Procedure
- Standards of Conduct
- 04-008 Non Retaliation Policy
- 04-001 Effective Lines of Communication
- Responding to Privacy Violations
- 05-001 Well Publicized Disciplinary Standards
- 05-002 Disciplinary Policy for QHP Products

7.0 POLICY MANAGEMENT SECTION

Policy approvals are captured electronically in C360.