IMPERIAL HEALTH PLAN
OF CALIFORNIA

# Compliance Program Description



Compliance Committee Approved: 10/28/26

## INTRODUCTION

Imperial's Code of Conduct, in conjunction with Imperial's Compliance Program Description and policies and procedures:

- Articulate Imperial's commitment to comply with all applicable federal and state standards;
- Describe the compliance expectations as embodied in the Code of Conduct;
- Implement the operation of the compliance program;
- Provide guidance to employees and others on dealing with suspected, detected or reported compliance issues;
- Identify how to communicate compliance issues to appropriate compliance personnel;
- Describe how suspected, detected or reported compliance issues are investigated and resolved by Imperial; and
- Include a policy of non-intimidation and non-retaliation for good faith participation in the compliance program, including, but not limited to, reporting potential issues, investigating issues, conducting self-evaluations, audits and remedial actions, and reporting to appropriate officials.

It is important that all officers and employees (hereinafter Employees) of Imperial of California Inc. (hereinafter Imperial) understand the Compliance Program. Please feel free to contact the Imperial Compliance Department if you have any questions regarding the Compliance Program.

The Compliance Program applies to Medicare Part C and Part D program administration and encompasses all applicable regulations associated with these programs.

## STATEMENT OF COMPLIANCE

It is Imperial's intent to uphold integrity through ethical and legal conduct in the operation of our business, the provision of insurance coverage for health care and prescription drug services, and the participation in government health care programs. Imperial continually strives to earn and maintain a reputation for compliant, lawful and ethical behavior in the treatment of our customers, and in our relations with health insurance purchasers and health care providers.

As part of Imperial's commitment to legal conduct, we have adopted standards to protect against unlawful activity. Among these are the provisions of Imperial's Code of Conduct, Compliance Program Description and Compliance Program policies and procedures that elaborate on areas that may be susceptible to legal liability. The Compliance Program outlines Imperial's commitment to comply with all applicable state and federal regulations, as well as set out a broader commitment to ethical and legal behavior for all Employees and staff who provide services in support of the Part C and Part D programs. Each Employee must make a personal commitment to adhere to Imperial's Compliance Program. Imperial does not condone questionable or criminal conduct by Employees, other entities or individuals with whom we do business.

Our reputation can be severely damaged, and Imperial significantly sanctioned if even one Employee violates the law. Concerns about illegal conduct or potential fraud committed by Employees or those we interact with outside of Imperial should always be reported. All reported incidents will always be taken seriously, fully investigated and followed through with appropriate corrective action. Imperial expects all Employees to conform to the highest ethical

and legal standards. If you have a concern about what is proper legal conduct for you or anyone else or you would like to report fraud or illegal conduct, promptly contact your supervisor, department manager or the 24-Hour toll- free Compliance Fraud, Waste and Abuse (FWA) Hotline anonymously at 1-888-708-5377. You can also fax to FWA Fax at 626-380-9054 or email compliancefwa@imperialhealthplan.com.

Every day, we must preserve and strengthen our commitment to total excellence in the operation of our Company, including acting in a manner that maintains the standards of legal and ethical conduct that we have adopted as part of our Compliance Program.

## CODE OF CONDUCT

The Code of Conduct is designed to prevent, identify, manage conflicts of interest and provide a general framework to promote ethical and legal behavior. It legally binds employees and FDRs to disclose financial interest, avoid private gain, and self-report potential violations such as fraud, bribery or gifts/inducements to regulators. Imperial expects its Employees to act within the highest ethical and legal standards, and to demonstrate a commitment to quality and dedication to deliver excellent service. Imperial Employees and contractors will at all times act professionally and have the appropriate qualifications to perform job duties and perform those duties in a manner consistent with its professional standards. Employees will act honestly and, in good faith, strive for excellence.

The Code of Conduct applies to board members, Employees and contractors of all health plans offered or administered by Imperial as well as its contractors (i.e., First Tier, Downstream and Related Entities (FDRs)).

All new board members, Employees and contractors will receive and review the Imperial Code of Conduct during orientation. The Code will also be reviewed annually by all board members and Employees during general compliance training.

The Code of Conduct articulates Imperial's commitment to follow applicable federal and state laws and regulations. See ***Code of Conduct***.

## COMPLIANCE PROGRAM

Imperial's Compliance Program applies to Medicare Parts C and D. As such, Imperial has incorporated the Office of Inspector General's Program Guidance for Medicare Advantage (MA) and Part D Organizations offering coordinated care plans and the seven elements for an effective Compliance Program. A Compliance Program is one of the most significant tools an organization can use to promote regulatory compliance and legal conduct. An effective Compliance Program can prevent, detect and help resolve non-compliant and illegal conduct, including fraud, whether committed by Employees or by those with whom Employees interact outside of the Company in the course of Imperial's business, including FDRs.

An effective Compliance Program, as defined by the Code of Federal Regulations, must include the following seven elements:

1. Written policies, procedures and standards of conduct that show a commitment to federal and state regulatory adherence, including an explanation of investigation techniques;
2. A compliance officer and compliance committee that are accountable to senior management and the Imperial's Board of Directors (hereinafter "the Board");
3. An effective training and education program;
4. Effective lines of communication which are both confidential and accessible to

Employees, members, physicians, FDRs and other interested parties;
5. Enforcement of standards through well publicized disciplinary standards,
6. Procedures for internal and external auditing and monitoring and identification of compliance risks; and
7. Procedures and systems for responding promptly to compliance issues.

To be effective, a compliance program must include a substantial commitment from the entire Company. At Imperial this means all Employees at all levels. The Compliance Program and Work Plans are reviewed and approved on an annual basis by the Board of Directors. FDRs are allowed to created their own Compliance Program or adopt Imperial's.

## Goals of the Compliance Program

Imperial's Compliance Program has the potential of enhancing the quality, productivity and efficiency of our operations while significantly reducing the probability of improper conduct and legal liability, including but not limited to reducing fraud and abuse. Imperial's Compliance Program strives to improve operational quality by fulfilling four primary goals:

- **Articulate and Demonstrate** Imperial's Commitment to Regulatory Compliance and Legal and Ethical Conduct.
- **Increase the Likelihood** of Preventing, Identifying and Correcting Non-Compliant or Illegal Conduct.
- **Formulate and Utilize** Internal Controls to Promote Compliance with State and Federal Laws and Regulations as well as Organizational Policies and Procedures.
- **Create an Environment** that Encourages Employees to Recognize and Resolve Potential Compliance Problems.

## Achieving Compliance Goals

The Compliance Program provides general regulatory and legal guidance for all Employees and departments at Imperial with compliance through annual review of all health plan policies and procedures. These policies and procedures provide specific regulatory and legal standards and recommendations for use in day-to-day health plan operations. Imperial achieves its compliance goals and demonstrates its commitment to proper regulatory and legal conduct through implementation of these policies and procedures and ongoing monitoring and training. Imperial requires all Employees to comply with all applicable statutes and regulations when performing their job responsibilities or acting on behalf of Imperial. As well as FDRs adhering to contractual relationship and regulatory requirements. The Compliance Program outlines Imperial's expectations for regulatory compliance and legal conduct, including procedures for preventing and reporting fraud and improper conduct, including reviewing any conflicts of interests that may occur at the management level.

## The Participation of Every Employee Is Required

If Imperial is going to achieve the goals of its Compliance Program, every Employee must participate and follow this Compliance Program. Concerns and questions regarding participation should be directed to the Imperial Compliance Department.

## COMPLIANCE OFFICER

The Board of Directors has designated the Imperial Compliance Officer the authority to oversee the Compliance Program and the contact person to whom inquiries concerning the antifraud plan may be directed. The Compliance Officer has primary responsibility for Imperial's compliance with federal, state, and local laws, rules and regulations. The Compliance Officer and the Compliance Department are available to help Employees answer specific questions regarding compliance with federal state and local laws, rules and regulations, and will coordinate specific responses to questions. Employees and FDRs may contact the Compliance Officer or a member of the Compliance Department to report any suspected fraudulent, illegal, or non-compliant behavior in the workplace. The Compliance Officer is responsible for regular status reports to the Centers for Medicare and Medicaid Service (CMS) and for validating resolution of the issues as soon as information is available. The Compliance Officer is accountable for making applicable voluntary self-disclosures to CMS or other governmental agency for potential fraud or misconduct related to any Imperial activity.

The Compliance Officer, vested with the day-to-day operations of the compliance program, must be an employee of Imperial. The Compliance Officer may not be an employee of an FDR. See Compliance Policy and Procedure, ***Compliance Officer Duties***.

Imperial's Compliance Officer is Erica Ruiz and Linda Colmenares Associate Compliance Officer.

Imperial Compliance Department Responsibilities Include, But Are Not Limited to, the Following Designated Services:

- Maintain Imperial's Compliance Program
- Interpret and conduct impact analysis of federal and state laws
- Disseminate all analyses to Imperial's Employees
- Create and implement Imperial's policies and procedures
- Conduct self-audits
- Submit Annual Department of Managed Health Care (DMHC) Anti-Fraud Report
- Draft and implement corrective action plan (CAPs) for CMS and internally for Imperial
- Oversee compliance for both Part C and Part D functional areas
- Oversee and audit of compliance for contracted entities
- Coordinate and prepare for CMS and other government and/or accreditation agency site visits
- Maintain working relationship with CMS Regional Office and DMHC Director designee
- Conduct in-services for all internal departments to provide education on new regulations, specific regulatory topics and continuing education
- Support Imperial's government relations efforts
- Develop a compliance self-reporting package and determine best practices
- Report significant and material compliance issues to both Imperial Executive Officers and Board of Directors.
- Determine the need to self-report significant violations to the appropriate agency.
- Interpret and create executive summaries, impact analysis, straw person work plans of Federal Policy/ Operational Policy Letters
- Conduct mock CMS Audit or "Assist Visit" for all monitoring review guide requirements
- Oversee CAPs
- Conduct focused audits for risk areas
- Hire and oversee audit contractors for risk areas

- Maintain fraud and abuse process and hotline
- Develop and maintain training to assist with the education and training of Imperial Employees

## COMPLIANCE COMMITTEE

Imperial maintains a Compliance Committee (CC), which addresses product related compliance issues, including regulatory standards and auditing requirements. The CC meets at least quarterly, or, as necessary, on an ad hoc basis. The CC membership is comprised of the Imperial senior level managers from each functional area as deemed appropriate.

The CC's objectives are to enhance compliance with federal and state regulations, provide an educational forum for new regulatory information, offer assistance with corrective actions that may be required, and discuss any operational barriers that may interfere with compliance. The CC also provides a forum for discussion of legislation, state and federal regulation and guideline changes that may require advocacy with the government.

The Compliance Officer meets monthly, or more often as needed, with the executive management of FDRs and Imperial to further discuss any compliance issues that may arise during the regular CC meeting. Additionally, the Compliance Officer meets with and provides the Board of Directors with a compliance report quarterly to ensure the governing body is aware of any potential compliance issues or notifications from a regulatory agency, receives regular compliance and required privacy/confidentiality training and are well versed with the Compliance Program, work plan and operational goals of the organization. See Compliance Policy and Procedure, ***Compliance Committee Charter***.

## COMPLIANCE POLICIES AND PROCEDURES

Upon hire (within 90 days), upon revision and annually thereafter, all Employees must review the Code of Conduct. The purpose is to ensure your commitment and understanding of the standards of conduct and all Employees will document their receipt and understanding.

As indicated in Compliance Policy and Procedure, ***Development and Management of Policies and Procedures***, Compliance Program policies and procedures are distributed to all Employees by posting them on the Company shared drive. Compliance Program policies and procedures include:

- CO-001 Development and Management of Policies and Procedures
- CO-002 Compliance Committee Charter
- CO-003 Compliance Training Development and Implementation and Oversight
- Code of Conduct
- CO-004 Disciplinary Action Standards and Guidelines
- CO-006 Internal Auditing and Monitoring
- CO-007 Risk Assessment
- CO-008 Responding Compliance and Ethics Issues
- CO-009 OIG/GSA Exclusions
- CO-010 Monitoring and Auditing of FDRs
- CO-011 Compliance Officer Duties
- CO-012 Compliance Issues Review
- CO-013 Communication of Regulatory Correspondence

- CO-017 FWA Special Investigation Unit (SIU) Compliance Reporting
- CO-022 FDR Designation and Pre-Delegation Assessment
- CO-023 Root Cause Analysis and Corrective Action
- FDR Oversight
- Compliance Committee Charter Code of Conduct

Note: In addition to the above noted policies and procedures, the Compliance Department utilizes functional area-specific tools related to both Medicare Part C and D functions to ensure appropriate regulatory guidelines are being followed.

## TRAINING AND EDUCATION

All Employees, CEO, senior administrators, managers, FDRs, contractors/consultants, temporary workers, volunteers, and governing body members are required to complete compliance training upon hire and annually thereafter. Compliance trainings are as follows:

1. Medicare Parts C and D General Compliance Training
2. Medicare Fraud & Abuse: Prevention, Detection, and Reporting
3. Medical Privacy of Protected Health Information (PHI) /HIPAA
4. Standards of Conduct
5. Imperial Policies & Procedures

Imperial leadership conducts general informational education programs, as well as Medicare and DMHC operational area specific training, to all departments. Copies of training programs, including computer based training, are available through the Compliance Department. Documentation of Employee compliance training is filed in the Compliance Department. See Compliance Policy and Procedure, ***Compliance Training Development and Implementation and Oversight***.

## AUDIT & MONITORING

### Auditing and Monitoring

Imperial uses regular risk assessments, as defined in Compliance Policy and Procedure, ***Risk Assessment***, to provide information for the auditing program. Elements with the risk and/or elements with failures that cause a large impact are included in the auditing work plans for the year.

The Auditing Workplan identifies areas where the Compliance Department will perform a formal review of compliance with a particular set of standards (e.g., policies and procedures, laws and regulations). In addition to the high-risk elements, lower-risk elements may also be included in the workplans, depending on available resources. Audit workplan is developed annually based on various factors, including the risk score, the strength of mitigating controls and operational departmental input. Based on the workplan, the audit Engagement letter is sent with the scope of the audit and timeframes. Audit documents are reviewed, findings conveyed via Audit Result letter and a Corrective Action Plan is issued as needed.
Monitoring activity is managed by the Compliance Team and activity is added based on the regulatory need. The operational areas are responsible for monitoring activity and corrective action when the threshold is not met and reporting back to Compliance to track on the

Monitoring Dashboard.

Imperial also identifies and assesses FDRs in accordance with Compliance Policy and Procedure, ***FDR Designation and Pre-Delegation Assessment*** and performs ongoing oversight as outlined in Compliance Policy and Procedure, ***Monitoring and Auditing of FDRs.***

As outlined in Compliance Policy and Procedure, ***OIG GSA Exclusions***, Imperial does not employ or contract with individuals who have been excluded by Medicare (or Medi-Cal). Additionally, the Imperial Compliance Department reviews the Department of Health and Human Services (DHHS) Office of Inspector General List of Excluded Individuals and Entities (LEIE) list and the General Service Administration Excluded Parties Lists System (EPLS) prior to the hiring or contracting of any new employee, temporary employee, volunteer, consultant, governing body member, or FDR, and monthly thereafter, to ensure that none of these persons or entities are excluded or become excluded from participation in federal programs.

### CMS Audits

CMS conducts audits to assess an Medicare Advantage Prescription Drug (MA PD) organization's compliance with federal laws and regulations in the administration of its MA PD plans. CMS also reserves the right to:

- Inspect or otherwise evaluate the quality, appropriateness, and timeliness of services performed under the MA PD contract;
- Inspect or otherwise evaluate the facilities of the organization when there is reasonable evidence of some need for such inspection; and
- Audit and inspect any books, contracts, and records of the MA PD organization that pertain to the ability of the organization to perform services payable under the contract and bear the risk of potential financial.

## CORRECTIVE ACTION

Following the discovery and confirmation of fraud or non-compliant conduct, the Compliance Department will assist in developing and implementing a CAP. The CAP will be designed to ensure that:

- The non-compliant conduct is corrected;
- Any errors or omissions caused by the non-compliant conduct are corrected;
- Restitution of any overpayment or underpayment amount;
- Training is conducted to prevent recurrence;
- Creation or revision of applicable policies and procedures;
- Safeguards are implemented to ensure early detection of recurrence;
- Periodic checks are conducted to ensure that non-compliant conduct has not recurred undetected; and
- Notification to an appropriate governmental agency.

The CAP will ensure that Imperial remains compliant and increases the likelihood of preventing future non-compliant conduct. See Compliance Policy and Procedure, ***Root Cause Analysis and Corrective Action***.

## COMPLIANCE PROGRAM RECORD RETENTION

The Compliance Department will maintain necessary and appropriate records and documentation related to Imperial's Compliance Program. Such documentation will include, but is not limited to:

- Reports of alleged non-compliance or fraud and abuse made to the Compliance Department or Compliance Officer;
- Investigations into alleged non-compliance or fraud;
- Remediation plans developed to correct alleged non-compliance or fraud;
- CMS/ DMHC Reports on Imperial's compliance;
- CAPs;
- Training materials and documentation of Employee training;
- Bid/Plan Benefit Package submissions; and
- Policies and procedures.

Imperial is required to maintain and provide CMS access to books, records, and other documents related to the operation of an MA contract. Under 42 CFR 422.504(d) and (e), MA organizations are to maintain these records, and allow CMS access to them, for 10 years from the termination date of the contract or the date of the completion of any audit.

## COMPLIANCE FWA HOTLINE

### Compliance FWA Hotline

Imperial has established a Compliance FWA Hotline, which is available to all Employees and members 24 hours per day, 7 days per week. The Compliance Department has a system in place to receive, record, respond to and track compliance questions or reports of suspected or detected noncompliance or potential FWA from Employees, members of the governing body, members and FDRs and their employees.

Employees, members, or any other interested party may call the Hotline to report suspected fraudulent, illegal, or non-compliant behavior affecting Medicare, or any other product line, at Imperial. Imperial will make every effort to maintain the confidentiality of the report and the reporting Employee or other individual, however, the identity of the Employee may become known or may have to be revealed in the course of the investigation. The anonymous hotline telephone number is 1-888-708-5377. Imperial has also implemented a hotline email compliancefwa@imperialhealthplan.com and fax 626-380-9054.

Members, Imperial Employees, providers or any other person who feel they may have knowledge of something suspicious may use this hotline. This Hotline will help our members, Employees, providers, and purchasers feel secure that their services, money, and equipment are used appropriately. Only callers that leave their name and telephone number will receive a confirmation case number. However, if callers or those that email indicate that they wish to remain anonymous, they will not be contacted. See Compliance Policy and Procedures, ***Reporting of Compliance and Ethics Issues*** and ***FWA SIU Compliance Reporting***.

## FWA

## Fraud and Abuse Awareness and Detection Plan

The purpose of the Imperial Fraud and Abuse Awareness and Detection Plan is to comply with Section 1348 of the California Health and Safety Code and other related state and federal laws, to identify and reduce costs to Imperial, our providers, subscribers, payers, and enrollees caused by fraudulent activities, and to protect consumers in the delivery of health care services through the timely detection, investigation, and prosecution of suspected fraud. This goal includes activities that are detailed in the anti-fraud plan. This includes activities that:

- Protect California health care consumers and particularly Imperial members, providers, and Imperial itself against potential fraudulent activities;
- Prevent fraudulent activity through deterrence;
- Retrospective drug utilization review of controlled substances claims for possible fraud and/or abuse by specific indicators such as multiple prescriptions, multiple prescribers, etc.
- Detect fraud through existing mechanisms (such as claim fraud detection systems);
- Comply with the requirements of Section 1348 (a through e) of the Knox Keene Act;
- Provide a procedure for Imperial staff to follow if fraud is suspected; and
- Notify the appropriate internal departments, company officers/Board of Directors and/or government agencies.

The Imperial Fraud and Abuse Awareness and Detection Plan is made available for review in the Compliance Department and is reflected in the Fraud & Abuse Reporting System Policies and Procedures located on the Imperial intranet. A hard copy of these policies and procedures is available to Employees and other interested parties through the Imperial Administrative Offices.

## FWA Activities

Imperial relies on its members, agents, and others to provide true and accurate information. Honesty is the foundation of Imperial's business activities and Imperial expects honesty from all parties involved in those activities. Imperial will neither tolerate nor condone FWA committed by its Employees, agents, members, providers, or any other party with whom Imperial does business. As a responsible corporate citizen, Imperial takes an active role in preventing the commission of FWA. Imperial is required by federal and state regulations to report FWA affecting any line of business to the appropriate authorities and intends to report any such conduct that can be identified and confirmed.

For any suspected FWA, concerns or questions, related to Imperial, please contact:

- Anonymous Compliance FWA Hotline at 1-888-708-5377
- Email at compliancefwa@imperialhealthplan.com
- Fax at 626-380-9054

Some examples of fraudulent activity are listed below:

**Fraud by Members** (may include but is not limited to):

- Submitting false information or omitting material information on a group or individual
- Submitting false information on application or enrollment forms

- Forging or altering applications, enrollment forms, prescriptions, etc.
- Filing false claims
- Misuse of a member identification card (whether for Medical or Prescription Drug Utilization)

**Fraud by Providers** (may include but is not limited to):

- Filing claims for services not performed
- Filing claims for unnecessary or inappropriate services that were performed
- Filing claims for more extensive or complicated services than were actually performed
- Submitting incorrect information or omitting material information on a provider credentialing application

**Fraud by Employees** (may include but is not limited to):

- Paying claims that are known to be false
- Distorting, altering or destroying applications, enrollment forms, member materials, medical records, physician referrals, etc.
- Submitting false information to a government agency

See Compliance Policy and Procedure, ***FWA SIU Compliance Reporting***.

## Open Lines of Communication

Imperial encourages open communication without fear of retaliation. This facilitates our ability to identify and respond to compliance problems. If there are any questions or concerns regarding compliance with state or federal law, or any aspect of the Compliance Program, including the compliance policies or procedures, Employees should seek immediate clarification from their supervisor, manager, or the Compliance Department. They can also call the Compliance FWA Hotline at 1- 888-708-5377, fax at 626-380-9054 or email at compliancefwa@imperialhealthplan.com. These reports may be made anonymously.

If anyone has knowledge of, or in good faith suspects, any wrongdoing in any areas outlined below, they are expected to promptly report it so that an investigation can be conducted and appropriate action taken.

- Documenting, coding, or billing for services, equipment, or supplies
- Organization's financial practices
- Violation of any law or regulation
- Violation of any Imperial or facility policy
- Any other compliance concern

The Compliance Officer will develop and maintain effective, appropriate lines of communication with all key stakeholders of the organization, including:

- All levels of management and the Board of Directors;
- The MA Compliance Committee;
- Company Employees at all levels;
- Contracted partners, especially providers and marketing representatives;
- Regulatory authorities;
- FDRs; and
- As may become necessary, law enforcement agencies.

The Compliance Officer will use these lines of communication to effectively communicate information about the Compliance Officer (e.g., the Compliance Officer's name, office location, and contact information), as well as information about laws, regulations, and guidance for Imperial and its FDRs, such as statutory, regulatory, and sub- regulatory changes (e.g., HPMS memos) and changes to policies and procedures and Code of Conduct. See Compliance Policy and Procedure, ***Communication of Regulatory Correspondence***.

These lines of communication will be accessible to all and allow for anonymous and confidential good faith reporting of potential compliance issues as they are identified. Confidentiality will be maintained to the greatest extent possible. It is mandatory for Employees, members of the governing body, and FDRs to report compliance concerns and actual or suspected FWA to the Compliance Department.

## Employee Participation in Fraudulent Activities is Prohibited

All Employees are prohibited from committing fraud or participating in any fraudulent activities. This includes participating in fraudulent activities committed by another Employee, a member, a healthcare provider or other vendor, a manager or supervisor. All Employees are responsible for their own actions. Supervisors and managers are not authorized to direct Employees to participate in fraudulent activities or conduct as part of their job or direct Employees to perform their job- related responsibilities in a fraudulent manner. If an Employee is directed or authorized to act in an unethical or fraudulent manner, the Employee should promptly report this information to the Compliance Officer. Participation in fraudulent conduct will result in disciplinary action against the Employee who commits fraud and anyone who directs the fraudulent activity, up to and including termination of Employment under applicable Imperial Human Resources policies and guidelines.

## Reporting Fraud and Improper Conduct

As part of Imperial's effort to provide a supportive work environment, Imperial encourages Employees to work within their Department by requiring that they immediately report any suspected fraudulent, non-compliant, illegal, dishonest, or unethical conduct directly to their supervisor, *and to* the Imperial Compliance Department. Failure to report suspected fraud or improper conduct may lead to disciplinary action.

The following information, when applicable, is required when anyone reports any suspected fraudulent, non-compliant, illegal, dishonest, or unethical conduct:

1. Member Name;
2. Member Claim Number;
3. Date(s) of Service;
4. Description of Service/Item;
5. Name of Provider;
6. Address of Provider;
7. Provider's Medicare Number; and
8. A detailed explanation or description of the alleged fraudulent or abusive activity.

## Inquiries about Potential Fraudulent and Improper Activities

Anyone who has a general or specific inquiry about fraud or improper conduct, or the potential regulatory or legal implications of certain business activities or policies, is welcome to contact the Imperial Compliance Department. Employees are encouraged to report all instances of non-compliance with any related standard when that Employee has a reasonable and good-faith belief that such non-compliance exists.

## FDRs

As required by federal law, FDRs who handle any operational functions for Imperial are required to complete Imperial's training or provide a copy of their established compliance, FWA, Medicare, and HIPAA/Privacy training upon execution of the agreement and annually thereafter. The Compliance Department will review training to ensure it meets standards of the appropriate regulatory agency and the standards established by Imperial. Upon completion of the FDRs' internal training, a copy of the training and employee sign in sheets (or comparable documentation) will be provided to the Compliance Department to store within the Document Library for future reference.

The Compliance Department will ensure that the entity has appropriate policies and procedures in place to minimize, detect, investigate, and report any potential FWA or privacy issues and provides regular training for their staff on these issues as regulations change.

FDRs who have met FWA requirements through Medicare Learning Network (MLN) web-based training (WBT) courses will be considered compliant with Imperial's Compliance Training. This only applies to the Compliance training and does not waive other delegated requirements.

## Procedures for Reporting Suspected Fraud or Improper Conduct Committed by Those Outside of Imperial

Imperial will not tolerate fraudulent, non-compliant, illegal, dishonest or unethical conduct committed by those with whom Employees interact outside Imperial (e.g., agents, consultants, providers, vendors, or current or potential members). **The improper conduct or fraudulent activities do not have to be committed directly against Imperial**; rather, such activities can be committed against government agencies, companies with whom Imperial is affiliated or does business, or any other person or entity that may be involved in Imperial's business activities, including members. If an Employee discovers or suspects, in good faith, that an outside party is committing a fraudulent or improper act, they are expected to:

- Contact their supervisor, manager, or the Compliance Department; or,
- Complete the Fraud Reporting Form (*See Appendix A*) and forward it to the Imperial Compliance Department.
- Employees (or any interested party) may also contact the Compliance FWA Hotline at 1-888-708-5377

## Non-Retaliation

As stated in Compliance Policy and Procedure, ***Reporting of Compliance and Ethics Issues***, retaliation against Employees who have reported suspected fraud or improper conduct will not be tolerated. Any Employee who attempts to or encourages others to retaliate against an

individual who has reported a violation or, who fails to cooperate with an investigation of a violation, will be subject to disciplinary action up to and including termination of employment under applicable Imperial Human Resources policies and guidelines.

## Full Investigation of Reported Suspected Fraud and Improper Conduct

All reported suspected fraud and improper conduct is investigated promptly and thoroughly by the Compliance Department. The Compliance Officer, or his or her designee, coordinates investigations of suspected fraud and improper conduct.

Depending on the type of reported activity, contact is made with all appropriate parties, such as: regulatory or law enforcement agencies, department supervisors and directors, executive staff, the Imperial outside counsel, and the Human Resources Department.

Every effort is made to maintain the confidentiality of reports of potential violations and concerns about fraudulent, illegal or non-compliant behavior, however, there may be a point where the identity of the reporting Employee may become known or may have to be revealed in the course of the investigation or to take corrective action. See Compliance Policy and Procedure, ***Compliance Issues Review***.

## HIPAA

HIPAA is a regulatory guideline that exists to safeguard an individual's PHI. Employees are made aware that not only is it inappropriate, but also unlawful to release certain information without proper authorization. Such confidential information frequently includes, but is not limited to:

- A prior-authorization request for specific medical services or prescription medication;
- A claim showing receipt of specific medical services;
- Medical records showing health history; or
- Other personal member information.

Employees are expected to maintain the confidentiality of such information. Confidential information should never be repeated to any party outside Imperial except in the course of the legitimate administration of the member's health care coverage. Confidential information should only be discussed with other Employees when such discussion is necessary for the administration of a member's health care coverage.

If any questions arise regarding the treatment, usage or disclosure of confidential information, Employees may consult with a supervisor, the Imperial Compliance Department, or Compliance Officer. When in doubt about releasing information, Employees should always ask their supervisor first. Staff should ask their supervisor for department specific confidentiality policies and procedures.

The *Standards for Privacy of Individually Identifiable Health Information* (the Privacy Rule) was disseminated by the DHHS. Detailed guidance on specific requirements is included in the regulation. The Privacy Rule, enacted on August 21, 1996, provided the first comprehensive federal protection for the privacy of health information.

All segments of the health care industry have expressed their support for enhanced patient privacy in the health care system. At the same time, DHHS and most parties agree that privacy protections must not interfere with a patient's access to or the quality of health care delivery. The HIPAA Privacy Rule established a federal requirement that doctors, hospitals, or other health care providers obtain a patient's written consent before disclosing the patient's personal health information for any activity other than treatment, payment, or health care operations.

Today, many health care providers, for professional or ethical reasons, routinely obtain a patient's consent for disclosure of information to insurance companies or for other purposes. One of the main general provisions is that patient consent is required before a covered health care provider that has a direct treatment relationship with the patient may use or disclose PHI.

Most health plans and health care providers covered by the new rule were mandated to comply with the new requirements by April 2003. For the first time, the Privacy Rule creates national standards to protect individuals' medical records and other personal health information. Generally, the rule:

- Gives patients more control over their health information;
- Sets boundaries on the use and release of health records;
- Establishes appropriate safeguards that health care providers and others must achieve to protect the privacy of health information;
- Holds violators accountable, with civil and criminal penalties that can be imposed if they violate patients' privacy rights; and
- Strikes a balance when public responsibility requires disclosure of some forms of data – for example, to protect public health.

Imperial recognizes its responsibility to protect the privacy of members, providers, and Employees. Much of the information we review, use, or disclose is protected by the Privacy Act of 1974 and other federal and state laws, or is of a proprietary nature. Consequently, this information requires the highest degree of confidentiality. Any unauthorized disclosure of personal information, medical or otherwise, regarding any member, Employee or business practice is prohibited. Employees are responsible for ensuring that this information is stored in secure systems. Authorized users of this information are responsible for preventing unauthorized access to secured information systems.

Trade secrets are considered any information that is not available to the general public, or in some instances, to all Employees. This information has competitive value to the Company, and can be extremely damaging in the hands of outside vendors or individuals. It is the duty of all Employees to maintain the confidentiality of this information. This includes all information in written, electronic, or verbal form (e.g., the electronic mail system (e- mail), claims and membership systems, documents or information discussed at meetings). See ***Reporting of Compliance and Ethics Issues and FQA & SIU Compliance Reporting Policies and Procedures***.

## Health Information Technology for Economic and Clinical Health Act (HITECH)

HITECH is Title XIII of the American Recovery and Reinvestment Act also known as 'ARRA' or the 'Stimulus Bill' signed into law on February 17, 2009. HITECH addresses the promotion of Healthcare Information Technology and expands the HIPAA Privacy and Security requirements to ensure the security of electronic PHI (ePHI). As of February 2009, all covered

entities and business associates must ensure compliance with HITECH and that ePHI remains private and secure.

The HITECH Act includes some significant changes to HIPAA's standards regarding the use and disclosure of PHI and contains new notification requirements in the event of a breach of unsecured PHI. The HITECH Act also increases the consequences of privacy and security breaches by raising the fines for non-compliance and granting State Attorneys General the authority to enforce HIPAA.

Compliance will work with the Information Security Director as it relates to ePHI as well as breaches.

## DISCIPLINARY GUIDELINES

Violations must be addressed through disciplinary standards and must be consistent and fair. Egregious violations – issues that are due to willful or malicious neglect of duties – are to be reported to the Compliance Officer immediately and may result in termination after appropriate consultation with Human Resources and/or the Compliance Committee. If the Compliance Department becomes aware of any violation where the violation was known and appropriate disciplinary action was not taken or reported, this constitutes a serious violation and management is subject to disciplinary action as well. There is no level of Employee that is not subject to this policy, including Company officers.

When determining appropriate disciplinary action, the following will be considered:

- The nature of the violations;
- Non-compliant, illegal, fraudulent, improper, dishonest, or unethical activities, impact both from a financial aspect as well as the potential for causing harm to the member
- Whether or not the violation was willful;
- Whether it was self-reported or if there was an attempt to cover up the issue; and
- The extent to which the employee participates in the investigation and resolution.

See Compliance Policy and Procedure, ***Disciplinary Action Standards and Guidelines***.

Disciplinary actions for FDRs (Delegates, vendors, etc.) can lead to contract termination.

## DISCLOSURE

The materials in the Compliance Program are intended solely for internal use by Imperial Employees. None of the materials in the Compliance Program are intended to create a contract or is to be construed as creating a contractual relationship or terms of employment between Imperial and any Employee.

None of the materials in the Compliance Program are intended to be part of any contract, agreement, evidence of coverage, marketing materials, or any other materials produced or distributed by Imperial or any of its subsidiaries.

The materials in the Compliance Program are to be used for general reference by Employees. Imperial, it's Compliance Officer, and the Compliance Officer's authorized designees reserve

the right to amend the material in the Compliance Program at any time for any reason.

IMPERIAL HEALTH PLAN
OF CALIFORNIA

# 2026 COMPLIANCE, FWA, HIPAA TRAINING, P&P, CODE OF CONDUCT ATTESTATION

I acknowledge that I have received/read a copy of the Imperial Health Plan Compliance Training and Education that includes training for Compliance, FWA, HIPAA and Code of Conduct.

I agree to abide by the Compliance Plan, all such policies and Procedures, and all federal, state and local governmental laws and regulations.

I acknowledge that it is my responsibility to report any/all suspected violations to my supervisor, Compliance Officer, via the Compliance mailbox at compliancefwa@imperialhealthplan.com or anonymously via the Compliance Hotline.

I agree to abide by Imperial's Non-disclosure and Confidentiality Clause in the Compliance Plan and the Code of Conduct.

- General Compliance
- Fraud Waste and Abuse Part 1
- Fraud Waste and Abuse Part 2
- HIPAA
- P&P location notification
- Code of Conduct

By signing the below, I am certifying I have reviewed and will abide by the referenced materials above and all regulatory requirements and processes outlined in these documents/trainings I received.

Print Name/Entity: _____

Wet Signature: _____

Department/Entity: _____

Date: _____

☐ New Hire (90 days after hire)
☐ Annual
☐ Ad-hoc

*Appendix A*

# Fraud, Waste, Abuse, Compliance Issue reporting Form

**YOUR CONTACT INFORMATION**

Name: _____Contact #: _____

Do you want to remain anonymous? ☐ Yes or ☐ No
We will make every effort to keep your information confidential.

You are not required to provide your name or contact information.
Retaliation against employees who have reported suspected fraud, abuse or improper conduct will NOT be tolerated.

An employee who attempts to or encourages other to retaliate against an individual who has reported a violation or, who fails to cooperate with an investigation of a violation, will be subject to disciplinary action up to and including termination of employment.

**REPORTING**

I feel that fraud, Waste or Abuse is occurring by:

☐ Member: ID#_____Member Name: _____
☐ Provider: _____Contact Information: _____
☐ Employee: _____Department: _____
☐ Other Individual: _____(i.e., family member, etc.)

**SUMMARY**

Description – To the best of your knowledge, please furnish the facts of the alleged fraud, waste abuse or any other compliance issue. Include who, what, when, where, how and why. Please attach another page if more space is necessary.

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