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<tr><td colspan="2">HOMETOWN HEALTH POLICY</td><td>Current Version Effective Date:</td><td>05/01/18</td></tr>
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Scope: Hometown Health Compliance Policies and Procedures apply to the following individuals and entities:

1) All persons (management, staff, contractors, vendors) affiliated with Hometown Health and Hometown Health Management Corporation ("staff");

2) All members of the Board of Directors ("Board"), officers and managers of Hometown Health and Hometown Health Management Corporation;

3) First-tier, downstream and related entities ("FDR") as defined by the Centers for Medicare and Medicaid Services ("CMS"), as set forth in Hometown Health's policies, procedures and standard of work and/or work aids; and

4) Network Providers, as set forth in Hometown Health's policies, procedures and standard of work and/or work aids.

Purpose: The purpose of HOMETOWN.HCP.006: (1) that all staff subject to Hometown Health's Compliance Program ("Program") is aware of Hometown Health's commitment to the objectives and requirements of the Program, and (2) that Hometown Health's FDR entities, delegated entities and subcontractors, and network providers (as defined in this Policy) conduct and/or arrange for appropriate education and training. This Policy sets forth specific requirements related to education and training as provided in the Program.

Policy: Consistent with the Renown Health Network Policy governing compliance education and training, RENOWN.CCD.015, Hometown Health is committed to provide training and education to its staff on compliance policies and procedures and applicable laws and regulations. Hometown Health requires ongoing participation in compliance training to ensure its staff is knowledgeable about their compliance duties and responsibilities.

I. General Training

Hometown Health staff and the Board of Directors shall receive training on general compliance topics and on fraud, waste abuse ("FWA") within 90 days of hire and annually thereafter as a condition of employment with Hometown Health.
General compliance training includes:

- Overview and description of the Program, including a review of compliance policies and procedures, Renown Health Code of Conduct and Hometown Health's commitment to business ethics and compliance with all Medicare and commercial health plan requirements;

- Examples of how to ask compliance questions, request compliance clarification, how to report and how to detect non-compliance. Training will emphasize confidentiality, anonymity and non-retaliation for questions and/or reports of non-compliance or potential FWA;
- Requirement to report to a leader, Hometown Health's Compliance Officer or Renown's Chief Compliance Officer of actual or suspected Medicare program non-compliance or of actual or suspected FWA;
- Review of the disciplinary guidelines for non-compliant or fraudulent behavior;
- Attend and participate in compliance and FWA training as a condition of continued employment and a criterion to be included in employee evaluations;
- Review of policies related to contracting with the government and a review of the laws addressing gifts and gratuities for government employees;
- Review of potential conflicts of interest and the system for disclosure of conflicts of interest;
- Overview of HIPAA/HITECH, CMS Data Use Agreement (if applicable), and the importance of maintaining the confidentiality of protected health information ("PHI");
- Overview of the monitoring and auditing process;
- Review of the laws that govern employee conduct in the Medicare program;
- Laws and regulations related to Medicare FWA (*i.e.*, False Claims Act, Federal and Nevada Anti- Kickback Statute, Physician Self-Referral Statute ("Stark"), etc.);
- Obligations that FDR has appropriate policies and procedures to address Medicare FWA and FWA;
- Processes for sponsors and FDR staff to report suspected FWA to Hometown Health and/or Renown management directly;
- Protections for Hometown Health and/or Renown management and FDR staff who report suspected Medicare FWA and FWA; and
- Types of Medicare FWA and FWA that can occur in the settings in which Hometown Health and/or Renown staff and FDR staff work.

II. <u>Specific and Supplemental Training</u>
Specific training will occur at the department level for those persons working in an identified risk area where additional training related to their function and responsibility is needed.

Supplemental compliance education will be provided on an as needed basis to include:

(a) If the Compliance Officer learns that staff does not understand or does not follow the Compliance Program, Code of Conduct, or policies, the Compliance Officer or designee will provide appropriate education and training.

(b) The Compliance Officer will determine if an entity requires supplemental training.

(c) The Compliance Officer will provide periodic supplemental compliance education through: the compliance newsletter, scenario-based training exercises, live education sessions and interactive training tools.

(d) Hometown Health's agents and brokers:

i. Agents and brokers are trained and tested annually on Medicare Parts A, B, C and D plans.

ii. All agents and brokers will receive detailed training on plan products they intend to sell annually.

iii. Agents and brokers must receive an 85% passing rate on the test. If the agent and/or broker fails the test, then that agent and/or broker will be required to retake the training until an 85% passing rate is achieved.

III. FDR Entities

Hometown Health and/or Renown Management must provide general compliance and FWA training for entities they partner/contract with to provide benefits or services. Starting January 1, 2016, to comply with training requirements Hometown Health and/or Renown management must accept from FDRs certificates of completion of CMS' training located on the Medicare Learning Network ("MLN"). FDR entities who have met the FWA certification requirements through enrollment in the Medicare program or accreditation as a Durable Medical Equipment, Prosthetics, Orthotics, and Supplies ("DMEPOS") are deemed to have met the training and educational requirements for FWA.

IV. Documentation of Compliance Education

The Compliance Officer maintains a library of regulatory and compliance-related reference and training materials. This information includes Medicare manuals, CMS memoranda, Special Fraud Alerts issued by the OIG, OIG annual work plan, law enforcement initiatives, federal regulations, and other relevant materials.

The Compliance Officer will maintain documentation of all compliance education provided to employees, entities, Committee members, and the Board.

(a) Renown Health Compliance Department will monitor completion of online compliance education and communicate any failure to complete training will be reported to the Human Resources Department.

(b) Attendance will be tracked and employees will be required to sign in for all in-person compliance education. Participation in compliance education will be documented in the employee's file.

(c) Completion of compliance education is a requirement for continued employment and will be tracked.

(d) Compliance education will be reviewed monthly to make sure training content is current with changes in laws and regulations that apply the organization.

V. Reporting
The Renown Health Compliance Officer will report the status of compliance education for all employees to the Board of Directors on an annual basis and to the Audit and Compliance Committee if necessary.

VI. Inquiries that relate to this Hometown Health Policy or matters that are not specifically addressed by this policy will be directed to Hometown Health Manager of Compliance.

VII. To monitor adherence to applicable laws, statutes and regulations, Hometown Health conducts ongoing review and analysis to determine if there are any changes to regulatory requirements, benefits, policies and procedures and utilization management protocols which impact compliance. These updates will be disseminated to employees as they occur.

VIII. To monitor adherence to applicable laws, statutes and regulations, Hometown Health will notify its delegated contractors of changes impacting compliance, including parity of health care services such as mental health and/or substance use disorder parity ("MHPAEI"), as applicable.

Definitions:

- **Abuse:** Provider practices that are inconsistent with sound fiscal, business, or medical practices, and result in an unnecessary cost to the Medicaid program, or in reimbursement for services that are not medically necessary or that fail to meet professionally recognized standards for healthcare. It also includes beneficiary practices that result in unnecessary cost to the Medicaid program. (42 C.F.R. 455.2).

- **Centers for Medicare and Medicaid Services ("CMS"):** The federal agency that administers the Medicare program. CMS works to make sure that the beneficiaries in these programs are able to get high quality health care. (https://cms.gov/).

- **Delegated Entity:** Any party, including an agent or broker that enters into an agreement with a Qualified Health Plan ("QHP") issuer to provide administrative services or healthcare services to qualified individuals, qualified employers, or qualified employees and their dependents. (45 C.F.R. 156.20).
- **Downstream Entity:** Any party that enters into a written arrangement, acceptable to CMS, with persons or entities involved with the MA organization or Part D benefit, below the level of the arrangement between a MA organization or Part D plan sponsor (or applicant) and a first tier entity. These written arrangements continue down to the level of the ultimate provider of both health and administrative services. (42 C.F.R. 422.2, 423.4).
- **Entity:** Means all of Hometown Health and Renown Health's FDRs, delegated entities, subcontractors and network providers.
- **First-Tier Entity:** Any party that enters into a written arrangement, acceptable to CMS, with the MA organization or Part D plan sponsor or applicant to provide administrative services or health care services to a Medicare eligible individual under the MA organization or Part D program. (42 C.F.R. 422.2, 423.4).
- **Fraud:** A false representation of a material fact, whether by words or by conduct, by false or misleading allegations, or by concealment of that which should have been disclosed, which deceives another. (Paraphrasing Black's Law Dictionary - http://thelawdictionary.org/fraud/).
- **Health Insurance Portability and Accountability Act ("HIPAA"):** HIPAA sets the standard for protecting sensitive patient data.
- **The Health Information Technology for Economic and Clinical Health Act ("HITECH"):** Provides HHS with the authority to establish programs to improve health care quality, safety, and efficiency through the promotion of health IT, including electronic health records and private and secure electronic health information exchange.
- **Medicare Advantage ("MA" or "Part C"):** A Medicare program that provides additional choices among health plans. Those who subscribe to Medicare Parts A and B are eligible, except individuals who have End-Stage Renal Disease ("ESRD") unless certain exceptions apply. Medicare Advantage Plans are also known as Medicare + Choice Plans.
- **Network Provider also known as health care provider:** A provider of services (as defined in section 1861(u) of the Act, 42 U.S.C. 1395x(u)), a provider of medical or health services (as defined in section 1861(s) of the Act, 42 U.S.C. 1395x(s)), and any other person or organization who furnishes, bills, or is paid for health care in the normal course of business. (45 C.F.R. 160.103).
- **Office of Inspector General ("OIG"):** The department within the Department of Health and Human Services ("HHS") tasked with enforcement of waste, fraud, and abuse efforts in Medicare, Medicaid and more than 100 other HHS programs. (https://oig.hhs.gov).

- **Prescription Drug Plan ("PDP" or "Part D"):** A Medicare program to assist with the cost of prescription drugs for individuals who are eligible beneficiaries to receive Medicare prescription drug coverage. There are two ways to obtain Medicare prescription drug coverage: 1) through Medicare Prescription Drug Plan or 2) through Medicare Advantage Plan that includes drug coverage. These plans are offered by insurance companies and other private companies approved by Medicare.
- **Related Entity:** Any entity that is related to MA and/or Part D sponsor by common ownership or control.
- **Utilization Review Accreditation Commission ("URAC"):** URAC has been the independent leader in promoting health care quality through accreditation of organizations involved in medical care services. URAC's accreditation is recognized nationwide by state and federal regulators. URAC accreditation standards appear in legislation and regulation at the state and federal government. (www.urac.org).
- **U.S. Department of Health and Human Services ("HHS"):** The mission of HHS is to enhance and protect the health and well-being of all Americans. HHS will provide effective health and human services and foster advances in medicine, public health, and social services. (http://www.hhs.gov/).
- **Waste:** Occurs when poor or inefficient practices result in unnecessary healthcare expenditures to a Government program.

References:

- Commercial insurance regulations relating to health care access, 42 C.F.R. Parts 140 through 159
- Federal Anti-Kickback Statute (42 U.S.C. §1320a-7b(b))
- Federal Register / Vol. 64, No. 219 / Monday, November 15, 1999 ("Department of Health and Human Services, Office of Inspector General, Publication of the OIG's Compliance Program Guidance for Medicare+Choice Organizations Offering Coordinated Care Plan")
- Medicare Advantage program regulations, 42 Code of Federal Regulations Part 422
- Medicare Managed Care Manual, Chapter 21 ("Compliance Program Guidelines")
- Medicare Prescription Drug Benefit program regulations, 42 Code of Federal Regulations Part 423
- Nevada Revised Statutes governing commercial insurance regulations in the state of Nevada, Title 57, Chapters 679A through 689C
- Nevada Revised Statute 439B.420-.430 ("Anti-kickback Statute")

- Physician Self-Referral Statute (42 U.S.C. § 1395nn) ("Stark")
- Prescription Drug Benefit Manual, Chapter 9 (“Compliance Program Guidelines”)
- RENOWN.CCD.015 – Compliance Education and Training
- URAC 7.3 Standards – CORE 28, CP 1, CR 6
- USA, Department of Justice, Criminal Division, Fraud Section. (n.d.). Evaluation of Corporate Compliance Programs

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Contributors:

- Philip Ramirez, Manager of Compliance – Hometown Health