Priority Health

Compliance Program

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Priority Health Compliance Program

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Priority Health Compliance Program

A. Introduction

Priority Health, Priority Health Managed Benefits, Inc., and their respective subsidiaries (collectively "Priority Health") are subsidiaries of Corewell Health, a not-for-profit, integrated, health care organization. Priority Health provides health care coverage, wellness services, and other related services through its suite of Medicare, Medicaid, Dual Special Needs Plan (DSNP), Federal Employee Health Benefits Plan (FEHBP) and individual and employer health plans:

- In compliance with all laws and regulations governing its operations; and
- Consistent with the highest standards of good business and professional ethics.

Priority Health's Compliance Program is annually reviewed, approved and adopted by Priority Health's Quality Integration Committee as delegated by the Board of Directors to promote an overall culture of compliance to prevent, detect and correct non-compliance, as well as actual or potential fraud, waste and abuse. This Compliance Program applies to all products offered by Priority Health (including but not limited to Medicare Part C and Part D, Medicaid, Qualified Health Plans (QHP), and the FEHBP) and Priority Health Managed Benefits, Inc., through all Priority Health legal entities including, but not limited to, Priority Health, Priority Health Managed Benefits, Inc., Priority Health Choice, Inc., Priority Health Insurance Company.

Priority Health Choice, Inc. and all other Priority Health and Priority Health Managed Benefits, Inc., subsidiaries havedelegated their responsibilities to administer an effective compliance program to Priority Health through service and management agreements.

In order to ensure its effectiveness, Priority Health is committed to fully implementing the Compliance Program, devoting adequate resources to the program in order to:

- Promote and effectively enforce the Code of Excellence and Compliance Program;
- Effectively train and educate governing body members, employees, and contracted staff (employees and contracted staff hereafter referred to collectively as team members),
- Ensure training of First Tier, Downstream and Related Entities, Subcontractors, and Delegated and Downstream Entities (hereafter referred to collectively as vendors).
- Effectively establish lines of communication within itself and between itself and its vendors;
- Oversee vendor compliance with all Federal and State regulatory requirements;
- Establish and implement an effective system for routine auditing and monitoring; and
- Identify, investigate and promptly respond to risks and findings.

The Priority Health Compliance Program has adopted the seven elements of an effective compliance program as recommended by the federal sentencing guidelines. In addition, Priority Health has adopted an eighth element of compliance – a comprehensive fraud, waste and abuse plan. These eight elements are described in detail below.

Definitions:

- The term ***vendor*** used in this document includes first tier entities, downstream entities and related entities under the Medicare Part C and Part D program, Administrative and Transportation Subcontractors under the Michigan Medicaid Health Plan, and Delegated and Downstream Entities under Qualified Health Plans .
- An ***employed team member*** refers to an individual on Corewell Health/Priority Health payroll who may also receive benefits, if eligible, directly from Corewell Health/Priority Health. May also be referred to as employee.
- A ***non-employed team member*** is an individual who is not employed by a Corewell Health/Priority Health entity but who works or provides services on behalf of Corewell Health/Priority Health or on behalf of another organization; may also be referred to as a contractor, contingent staff member, or a non-employee.
- The term ***team members*** used in this document refer collectively to all employed and non-employed team members, as described above.

B. Compliance Program Elements

1. Written Policies, Procedures and Standards of Conduct

All team members must carry out their duties at Priority Health in accordance with the letter and the spirit of this Compliance Program, including its related policies, procedures and the Code of Excellence. Any violation of applicable law, or deviation from Priority Health's compliance policies or standards, may result in disciplinary action, up to and including termination.

The Compliance Program includes statements of policy in a number of specific areas. However, the Compliance Program does not cover all civil and criminal laws, professional standards, or ethical principles applicable to Priority Health and its businesses. Questions as to whether an action violates Priority Health's compliance policies or applicable law should be raised either with a leader or directly with the compliance officer. In those instances where there is a question of whether an action implicates or violates a particular law, the compliance officer confers with legal counsel.

The Corewell Health Code of Excellence is reviewed annually and revised as needed. Substantive changes are approved by the President and CEO of Corewell Health and the Corewell Health Board of Directors. The Code of Excellence includes a resolutionof the full governing body affirming the commitment to compliant, lawful and ethical conduct. The Priority Health Board of Directors has an annual opportunity to review and provide input into the Corewell Health Code of Excellence.

In addition to the Code of Excellence, the compliance policies and procedures listed in Exhibit A support the Compliance Program and work together with department policies

developed in conjunction with and used on a day-to-day basis by Priority Health's operational areas and/or business units. Policies and procedures can be found in the electronic policy database and those applicable to vendors can be found on the Priority Health website at https://www.priorityhealth.com/vendor/compliance-training. In addition, the compliance officer distributes in writing, posts in conspicuous places, and posts to the Priority Health Intranet any modifications of or amendments to the Compliance Program, Code of Excellence or applicable compliance policies.

The Code of Excellence and compliance policies and procedures are available to all applicable individuals and entities (team members, vendors, and board members) within 90 days of when they begin work with Priority Health and are regularly redistributed through the annual training initiative (for team members and board members) and available online to ensure that individuals and entities are familiar with the ethical and legal standards with which they are required to comply. The Code of Excellence is posted at https://www.priorityhealth.com/about-us/compliance-code-of-excellence and notification is sent to team members when the Code of Excellence is updated.

The Priority Health compliance policies and procedures that support the Compliance Program are reviewed and revised annually, or more often, when Priority Health processes or applicable laws, regulations, or government program or contractual requirements necessitate a change.

Priority Health requires that all vendors adopt its Code of Excellence and related policies and procedures or maintain similar policies, procedures and standards of conduct that comply with current regulations or sub-regulatory guidance. Vendor policies, procedures, and standards of conduct are subject to review and approval by Priority Health.

2. Compliance Officer, Compliance Committee and High-Level Oversight

Board of Directors: The Quality Integration Committee, as delegated by the Board of Directors approved and adopted this Compliance Program, resolved to allocate the corporate resources required to implement it, and empowered the compliance officer to take the actions necessary and appropriate to accomplish it, including the authority to investigate and resolve compliance issues that may be identified from time to time. The Board of Directors is knowledgeable about the content and operations of the Compliance Program and is accountable for reviewing the status of the Compliance Program.

The Board is responsible for reasonable oversight with respect to the implementation and effectiveness of the Compliance Program. The Board carries out this responsibility by delegating the oversight, authority, and accountability to ensure the goals of the Compliance Program are met to the Quality Integration Committee (QIC) and to the Compliance Committee, which reports to the QIC. (See Exhibit B for an organizational chart of the oversight of the Compliance Program.) On behalf of the Board of Directors, the QIC or the Chair of the QIC:

- Receives, reviews, and takes appropriate action on the dashboards, reports, findings, and recommendations of the compliance officer and Compliance Committee;

- Reports violations that involve a financial risk to the Board's Finance and Audit Committee;
- Participates in Board meetings to educate its members as to compliance issues, concerns, and methods;
- Oversees an annual review of the effectiveness of the Compliance Program; and
- After consultation with management, ensures corporate resources (financial, human, and physical) are allocated as necessary to operate a robust and effective Compliance Program.

Compliance Officer: The Priority Health compliance officer serves as the corporate compliance officer, and as such is appointed by the Priority Health Board of Directors. The Priority Healthcompliance officer is responsible for the overall management and day-to-day operation ofthe Compliance Program and for overseeing overall compliance of all Priority Health linesof business. The Priority Health compliance officer reports to both the President of PriorityHealth and the SVP, Chief Compliance Officer of Corewell Health, and is accountable to the Priority Health Board of Directors.

The compliance officer communicates and coordinates with other departments for all compliance or fraud, waste and abuse activities, including but not limited to human resources, information security, internal audit, legal, or the applicable operational department. The compliance officer develops relationships with, and uses the resources of, other Priority Health departments, law enforcement and government agencies, professional associations as well as the Corewell Health corporate compliance department and/or the special investigations unit of Priority Health.

The Priority Health Medicare compliance officer leads the specific activities related to the Medicare compliance work plan and provides Medicare program subject matter expertise to the Medicare line of business. The Medicare compliance officer reports to the Priority Health Vice President of Senior Markets (considered the divisional president for the Medicare line of business) with a dotted line to the Priority Health compliance officer. Access to the President of Priority Health, the QIC, and the Board of Directors is facilitated through the Priority Health compliance officer. The Medicare compliance officer provides unfiltered reports to the Board through the compliance officer and may also relay these reports through senior operational management.

Anyone serving Priority Health in the role of compliance officer must be an employee of Priority Health, Corewell Health, or any corporate affiliate, and may not be an employee of a vendor. This includes the corporate compliance officer and the Medicare compliance officer who is vested with the day-to-day operations of the Medicarecompliance program. The compliance infrastructure of Priority Health is organized as depicted in Exhibit B.

The compliance officer routinely reports compliance activities and incidents of suspected or identified non-compliance or fraud, waste and abuse to the Compliance Committee and to the Board of Directors through the QIC. The compliance officer has direct access to the President and to the Chair of the QIC and has the authority to meet in-person with the President, Board of Directors or the QIC at his or her discretion to provide unfiltered reports. At any time, the compliance officer may escalate compliance issues directly to the

executive management team, the President, or the Board of Directors, who are accountable for ensuring that Priority Health's compliance goals are met.

The compliance officer also ensures that compliance risk areas applicable to Priority Health are adequately addressed through a focused internal auditing process and an ongoing monitoring process. In addition, the compliance officer is responsible for establishing key performance measures, metrics, and reporting protocols as part of the organization's audit and monitoring of key risk areas. It is the responsibility of the compliance officer to monitor and report key compliance and performance metrics for the purpose of resolving any identified patterns and trends, work with operational areas on any internal corrective actions, and assess the effectiveness of the compliance program.

The compliance officer is responsible for protecting the assets of Priority Health and its members and customers by detecting, identifying, and deterring fraud, waste and abuse by conducting audits of internal and external sources of information. The compliance officer ensures that policies and procedures relating to compliance and fraud, waste and abuse promote effective interdepartmental and external lines of communication. With the support of Priority Health's senior management and the Compliance Committee, the compliance officer ensures consistent disciplinary guidelines are enforced for incidents of non-compliance with company standards.

The compliance officer creates and maintains thorough an objective documentation of all findings and develops and recommends appropriate case strategies to bring cases to a timely and successful close. All investigators comply with the fraud, waste and abuse reporting requirements under applicable state and federal laws.

At least quarterly, the compliance officer or designee reports to the Compliance Committee and meets twice annually with the QIC. Written reports are provided to the QIC and the Board of Directors each quarter. The President also reviews quarterly reports and meets in-person with the compliance officer at least twice annually. The compliance officer or designee provides a report of the identification and resolution of suspected, detected or reported instances of noncompliance and Priority Health's compliance oversight and audit activities. The compliance officer or designee also provides to the Compliance Committee, QIC, and the President a summary of material violations of state and/or federal laws or the Code of Excellence, and/or the applicable policies and procedures, the nature of the alleged violation, the department involved, the findings of any investigation and the action taken, as well as a summary of Help Line calls and their disposition.

The compliance officer's responsibilities are to:

- Serve as a facilitator for compliance activities;
- Chair the Compliance Committee;
- Monitor the Compliance Program on an ongoing basis to ensure effectiveness;
- Develop an annual compliance work and training plan;
- Continually monitor and update the Compliance Program to reflect changes in applicable regulatory and contractual requirements;
- Provide oversight of, and ensure that team members are informed and educated on the compliance education and training program and changes in state or federal requirements related to their respective job responsibilities;

- Support and assist appropriate leaders to develop and disseminate compliance materials for customers, employer groups, agents, vendors, physicians and other providers;
- Assess compliance risk and include the areas of risk identified in the OIG's annual work plan in this assessment;
- Develop an annual risk-based monitoring plan and auditing plan;
- Monitor the completion status of the corrective actions;
- Monitor compliance efforts throughout the organization;
- Set up and maintain a confidential hotline for employees, contingent labor, physicians and other providers, customers, employer groups, vendors, members of the Board of Directors and agents to use to anonymously report concerns about misconduct;
- Oversee the special investigations unit in the development and implementation of the fraud, waste and abuse plan;
- Update the Board of Directors by providing dashboards, reports and materials to the QIC on a regular basis (no less than quarterly) regarding compliance issues and activities;
- Attend a QIC meeting in person at least twice annually to answer questions or to review compliance issues and activities as requested;
- Attend executive sessions with QIC twice annually, or when required to address specific compliance issues;
- Meet with the President and SVP, Chief Compliance Officer as necessary to review compliance issues;
- Conduct investigations of reported violations and suspected violations, including actual or potential instances of fraud, waste and abuse, and take appropriate action with respect to the same;
- Coordinate investigations with legal counsel (internal and external), human resources, the special investigations unit or other appropriate party as necessary or appropriate;
- Help ensure disciplinary standards for compliance violations are appropriate to the seriousness of the violation and enforced in a timely, consistent and effective manner; and
- Maintain documentation of all violations, corrective action, and disciplinary action.

Compliance Committee: The Compliance Committee is responsible for the oversight of the Compliance Program and the annual compliance work and training plan. In addition, the Compliance Committee is responsible to provide guidance, direction and support to the compliance officer with the implementation and enforcement of compliance policies and the Code of Excellence, and with the resolution of compliance issues as needed. The Compliance Committee will provide oversight to ongoing auditing and monitoring and will review the results of such auditing and monitoring. The Compliance Committee may provide oversight of monitoring and audit plans, results and corrective actions through appropriate sub-committees or committees.

The Compliance Committee shall, to the extent practicable, be comprised of a permanent core group of high-level personnel in key positions in the organization. The Compliance Officer, in consultation with the President and SVP, Chief Compliance Officer, will

appoint members of the Compliance Committee. The Compliance Committee shall be chaired by the compliance officer and shall convene no less than quarterly, but more frequently than the QIC. The Compliance Committee shall be guided in the discharge of its responsibilities by the Compliance Committee Charter.

Duties of the Compliance Committee include, but are not limited to:

- Reviewing reports and recommendations of the compliance officer regarding compliance activities. Based on these reports, the Committee makes recommendations regarding future compliance priorities and resources;
- Reviewing reports from investigations when agreement upon disciplinary action and/or corrective action plans cannot otherwise be reached. In these cases, the Compliance Committee makes the final decision;
- Approving the annual compliance work and training plan, which addresses areas of focus for each year;
- Ensuring that Priority Health has up-to-date compliance policies and procedures based on regulatory guidance changes;
- Meeting at least on a quarterly basis, or more frequently as necessary to enable reasonable oversight of the compliance program;
- Reviewing effectiveness of the system of internal controls designed to ensure compliance with regulations (i.e. Federal and State) in daily operations;
- Ensuring that there is a system in place for team members, providers and other relevant downstream entities to ask compliance questions and report potential instances of noncompliance and potential fraud, waste and abuse confidentially or anonymously (if desired) without fear of retaliation;
- Ensuring that there is a method for members to report potential fraud, waste and abuse; and
- Reviewing and addressing reports of monitoring and auditing of areas that are at risk for noncompliance or potential fraud, waste and abuse and ensuring that corrective action plans are implemented and monitored for effectiveness.

Senior Management: The President and other senior management are engaged in the Compliance Program. The President receives regular reports from the compliance officer regarding any areas of risk facing the company, any strategies being implemented to address them and the results of those strategies. The President also receives regular reports of all compliance enforcement activities.

3. Effective Training and Education

Priority Health's compliance education and training program is designed to be an effective tool to inform all team members, members of the Board of Directors, agents and vendors of the Compliance Program, and of their compliance responsibilities, and to foster commitment to the Code of Excellence. The education and training program includes initial orientation, annual education, and may include additional training that is provided throughout the year. The compliance officer is responsible for planning, coordinating and implementing the training efforts of the Compliance Program.

All team members are provided mandatory general compliance education and training, which includes the Code of Excellence. Also provided is fraud, waste and abuse, and HIPAA privacy and security training. As a condition of employment, all team members

must sign an acknowledgement form confirming they have received the Code of Excellence and understand it represents mandatory policies. The acknowledgement form is signed and stored electronically with the documentation of training. Copies of the Compliance Program, the Code of Excellence, and other compliance resources are made readily available to all team members.

The compliance education and training program is included within the compliance work plan, which is approved annually by the Compliance Committee.

4. Effective Lines of Communication

Priority Health encourages team members to proactively ask questions to prevent mistakes and to ensure compliance. However, mistakes occur, and no concern is too small or unimportant to be reported. Priority Health has a policy and process to ensure that actual or potential compliance or ethics violations, including instances of actual or potential fraud, waste and abuse, are appropriately reported and assessed as follows:

- Team members have the opportunity and obligation to report actual or potential concerns. Those who do not report conduct violating Priority Health's compliance policies may be subject to disciplinary action. Team members may make a report in person, by telephone or in writing to their leader, human resources, the special investigations unit, legal, compliance or to the compliance officer. Team members may also use the Integrity Help Line to anonymously report actual or potential concerns to the compliance officer by calling 877.319.0266.

- Members of the Board of Directors, physicians and other providers, vendors and agents have the opportunity and obligation to report actual or potential violations. These individuals may use the Compliance Help Line to anonymously report actual or potential violations to the compliance officer by calling 800.560.7013, or they may report in person, by telephone or in writing to the compliance officer:

  Cindy Rollenhagen
  VP, Compliance and Privacy Officer
  Priority Health
  1231 East Beltline NE, MC 3230 Grand Rapids, MI 49525
  cindy.rollenhagen@priorityhealth.com
  616.464.8424

- Members and employer groups have the option and are encouraged to report actual or potential violations by telephone or in writing to the compliance officer. These individuals may use the Compliance Help Line at 800.560.7013 to make an anonymous report.

The Integrity Help Line and the Compliance Help Line offer the option to report a concern anonymously. The Help Lines are staffed 24 hours a day, seven days a week byindependent vendors with specialists who are trained to obtain complete and accurate information in a confidential manner. The Help Lines have a process to provide a caller with a response from the compliance officer (or appropriate individual) at a future call backdate established during the initial call.

The process to report actual or potential compliance violations is designed to ensure that confidentiality is maintained, and anonymity is protected. All persons making a report are assured that confidentiality will always be maintained insofar is legal, practical and consistent with a reasonable investigation.

Additional reporting options are available to report actual or potential fraud involving Medicare, Medicaid, or the Federal Employees Health Benefits Program directly to government officials. See the Priority Health website and search "fraud" for reporting information.

Whistleblower Protection and Non-Retaliation: Priority Health has 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. This policy protects an individual who reports a concern in good faith from any type of intimidation or retaliation, regardless of whether the report is ultimately substantiated.

Priority Health complies with all state and federal requirements for government-sponsored programs, including the Federal False Claims Act, the Deficit Reduction Act of 2005, the American Recovery and Reinvestment Act of 2009, applicable Whistleblower Protection laws, and any state false claims statutes.

Priority Health does not retaliate against an employee for reporting or bringing a civil suit for a possible False Claims Act violation. Priority Health does not discriminate against any employee that initiated or otherwise assisted in a False Claims Act action.

Priority Health does not retaliate against any of its agents and vendors for reporting suspected cases of fraud, waste, or abuse to us, the federal government, state government, or any other regulatory agency with oversight authority. Federal and state law also prohibits Priority Health from discriminating against vendors because the vendor initiated or otherwise assisted in a False Claims Act action.

5. Well-Publicized Disciplinary Standards

Enforcement of standards is an essential element of the Compliance Program, and it is essential to Priority Health's efforts to prevent non-compliance and fraud, waste and abuse. Priority Health enforces standards through well-publicized disciplinary guidelines. To encourage the reporting of unethical or non-compliant behavior, multiple methods are used to publicize disciplinary guidelines, including the Code of Excellence, announcements, compliance training, and *priorityhealth.com*. Orientation and training of team members and policies and procedures include statements about disciplinary guidelines and the importance of enforcement standards.

Priority Health will take timely, appropriate, consistent and effective disciplinary actions, up to and including termination, against a team member, customer, provider, employer group, vendor, or agent who authorizes or participates directly in a violation of applicable state or federal law, the Code of Excellence or compliance policy or standard and any team member who may have deliberately failed to report such a violation or who hinders an investigation by destroying evidence, withholding relevant and material information, or by

misrepresentation. In addition, Priority Health takes appropriate actions to prevent reoccurrence.

Team Members:
Performance correction may include actions such as performance feedback discussion or performance correction levels, including termination. These performance correctionactions also apply to a leader who directs or approves an individual's improper actions, oris aware of those actions, but does not act appropriately to prevent, curtail, or correct him/her, or who otherwise fails to exercise appropriate supervision.

In cases in which disciplinary action may be appropriate, the compliance officer (or designee) will work with human resources and the relevant supervisor to implement such actions. If agreement cannot be reached on a disciplinary action, the matter will be discussed with the relevant senior and/or executive management, as applicable. If agreement cannot be reached at the executive manager level, the matter may be referred to the Compliance Committee for resolution. The Compliance Committee recommends any appropriate remedial or other action as warranted under the circumstances if agreement cannot be reached between the appropriate business owner, compliance officer and human resources.

Year-end aggregate results of actions taken to address non-compliance or misconduct are shared with the organization to maintain confidence in Priority Health's commitment to the Code of Excellence and to build our culture of compliance.

Third Parties:
Priority Health provides the Code of Excellence and Compliance Program at *priorityhealth.com* to vendors and other third parties and encourages them to adopt standards of conduct which reflects a commitment to ensuring legal and ethical standards are met. Misconduct by a third party may result in the termination of the contract with Priority Health and/or notification to the appropriate governmental agency.

6. Effective System for Routine Monitoring and Identification of Compliance Risks
Priority Health has a system in place to help ensure effective monitoring and auditing is conducted on a regular basis to test and confirm compliance with internal policies and procedures and federal, state and local laws and regulations governing its operations and to prevent, detect and correct actual or potential fraud, waste and abuse. This system includes policies and procedures, an annual compliance risk assessment and a risk-based monitoring plan and auditing plan.

Risk Assessment: On an annual basis, the compliance department conducts a formal risk assessment of compliance and operational issues based on, but not limited to, the following criteria:

- Contractual obligations
- Centers for Medicare & Medicaid (CMS) areas of concern
- Health Plan Management System (HPMS) memos and other CMS tools
- New/updated laws, regulations and guidance
- Office of Inspector General (OIG) Work Plan
- Business owner feedback

- Past compliance issues
- Internal Corrective Action Plans (CAPs)
- Department size, resources, structure, business mode
- Complexity of work

Interviews are conducted with business owners to assess their areas of concern and to incorporate those areas into the work plan when appropriate. Areas of concern are ranked by risk, using a high/medium/low ranking system.

Compliance Work Plan: Based on the risk assessment of operational areas, the compliance officer develops a work plan. The work plan is inclusive of the monitoring plan and audit plan, and contains, but is not limited to, monitoring and audit activities to be conducted for that year. The compliance officer oversees and executes ongoing monitoring and audit activities in selected high-risk areas and oversees corrective actions and implementation plans pursuant to a compliance finding.

The risk assessment and compliance work plan is submitted to the Compliance Committee for comment and approval. The work plan reflects efforts to assess and mitigate current risks to the organization. It also includes a special focus on the risks associated with government program requirements and oversight of vendors to prevent harm to members. Since operational and compliance risks and the regulatory landscape are constantly changing, the risk assessment and work plan are routinely reviewed and revised to meet the changing needs.

Monitoring: Priority Health conducts monitoring activities of key areas, as determined by evaluating the results of the risk assessment. When deficiencies are detected pursuant to monitoring, follow-up monitoring or auditing may be conducted to measure the effectiveness of any corrective action. Services of independent external auditors may be retained to assist in the auditing of high-risk areas.

Auditing: Audits are generally performed by the compliance department, by the internal audit department or by external auditors. Staff dedicated to the audit function are responsible for auditing Priority Health's operational areas to ensure compliance with applicable state and federal regulations and as needed to assist with monitoring to ensure corrective actions have been effective.

Participants in the audit function are knowledgeable about the operational requirements for the areas under review (e.g. Medicare, Medicaid, etc.). At times, external auditors may be utilized to provide the requisite subject matter expertise. Auditors may include, as needed, pharmacists, nurses, physicians, certified public accountants, fraud investigators, quality improvement staff, SIU staff, compliance staff with operational backgrounds and other highly skilled staff. These specific roles may not reside within the compliance department or internal audit department. Rather, they may reside in other departments provided their services are accessible to perform the necessary audit responsibilities.

Although these roles may reside in operational departments, the compliance officer ensures that auditors are independent and do not engage in self-policing. Operations staff may assist in audit activities provided the assistance is compatible with the independence of the audit

function. For example, operations staff may gather data for samples requested by the auditor and may provide other types of information to auditors. The compliance officer ensures that audit staff have access to the relevant personnel, information, records and areas of operation under review, including the operational areas at the plan and vendors.

Monitoring and auditing results are used to help evaluate the effectiveness of the Compliance Program. Outside consultants may be engaged to perform audits or assist with compliance activities or the investigation of compliance issues, as determined by the compliance officer. The compliance officer will receive all final compliance audit reports, including audit results, deficiencies and related management action plans to remediate the risks of non-compliance. Priority Health will conduct follow-up reviews of areas found to be non-compliant to determine if corrective actions were taken timely and effectively.

Auditing Compliance Program Effectiveness: At least annually, Priority Health audits the effectiveness of the compliance program and the results are shared with the Board of Directors. In order to avoid self-policing, the compliance department staff does not conduct the formal audit of the effectiveness of the compliance program. However, compliance staff does administer less formal measures of compliance program effectiveness, such as self-assessment tools and dashboards in support of the compliance program effectiveness audit.

Monitoring OIG/GSA Exclusion: All prospective team members are required to undergo pre-employment screenings prior to employment or contracting with Priority Health. Priority Health also engages in routine practices intended to screen-out those who have engaged in fraudulent acts to include, but not limited to, criminal background checksas required by law or contract, employment verification, credentialing and re-credentialingof providers.

Vendors are required to screen all employees and downstream entities as described above, to maintain records of screening results, to notify Priority Health of any confirmed exclusion list matches and to remove matched individuals or entities from performing work associated with Priority Health's contracted functions.

Team members and vendors must notify management of any material change in their ability to be employed and perform services for Priority Health.

Monitoring and Auditing Vendors: Priority Health retains responsibility for the lawful and compliant administration of its program benefits under its contracts (including with Centers for Medicare & Medicaid (CMS) and Michigan Department of Health and Human Services (MDHHS)), including for thosefunctions for which it has delegated in whole or in part to vendors. Priority Health maintains an oversight strategy to monitor and audit its vendors for compliance with applicable laws and regulations, and to ensure that the vendors are monitoring the compliance of the entities with which they contract (delegated and downstream entities). Priority Health also monitors related entities. Vendors are assessed for risk on an annual basis and will be identified for auditing based on the results of this risk assessment.

Reporting: All monitoring and auditing activities are reported to the Compliance Committee, and applicable members of the executive management team. The Board of Directors also receives a summary of the monitoring and auditing activities. Significant issues uncovered during monitoring and auditing may be reported to applicable regulatory bodies as appropriate and/or required.

7. Procedures and System for Prompt Response to Compliance Issues

Priority Health's policies and processes are designed to help ensure prompt and reasonable investigations are conducted of suspected offenses (internal and external) by appropriate individuals/departments and that appropriate corrective actions are taken to resolve detected offenses and prevent reoccurrence. Corrective actions may include actions such as repayment of overpayments and making reports, including voluntary self-reports, to appropriate governmental agencies or their designee.

When instances of non-compliance are detected, the appropriate operational department, in collaboration with the compliance officer or designee, conducts a root cause analysis to determine the cause of the issue. In addition, a corrective action plan is initiated to correct deficiencies and prevent them from recurring.

Actions to correct deficiencies may include revision or creation of policies and procedures, system improvements, training, monitoring, disciplinary actions, and other actions that the compliance officer and/or management may deem appropriate. The compliance officer may add issues to the risk assessment and compliance work plan as appropriate.

When appropriate, Priority Health cooperates with law enforcement authorities in the prosecution of health care and insurance fraud cases and reports fraud related data as specified by Federal and State laws and regulations and self-reports to the State Departments of Insurance, State Agencies, State Licensing Boards, NBI MEDIC and Federal Agencies. The compliance officer is responsible for ensuring Priority Health's compliance with all contractual obligations as well as Federal and State laws and regulations that apply to the reporting of fraud, waste and abuse. The compliance officer concludes investigations of fraud, waste and abuse within a reasonable time after the activity is discovered. The compliance officer makes every effort to complete investigations timely, however factors such as communications with subject of the investigation, collection of evidence (e.g. records), etc. impact this time frame.

8. Comprehensive Fraud, Waste and Abuse Plan

Priority Health's program to control fraud, waste and abuse includes policies and procedures to identify and address fraud, waste and abuse at both Priority Health and with vendors. Each element of the Compliance Program includes a focus to prevent, detect and correct actual or potential fraud, waste and abuse. Priority Health will monitor and audit vendors as required or appropriate for possible wasteful, abusive and fraudulent activities. Priority Heath will allow authorized governmental agencies (or a designee) timely access, upon reasonable request, to appropriate records. Appropriate corrective actions will be taken to resolve detected offenses and to prevent reoccurrences, including voluntary self-reports to appropriate governmental agencies or their designee.

Special Investigations Unit (SIU): The Priority Health SIU is an internal investigation unit responsible for conducting surveillance, interviews, and other methods of investigation relating to potential fraud, waste and abuse. The SIU refers matters indicative of fraud, waste and abuse to the compliance and legal departments and may escalate issues as appropriate to the NBI MEDIC, appropriate regulatory bodies or law enforcement.

In addition to the dedicated staff working within the SIU, the SIU is also supported by and relies on the expertise and professional skills of other individuals and departments. These departments may include, but are not limited to compliance, legal, payment integrity, medical, provider credentialing, and pharmacy. In addition, the SIU works collaborative with the applicable Pharmacy Benefits Manager.

SIU responsibilities include:

- Reducing or eliminating benefit costs due to fraud, waste and abuse;
- Reducing or eliminating fraudulent or abusive claims paid for with federal and/or state dollars;
- Preventing illegal activities;
- Identifying enrollees with overutilization issues;
- Identifying and recommending providers for exclusion, including those who have defrauded or abused the system to the NBI MEDIC and/or law enforcement;
- Referring suspected, detected or reported cases of illegal drug activity, including drug diversion, to the NBI MEDIC and/or law enforcement and conducting case development and support activities for NBI MEDIC and law enforcement investigations; and
- Assisting law enforcement by providing information needed to develop successful prosecutions.
- Providing dashboards and reports to the compliance officer, Compliance Committee, QIC, and Board of Directors.

The SIU is accessible via phone, email, mail, and the Compliance Help Line. Suspicions of fraud, waste and abuse can be reported anonymously to the SIU. The SIU and compliance department communicates and coordinates closely to ensure that the services and benefits provided by Priority Health are protected from fraudulent, abusive and wasteful schemes throughout the administration and delivery of benefits.

In addition, Priority Health performs, monitors and analyzes data in order to prevent and detect fraud, waste and abuse. Data analysis is performed to identify unusual patterns suggesting potential errors and/or potential fraud and abuse.

C. Reports and Record Keeping

The compliance officer maintains records of compliance activities, including educational activities, audits and the investigation, and resolution of complaints or reported violations or suspected violations. All such records, including data, recorded information, and reports, are maintained in the strictest confidence at all times insofar as is legal and practical, in order to protect the confidentiality of those making reports or complaints. Tothe extent that an individual makes a report pursuant to compliance policies,communication with that individual will be kept confidential and will not be made available to persons or entities not

involved in the compliance issue except as required by state or federal law or ordered by lawful court or governmental process.

Priority Health maintains all books, documents, papers and/or records relating to their government program enrollees for up to ten (10) years from the final date of the contract period or ten (10) years from the date of any audit if later. Priority Health agrees to permit CMS, the U.S. Department of Health and Human Services, and the Comptroller General, or their designees the right to inspect any pertinent information related to the contract during the contract term, for up to ten (10) years from the final date of the contract period, and in certain instances described in applicable regulation(s) (i.e. Medicare Part C or Part D regulations), periods in excess of ten (10) years, as appropriate, (ten (10) years from the date of any audit, if later.) If a contract contains more stringent record retention requirements than those described in this section those timeframes are followed as required in the contract.

Priority Health and Priority Health's vendors will allow authorized governmental agencies (or a designee) timely access, upon reasonable request, to appropriate records for auditing purposes.

D. Adoption; Amendments and Revisions

Except as set forth below, neither this Compliance Program, nor any supplement, amendment, nor revision of it, shall be effective unless and until approved by the Quality Integration Committee. Such supplements, amendments, or revisions may be initiated by the Board, the QIC, the President, the compliance officer, or the Compliance Committee. The Compliance Committee is given the authority from time to time, to make clarifying revisions to the Compliance Program to reflect changes that are not material and do not adversely affect Priority Health's overall strong commitment to compliant, lawful and ethical conduct.

This Compliance Program was updated in March 2023 and approved by the Compliance Committee and the Quality Integration Committee.

Exhibit A - Key Compliance Program Documents

- Priority Health Compliance Program **
- Code of Excellence *
- Compliance Officer job description
- Compliance Program Work Plan ***
- Compliance Program Audit Plan ***
- Compliance Committee Charter **
- Compliance Investigation and Corrective Action policy
- Gifts, Meals and Entertainment policy
- Compliance Education and Training policy
- Compliance Lines of Communication policy
- Fraud, Waste and Abuse policy
- Federal and State Laws related to Fraud, Waste and Abuse
- Fraud, Waste and Abuse procedure
- Compliance Investigation and Resolution policy
- Records Management, Retention and Destruction policy
- Medicare First Tier, Downstream and Related Entities policy
- Non-Retaliation policy
- Compliance Risk Assessment policy
- Compliance Risk Assessment procedure
- Compliance Monitoring & Auditing policy
- Compliance Monitoring procedure
- Compliance Auditing procedure
- Processing Integrity Help Line Calls procedure
- Regulatory Screenings: Excluded Individual, Entities, Debarment
- Regulatory Screenings: Excluded Individuals, Entities, Debarment, OFAC
- Prevention & Detection of Fraud, Waste and Abuse
- Compliance Disciplinary Action policy
- Reporting Compliance Concerns policy
- Conflicts of Interest – Management & Governing Boards policy
- Compliance Education and Training policy
- Compliance Policy & Procedure Development policy

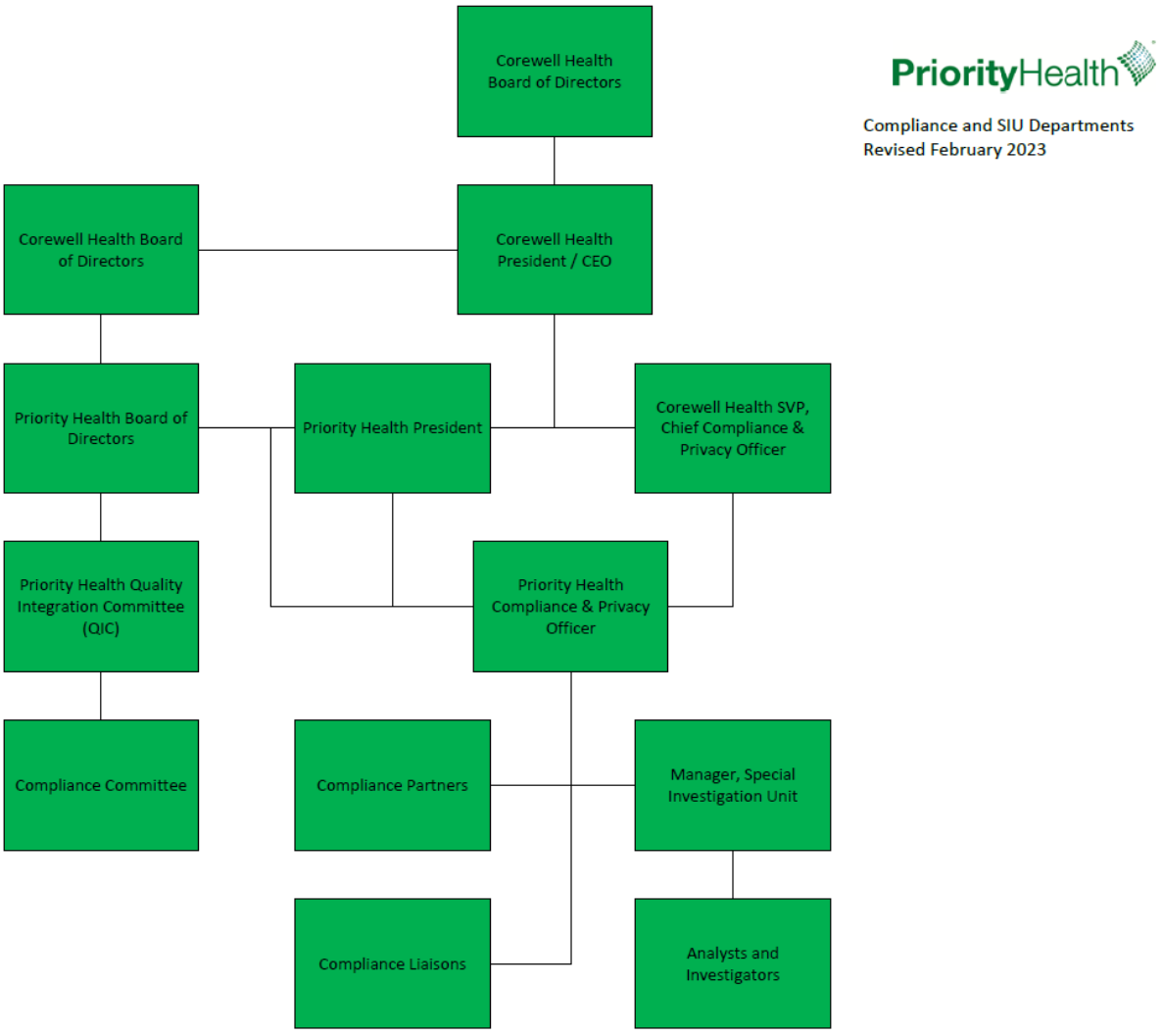
* Requires approval by the Corewell Health Board of Directors

** Requires approval by the Compliance Committee and the Quality Integration Committee (QIC)

*** Requires approval by the Compliance Committee

Note: Exhibit A will be updated as changes in the documents occur. Exhibit A last revised 3.01.2023.

Exhibit B - Organizational Chart for the Oversight of the Compliance Program



The VP, Compliance and Privacy Officer:

- is accountable to the President,
- has direct access to the President and the Chair of the QIC, and
- may meet with the President, the Board of Directors or the QIC at his/her discretion.

Exhibit C – Key Laws and Regulations

Priority Health requires all team members, providers, agents, and vendors to comply with all applicable laws and regulations. In addition, Priority Health expects all team members, providers, agents, and vendors to actively participate in the prevention and detection of fraud, waste and abuse. While not inclusive of all federal and state regulations, below is a list of key federal and state laws to ensure that all required parties are aware of applicable federal and state laws designed to prevent and detect fraud, waste and abuse. For more information on these federal and state laws, please contact the compliance department.

Age Discrimination Act
American Disabilities Act
Anti-Kickback Statute
Bankruptcy Code
Civil Rights Act
Exclusion Statute
Federal False Claims Acts
False Claims Act Qui Tam "Whistleblower" Provisions
Freedom of Information Act
Genetic Information Nondiscrimination Act of 2008
Medicare Improvements for Patients and Protections Act (MIPPA)
Michigan Medicaid False Claims Act
Michigan Medicaid False Claims Act Qui Tam "Whistleblower" Provisions
Patient Protection and Affordable Care Act
Program Fraud Civil Remedies Act
Rehabilitation Act
Social Security Act
Stark Law