



Vivant Health

Corporate Compliance Plan

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Introduction

River City Medical Group, Inc. dba Vivant Health (Vivant), has a comprehensive, value-based Compliance Program, which reflects a fundamental part of the way business operations are conducted. Because Vivant recognizes that our employees and affiliates are the key to providing quality health care services, we are committed to managing our business operations with ethical standards, in accordance with contractual obligations, and consistent with all applicable statutes, regulations and rules.

The Compliance Program consists of the Compliance Plan, the Code of Conduct, Policies and Procedures, Ethics and Integrity, HIPAA regulations, and elements of Fraud, Waste and Abuse which was developed and adopted by Vivant to promote, monitor, and ensure that Vivant operations and practices comply with applicable law and ethical standards. The Compliance Program governs the activities of the Plan's employees (including temporary staff), contractors and volunteers, as well as Board and Committee members. The Compliance Program also applies to any subcontractors, vendors, agents, or entities otherwise defined as FDRs under the Centers for Medicare & Medicaid Services (CMS) regulations and guidance.

The Compliance Program incorporates the fundamental elements of the laws, regulations and ethical rules that govern health care service delivery and the conduct of those associated with Vivant. At the same time, the Compliance Program is a dynamic process that is continually evolving based on compliance monitoring and new areas of business or legal risk. While the Code of Conduct provides overall guidance to all Vivant employees and affiliates to assist in carrying out daily activities, this Compliance Plan provides a framework for a policy of compliance with all applicable standards.

The Vivant Compliance Plan:

- Establishes an administrative framework for conducting an effective compliance program.
- Creates clear communication channels to deliver the company's commitment to educate personnel regarding compliance requirements and how to conduct their job activities within federal and state law and according to the policies and procedures of the Compliance Plan.
- Implements monitoring and auditing functions to measure the effectiveness of the Compliance Plan and to address problems in an efficient and timely manner.
- Outlines enforcement and discipline components that ensures all personnel take their compliance responsibilities seriously.
- Identifies the company's significant operating and legal risks and develops a plan to minimize those risks.

The River City Medical Group, Inc. dba Vivant Health Board of Directors and Compliance Committee are responsible for the operation and oversight of the Compliance Plan. The Vivant Compliance Committee will review and revise the Compliance Plan as needed, but not less than annually. However, the day-to-day responsibility for the operation and oversight of the Compliance Plan rests with the Compliance Officer, with advice and assistance from the Compliance Committee.

Vision Statement

Vivant is a physician owned and directed independent physician association. Our core values are based on integrity, compassion, and the delivery of quality medical services for our members. Our team of management professionals foster a culture among our employees that supports collaboration and accountability in service to our members. We provide professional administrative support to our contracted providers on an accurate and timely basis. Together, we strive to become the leading integrated health service organization dedicated to promoting members personal health through improved communication, health maintenance, and coordinated delivery of care.

Employee Code of Conduct

Vivant and its associated and dedicated affiliates are dedicated to providing the highest level of ethical and business standards and are committed to upholding all federal and state laws, regulations, and contractual responsibilities related to our business practices. Vivant and its employees will at all times strive to achieve the utmost ethical and professional business standards in order to meet or exceed our commitment to the community, our patients, members, and business partners.

The Code of Conduct is an integral part of our Compliance Plan and serves as our guide to excellence in the performance of our duties at Vivant.

Employees must attend and complete all mandatory training to be compliant with federal and state law and regulations.

Areas of concern and of particular risk that require special attention, include but are not limited to:

- Quality and standard of care provided to our members
- Utilization management and communications provided to our members
- Claims payment and processing
- Accurate and ethical billing and collection processes that focus on Fraud, Waste, and Abuse
- Guarding the safety and security of protected health information under HIPAA
- Ensuring non-retaliation for reporting an ethical or compliance issue

All employees have an obligation to report any suspected or observed misconduct, including violations of the Code of Conduct, Compliance Plan, Vivant policies and procedures, laws and regulations, or other compliance concerns to the Compliance Officer. Reporting suspected or observed misconduct is a condition and obligation of employment with Vivant. ***Vivant prohibits retaliation against any person for reporting in good faith any suspected or observed misconduct, non-compliance, or other ethical concern.***

Vivant provides various channels to submit reports or to ask questions concerning ethics and compliance issues which are available twenty-four (24) hours a day. Employees are encouraged to first contact their supervisor for assistance. If employees do not wish to discuss matters with their supervisor, or if a concern raised with your supervisor is not resolved, the employee should report the matter to the Compliance Officer by any of the following methods below:

- Calling the Vivant Ethics, Compliance, and Privacy Hotline at (916) 228-4318
- Sending an email to compliance@vivanthealth.com
- Sending a letter to:

River City Medical Group dba ***Vivant Health c/o Compliance Officer***
7311 Greenhaven Drive, Suite 145
Sacramento, CA 95831
- You may also contact the Compliance staff directly or report your concerns directly to the Compliance Officer in person.

Reports may be submitted confidentially and anonymously to the Compliance Officer using any of the methods listed above.

Elements for an Effective Compliance Program.

The Office of the Inspector General (OIG) has published guidelines for the creation of compliance programs for the health care provider industry that includes fundamental compliance efforts designed to establish a culture within an organization that promotes prevention, detection, and resolution of instances of conduct that do not conform to federal and state law and federal health care program requirements, as well as the organization's ethical and business policies. Vivant's comprehensive Compliance Program contains the seven fundamental elements identified by OIG, to an effective compliance guidance program.

These elements include:

1. The development and distribution of written standards of conduct, as well as written policies and procedures that promote the organization's commitment to compliance and that address specific areas of potential fraud.
2. An administrative structure that designates a Compliance Officer and other appropriate bodies (e.g., Compliance Committee), charged with assisting the Compliance Officer with operating and monitoring the Compliance Program and report directly to the Board of Directors.
3. The development and implementation of regular, effective education, and training programs for all affected employees.

4. The development of effective lines of communication between the Compliance Officer and all employees, including a process, such as a hotline to receive complaints and the adoption of procedures to protect the anonymity of complainants and to protect callers from retaliation.
5. The use of audits or other risk evaluation techniques to monitor compliance and assist in the reduction of identified problem areas.
6. The development of disciplinary mechanisms to consistently enforce standards and the development of policies addressing dealings with sanctioned and other specified individuals.
7. The development of policies to respond to detected offenses, to initiate corrective action to prevent similar offenses, and to report to Government authorities when appropriate.

Policies and Procedures

I. Review and Implementation Standards

Vivant operationalizes and communicates standards through policies and procedures, as well as specific plans, programs, and manuals. Vivant regularly reviews its business operations against new standards imposed by applicable contractual, legal, and regulatory requirements, policies and procedures identify potential risk areas. In addition, Vivant also reviews its operations by examining information collected from monitoring and auditing activities. Vivant regularly reviews these sources to ensure that Vivant, its Board members, employees, and contractors operate under and comply with the changing standards.

Vivant has adopted and implemented an effective compliance program, which addresses measures that prevent, detect, and correct non-compliance with State and Federal program requirements as well as measures that prevent, detect, and correct fraud, waste, and abuse. All Vivant policies and procedures provide the following important purposes:

- Adherence with recognized professional practices
- Promote compliance with regulations, statutes, and accreditation requirements
- Reduce practice variation
- Standardize practices across multiple affected operational units
- Serve as a resource for staff, particularly new personnel

Administrative Structure

The compliance efforts for Vivant are managed and overseen by the Compliance Officer, with the advice and assistance from the Compliance Committee, as indicated and outlined below.

I. Compliance Officer

The Compliance Officer is responsible for directing and managing the active functioning of the company's compliance efforts. General responsibilities include the following:

- Develop and supervise implementation of an effective compliance program and coordinate all compliance efforts
- Assure that all employees, contractors, or agents receive a copy of, and have access to, the Vivant Compliance Plan. Additionally, depending on the individual's particular job responsibilities, any other written compliance policies and guidelines that may be relevant
- Establish a Compliance Committee, consisting of numerous senior leaders from various operational departments of Vivant
- Develop and approve compliance education and training materials; document and implement tracking mechanisms to document attendance and completion of required training; and administer annual employee confirmations regarding commitment to compliance
- Coordinate compliance personnel issues with Vivant Human Resources, and the Compliance Committee as appropriate and necessary
- Develop communications (e-mails, newsletters, etc.) encouraging employees to report possible improper or illegal conduct
- Implement and operate retaliation-free reporting channels, including an anonymous telephone hotline
- Respond to anonymous telephone hotline reports and follow up with any and all business groups as appropriate
- Identify and assess areas that present the greatest compliance risk and prioritize resources to address those risk areas
- Work with the Compliance Committee to classify risk areas warranting compliance audits
- Monitor and evaluate the Compliance Plan's effectiveness through audits; oversee internal resources conducting compliance risk assessments; assess results and develop necessary responses
- Oversee and document any compliance investigations, including necessary Corrective Action Plans, working with legal counsel and the Compliance Committee as the situation warrants
- Report on a regular basis to the Vivant Board of Directors regarding day-to-day compliance efforts; promptly report the results of material or significant investigations
- Keep current with laws, regulations, and policies applicable to compliance in order to provide the best possible advice and guidance; obtain and review copies of all OIG, California Departments of Health Services and Managed Health Care, and health plan partners special fraud alerts and advisory opinions
- Annually Assess adequacy of Compliance Plan with the Compliance Committee

II. Compliance Committee

The Compliance Committee is responsible for supporting the Compliance Officer in developing, monitoring, and assessing the Compliance Plan. The committee will be chaired by the Vivant Compliance Officer. The Committee will also consist of additional representatives from Vivant's senior management and leadership of significant operating areas. All members of the Committee serve at the discretion of the Compliance Officer and may be removed without cause. Members may be added to the Committee at any time.

The Committee will meet at least quarterly, or more frequently as necessary. A quorum is reached with at least two-thirds of the Committee members being present. All decisions made by the Committee require a majority vote of the members present. The Compliance Officer communicates all Committee actions to the Vivant Board of Directors, Executive staff, and clinical staff, as necessary and appropriate.

The Committee will have the following duties and responsibilities:

- Ensure that an effective compliance program exist and is adhered to
- Assess and advise on the risk identified by the Compliance Officer and other operating areas, including any key performance indicators, as determined appropriate
- Assist in designing and coordinating internal and external compliance review and monitoring activities
- Review of reports summarizing grievances, trends, and disposition of matters reported
- Review the results of investigations and resulting Corrective Actions Plans for clinical departments, providers, staff, or contractors
- Encourage reporting of suspected fraud and other improprieties without fear of retaliation and ensure proper response to reports of non-compliance
- Maintain minutes of the Committee's meetings summarizing the items addressed and actions taken at each meeting
- Maintain the confidentiality of any sensitive or proprietary information learned by all Committee members through the Committee process

Education and Training

General compliance training is provided to all new employees as a part of the new employee orientation, as well as annually thereafter. The training ensures that all employees are educated as to the purpose, contents, and requirements of the Compliance Program. The Compliance Officer, working in coordination with the Compliance Committee develops and continuously updates Vivant training.

General training covers the material contained in the Compliance Plan, as well as other applicable laws, policies, and procedures. Vivant training reinforces the need for strict compliance with applicable statutes, contractual requirements, and advises staff about disciplinary action that may result from failure to comply. Vivant training consist of the following:

- HIPAA Privacy and Security
- Code of Conduct and Ethics
- CMS Compliance Standards
- Diversity in Health Care (Cultural Competency)
- Fraud, Waste, and Abuse
- LTSS Overview
- Understanding and Preventing Harassment in Health Care
- Workplace Harassment Prevention Harassment in Health Care (Supervisor requirement)

Training is provided in a variety of formats, including but not limited to video, PowerPoint, on-line presentation, classroom, etc. Participants will be expected to exhibit a demonstrated level of understanding and receive and/or sign an attestation of completion, maintained by Human Resources. Attendance and participation in training is a condition of continued employment with Vivant. Additionally, all applicable contractors and downstream entities may be required to attend specific training, including HIPAA and Fraud Waste, and Abuse. Failure to complete and comply with Vivant training will result in disciplinary action, up to and including, termination of employment or contract.

Communications

Vivant's commitment to an effective compliance program is repeatedly communicated to employees through a variety of channels to encourage communication and the reporting of incidents of potential fraud and misconduct.

I. Communication to Employees

In addition to the Code of Conduct and formal training, employees, clinical staff, and outside contractors receive frequent reminders of Vivant's commitment to compliance. This includes the various avenues for reporting concerns, and Vivant's strict policy of non-retaliation for reporting potential misconduct or compliance issues. Such communication is done through periodic staff meetings, emails from the Compliance Officer, or Vivant articles and newsletters.

II. Communications from Employees

Processes are in place to ensure that employees, clinical staff, and outside contractors are made aware of the various communication channels where they may, and should, express potential

misconduct and compliance concerns and issues. Per the Vivant Code of Conduct, anyone who suspects improper or illegal activity is expected to report it to the Compliance Officer. In some circumstances, a failure to report such activity may be ground for discipline.

III. Seeking Clarifications of Policy

Vivant employees may seek clarification from a supervisor or the Compliance Officer regarding any questions or concerns related to any policy or procedure. Questions directed to the Compliance Committee are documented along with the respective responses. These questions and responses may be shared with staff to ensure consistent interpretation and application of standards, policies, and procedures.

IV. How to Report Potential Wrongdoing

Reports of concerns may be made in person, in writing, or by telephone, and suggestively be directed to an employee's supervisor. If an employee is not comfortable reporting concerns to a supervisor, or if an employee is not satisfied with the response to their inquiries, the concerns should be directed to the Compliance Officer. Issues, concerns, or reports of misconduct may be reported anonymously by calling the Vivant Ethics, Compliance, and Privacy Hotline at (916) 228-4318 or by email compliance@vivanthealth.com.

V. Responsibilities of Supervisors

Manager and supervisors are obligated to respond appropriately and honestly, when possible, misconduct is brought to their attention. It is management's responsibility to relay reports of non-compliance immediately to the Compliance Officer. In consideration of the Code of Conduct and Vivant policy of anonymous reporting, a manager or supervisor may decline to identify the employee who originally reported the misconduct or noncompliant activity(s).

VI. Records Retention

The Vivant Document Retention Policy includes provisions to ensure that all records related to reports of noncompliance are maintained and preserved for ten (10) years, in accordance with federal and state statute of limitations, to assure the maximum protection under the attorney-client privilege and attorney-client work product doctrine.

VII. Protection of Employees

Per the Code of Conduct and Vivant policy, every effort is made to maintain, within the limits of the law, the confidentiality of the identity of any individual who reports possible misconduct.

There will be no retribution of discipline for anyone who reports a possible violation in good faith.

VIII. Voluntary Resignations

All Vivant staff who voluntarily resign from their position are asked to submit to a voluntary exit interview. These interviews will be used to determine if the employee has knowledge of any wrongdoing, unethical behavior, or criminal misconduct. The interview may also be used to obtain

information concerning unsafe or unsound clinical or business practices.

IX. Compliance Ethical, Compliance, and Privacy Hotline

Vivant has established a Compliance Hotline to receive questions about compliance practices and report suspected improper misconduct or illegal activities. The phone number for the Hotline is (916) 228-4318. Callers may remain anonymous, although callers are encouraged to provide as much information as possible so that reports can be properly investigated. No one who calls with either a question or a report of suspected misconduct will suffer any kind of retaliation or adverse action, as long as the call was made in good faith.

All questions and reports to the Compliance Hotline are kept confidential to the practicable extent and only shared on a business-related need-to-know basis. The Compliance Officer will disclose questions and reports to the Compliance Committee as necessary, or at the direction of the General Counsel. Similarly, if a caller chooses to identify themselves, the Compliance Officer will keep the caller's identity confidential and only disclose the caller's identity on a "need to know" basis, except as required by law, or at the direction of the General Counsel. In general, "need to know" basis means that disclosure will be made only to the extent necessary to allow for a full investigation of reports of suspected misconduct and for the implementation of any appropriate corrective actions or disciplinary sanctions.

Internal Auditing and Monitoring Compliance Efforts

Vivant actively uses auditing and monitoring functions to assess the effectiveness of its Compliance Program. The types of audits and areas to be audited are determined each year by the Compliance Officer and the Compliance Committee – taking into consideration current operations and identified risks. Audits may include, but are not limited to, the review of a statistically valid random sample of cases, staff interviews, and trend analysis. Results of audits are presented to the Compliance Committee and the Board of Directors, who assess the results and recommend any necessary corrective measures. Such corrective measures may include additional auditing, monitoring, new policies, or additional training and education. Monitoring efforts are also used to ensure compliance with laws governing:

- Utilization Management turnaround times
- Claims development and submission
- Credentialing
- Quality of care
- Network analysis

While the Compliance Officer continuously assesses Vivant's risk areas to determine which may warrant a compliance audit, certain areas by their nature present significant risk potential.

Accordingly, Utilization Management and claims audits are conducted at least quarterly and more

frequently where warranted.

Downstream Oversight Program

Vivant's Compliance Department employs various methods and monitoring tactics to evaluate its downstream's overall performance and ongoing ability to perform the sub-delegated functions it has been engaged to perform to support Vivant companies.

Through this oversight and monitoring program, Vivant has put in place various controls and measures to ensure that its agents maintain ongoing compliance with performance, regulatory, contractual, and other applicable standards, rules, and requirements.

In the event Vivant identifies a non-compliance or non-performance issue, Vivant works collaboratively with its downstream to remediate the issue through a corrective action plan and a validation audit.

Please refer to Vivant's Sub-Delegation Oversight & Monitoring Program P&P

Enforcement and Discipline

Any employee, including clinical staff or physicians, or an agent or contractor, who does not report FWA in a timely manner, violates the Vivant Compliance Plan or any law, regulation, or contractual requirement is subject to disciplinary measures, up to and including termination. Such measures will be subject to Vivant's progressive discipline policies.

Vivant has established a process to ensure that it does not knowingly hire, employ, or contract with any individual or entity whom the company knows or should have known, after reasonable inquiry, (1) has been convicted of a serious criminal offense(s), or (2) is currently listed by any federal agency's excluded, suspended or otherwise ineligible for participation in federal or federally funded programs.

Responding to Detected Offenses

The Compliance Officer will review all allegations of potential wrongdoing arising from, but not limited to, Hotline reports, informal communications, audits, or monitored activity.

I. Investigation

The Compliance Officer conducts and oversees the initial investigation. A primary assessment is made to determine the need to involve the General Counsel to advise or direct the investigation, and to assess the need for legal privilege. At the same time, an assessment is made to determine the appropriate resources required to conduct an investigation commensurate with the gravity of the allegation. Investigations are initiated as quickly as possible, but no later than two (2) weeks after receipt.

If the initial investigation indicates a problem may exist, the Compliance Officer and/or the General Counsel will report the risk or issue of wrongdoing to the Vivant Executive Staff and Vivant Board Members. Under the advice and consent of General Counsel, the Compliance Officer will report any risk, issues, or finding to the Compliance Committee for further review and recommendations.

Additional resources may be required to fully investigate a situation and outside resources may be utilized to conduct a full investigation. Records of an investigation may contain, but are not limited to:

- Documentation of the alleged violation
- A description of the investigative process
- Copies of interview notes and key documents reviewed
- The results of the investigation

The investigative process will adhere to the Vivant Compliance Plan and all applicable Compliance and Human Resources policies regarding personnel action to be taken. To the extent required by law, and in accordance with the Code of Conduct, efforts will be made to maintain the confidentiality of such inquiries and the information gathered. As allowed, all findings will be reviewed by the Compliance Committee to ensure consistency in the review process.

II. Corrective Action Plan

Violations of the Vivant Compliance Plan and failure to comply with federal and state regulations, contractual obligations, or any other type of misconduct is considered a violation of Vivant company policy. A reported or identified violation that is substantiated during an investigation puts the reputation of the organization at risk. Any violation that is identified but not corrected can seriously jeopardize the mission, reputation, and legal and regulatory status of Vivant, and its affiliates.

Following an investigation, if the Compliance Officer determines that a violation has occurred, it is the policy of Vivant to initiate a Corrective Action Plan, including but not limited to making restitution to any government agency and instituting disciplinary action as necessary. Under the advice and consent of General Counsel, the Compliance Committee will review and assess all Corrective Action Plans for recommendations as necessary. This may include guidance on operational system changes to ensure that similar violations do not occur in the future, including:

- Prompt restitution of any overpayments
- Notification to the appropriate government agency, if necessary
- Review of current policies and procedures to determine if clarification is required
- System modification
- Staff education
- Referral to criminal and/or civil law enforcement authorities
- Possible disciplinary action of involved employees, up to and including termination

Identification of Risk

The Compliance Officer will continuously assess Vivant's risk priorities at least annually. The areas identified below represent a starting point for this effort and is not an exclusive list of clinical risk areas. Detailed standard and policies for complying with the healthcare laws and regulations implicated by these risk areas are contained in all clinics policies and procedures and are periodically reviewed to ensure that they fully address the risks presented by these areas. Further, such policies are periodically assessed to ensure consistency with OIG policy recommendations, announcements, and advisory opinions.

I. Quality of Care

Vivant is committed to ensuring its members receive high quality health and that services are delivered in an ethical, professional, and cost-effective manner. All individuals employed and contracted to care for Vivant members are properly licensed, credentialed, and have the necessary experience and expertise. Vivant treats members with respect and dignity and provides care that is medically necessary and appropriate. Vivant provides equal access to care for all members without discrimination and regardless of gender, gender identity or expression, color, age, sexual orientation, marital status, disability status, national origin, ancestry, race, creed, religious or cultural beliefs, enrollment in a Health Benefit Plan, source of payment, state of health, need for health services, status as a litigant, status as a Medicare or Medicaid beneficiary, or any other basis prohibited by the law.

Vivant company employees and its Contracted Providers shall not cause an individual to be excluded on the grounds prohibited under Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq.), Title IX of the Education Amendments of 1972 (20 U.S.C. § 1681 et seq.), the Age Discrimination Act of 1975 (42 U.S.C. § 6101 et seq.), or Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794), or subject to any other applicable State and Federal laws, from participation in, be denied the benefits of, or be subjected to discrimination under, any health program or activity.

Vivant believes that assistance with provision of high-quality patient care by its physician and clinical service partners is its core function; as such, medical decisions will be made by Vivant members in consultation with their physicians and caregivers. Only qualified personnel with proper licensure or certification will be permitted to make clinical assessments or to develop plans of treatment. Vivant operates an ongoing quality assurance program which includes tracking, review, and feedback regarding its services to further promote the provisions of quality care.

II. HIPAA

In order to ensure quality care, Vivant collects information regarding patients' medical condition and medical history. Vivant realizes the sensitive nature of this information and is committed to maintaining its confidentiality. As such, Vivant complies with all federal and state laws protecting the confidentiality of these records, through the Vivant Privacy and Security Guidelines. Vivant staff is prohibited from disclosing confidential information in violation of the Guidelines, unless authorized by law or by the patient's written consent. The Guidelines further dictate that security standards be maintained to ensure no unauthorized access to electronically stored information. The Guidelines

established govern its treatment of patient information. Every employee, particularly those who deal with protected patient information, are expected to abide by the Guidelines. A complete and full copy of the Guidelines can be obtained by contacting the Compliance Officer or on www.vivanthealth.com.

III. Federal False Claims Act

The Federal Claims Act (Act) makes it a crime for any person or organization to knowingly make a false record or file a false claim with the government for payment. “Knowingly” can include deliberate or reckless ignorance of facts that make the claim false. Additionally, the Act creates administrative remedies for making false claims separate from and in addition to, the judicial or court remedy for false claims.

Under both federal and state laws, any person who knows a false claim was filed for payment can file a lawsuit on behalf of either the state or federal government – referred to as a qui tam lawsuit. In some cases, the person filing the qui tam lawsuit may receive a reward for bringing original information about a violation to the government’s attention. Penalties for violating either Act can be up to three times the value of the false claim, plus a fine of \$5,500 to \$11,000, per claim and in certain situations, potential exclusion from participation in federally funded healthcare programs.

This statute has both criminal and civil penalties which may be applied by prosecution depending on the proof of intent to commit the violation.

Vivant supports compliance with these laws by:

- Monitoring and auditing to prevent and detect errors in coding or billing.
- Informing staff that they are personally obligated to report any concerns about falseclaims.
- Investigating all reported concerns and correcting any billing errors discovered.
- Protecting staff from adverse action or retaliation when they report any genuineconcern.
- Establishing policies and procedures which detail Vivant’s fraud, waste, and abuseprogram.

IV. Federal Anti-Kickback Statute

The anti-kickback statute is a criminal prohibition against payments (in any form, whether the payments are direct or indirect) made purposefully to induce or reward the referral or generation of federal healthcare program business. The statute extends equally to the solicitation or acceptance of remuneration for referrals or the generation of other business payable by a federal healthcare program. Providers who pay or accept kickbacks face criminal and administrative sanctions including fines, jail terms, and exclusion from participation in the Federal health care programs. Under the CMPL, violators face penalties of up to \$50,000 per kickback plus three times the amount of the remuneration. Although liability under the anti-kickback statute ultimately turns on a party’s intent, neither a legitimate business purpose for the arrangement nor a fair market value payment, will legitimize a payment if there is also an illegal purpose (i.e.,an intent or desire to induce federal

healthcare program business). Relationships with physicians may represent a significant referral source for Vivant clinics and accordingly all relationships with physicians are carefully reviewed as described above. In addition, the clinics may receive referrals from other healthcare professionals such as physician assistants, nurse practitioners, and from other providers and suppliers such as mental health clinics, nursing facilities and hospitals. Each of these relationships are evaluated to ensure that the anti-kickback statute is not violated.

Safe harbors protect certain payment and business practices that could otherwise implicate the AKS from civil and criminal prosecution. To be protected by a safe harbor, an arrangement must fit squarely in the safe harbor and satisfy all its requirements. (OIG's Safe Harbor Regulations)

Some examples of Safe harbor requirements are:

- Personal Services
- Rental agreements
- Payments to bona fide employees

V. Physician Self-Referral and Stark Law

The Stark Law prohibits the making of referrals or the billing for payment for certain designated health services (DHS) covered by Medicare or Medi-Cal if there is a financial relationship between the referring physician (or immediate family member of the physician) and an entity receiving payment for the DHS, unless the relationship comes within one of many enumerated exceptions to the prohibition. Financial relationships include any interest, affiliation, or control by Provider or Provider's personnel, Provider's immediate family member of any other provider of medical, health, or administrative services to which Provider refers patients (including but not limited to pathology, radiology, imaging, and surgery centers).

The operative language states that if a physician (or immediate family member) has a financial relationship with a DHS entity, the physician may not make a referral to the entity for the furnishing of any Medicare or Medi-Cal reimbursable DHS. The entity may also not present or cause to be presented a Medicare or Medi-Cal claim, or bill to either program or any individual, third-party payor, or other party for such referred or ordered services. If a claim for payment is attributable to an instance in which a Provider provided or received an incentive or kickback in exchange for the referral, such Claim shall not be payable and, if paid in error, shall be refunded to the appropriate payor.

***** Providers shall provide prompt notice to Vivant of any conflicts of interest or any basis for potential violations by the Provider or Group with respect to laws, rules and regulations that govern referrals required for the provision of certain healthcare services, including, Federal and State antikickback and anti-self-referral laws, rules, and regulations.***

VI. Billing and Coding Risk

Billing for items or services not actually rendered: Submitting a claim for a service that was not performed.

Providing medically unnecessary services: Intentionally seeking reimbursement for a service that is not warranted by a patient's current and documented medical condition.

Upcoding: Using a billing code that provides a higher payment rate than the billing code that correctly reflects the service furnished to the patient.

DRG creep: Using a Diagnosis Related Group (DRG) code that provides a higher payment rate than the DRG code that accurately reflects the service furnished to the patient.

Duplicate billing: Submitting more than one claim for the same service or submitting a claim to more than one primary payor at the same time.

Unbundling: Submitting bills piecemeal or in fragmented fashion to maximize the reimbursement for various tests or procedures that are required to be billed together and therefore at a reduced cost.

VII. Antitrust Laws

Federal and State antitrust laws protect the integrity of our free enterprise system. These laws address agreements and practices resulting in the restraint of competition including boycotting suppliers, discussing pricing or patients with competitors, implementing unfair or deceptive business practices and misrepresenting services. These laws may affect dealings with patients, doctors, payers, suppliers, and competitors of Vivant.

For purposes of the antitrust laws, member facilities of Vivant companies are not competitors of one another. However, hospital and healthcare providers that are not controlled by Vivant companies and should be considered competitors.

Personnel are advised to be alert to potential situations where it may not be appropriate to participate in discussions regarding prohibited subjects with competitors. Prohibited subjects include any aspect of pricing, Vivant's services in the market, key costs such as labor costs, and marketing plans. If a competitor raises a prohibited subject, end the conversation immediately.

In general, avoid discussing sensitive topics with competitors or suppliers, unless you are proceeding with the advice of the Compliance Officer or at the direction of Vivant Executive leadership. Also, you must not provide any information in response to oral or written inquiry concerning an anti-trust matter without first consulting the Compliance Officer and Vivant Executive leadership.

VIII. Record Retention

In the normal course of Vivant business, records are created and maintained to comply with legal, regulatory, and accreditation requirements. Vivant record retention policies are reviewed periodically to ensure continued compliance with applicable federal, state, and local laws and regulations. Certain records are required to be maintained for specific periods of time. Vivant requires adherence to the following guidelines on record retention:

- Records are prepared accurately, completely and in a timely manner.
- Medical and other member records are properly safeguarded, and accessibility is permitted only to

authorized personnel.

- Records are maintained in a logical and systematic order to facilitate prompt recovery.
- Information is maintained for the time periods prescribed by federal, state, or local laws or Vivant record retention policies.
- Destruction of Vivant records prior to expiration of the prescribed time period for record retention is prohibited.

Electronic records are never destroyed in anticipation of a request from any government agency, or in anticipation of, or in connection with, any judicial proceeding or lawsuit.

IX. Information Security

Vivant protects its information and information systems from accidental or unauthorized access, disclosure, modification, or destruction. Every employee should be familiar with Vivant Privacy and Security Guidelines regarding the use of electronic mail, the internet, and other forms of electronic information, technology, and communications. Every employee must comply with the following rules to ensure information security:

- Always comply with the federal and state regulatory requirements, accreditation standards and organizational policy for the creation, management, retention, and destruction of data records.
- Use passwords, encryption, and other information security methods to protect computers, portable devices, and other technical equipment.
- Prevent unauthorized access to Vivant's information databases and do not use unauthorized devices to do business.
- Never share your passwords with anyone, and always double check fax numbers before sending patient information.
- Do not install, share, or copy non-licensed software programs, or perform any other acts that would violate a vendor's software license agreement or organizational policies.
- All email, voicemail and personal files stored on Vivant's devices and computers are RCMG property. Therefore, employees should have no expectation of personal privacy in connection with information stored on Vivant's computers, devices, or servers.

Please report information security weaknesses and suspected or actual instances of computer and information theft or abuse to Vivant's IT Manager and the Compliance Officer.