

Title	Reporting, Investigation and Resolution of Potential Noncompliance and Fraud, Waste and Abuse Concerns
Number	DP.CE.RCE.10.v2
Current Effective Date	04/11/2023
Original Effective Date	09/26/16
Replaces	MA Reporting, Investigation and Resolution of Potential Noncompliance Concerns – Corporate Policy - CP.CO.MA.004.v1.2
Cross Reference	Code of Conduct; MA Compliance Program Document; Non-Retaliation for Reports or Concerns of Misconduct HR department policy; Compliance and Ethics Hotline Corporate Policy; Fraud, Waste and Abuse – General Information & Reporting Corporate Policy; MA Risk Assessment and Monitoring and Auditing RC&E department policy; FTE, DE and Other Third-Party Delegation Oversight RC&E department policy; FTE, DE and Other Third-Party Delegation Oversight RC&E department procedure; Compliance Inquiry Response and Corrective Action RC&E department procedure; Reporting, Investigation and Resolution of Potential Noncompliance and Fraud, Waste and Abuse Concerns RC&E department procedure; Compliance & Ethics Risk Assessment RC&E department procedure; Compliance & Ethics Work Plan Creation and Tracking RC&E department procedure; Compliance Monitoring RC&E department procedure

Purpose	To ensure that employees, Non-employees, FDRs, DEs, providers, other Third-Parties and members report potential noncompliance concerns and possible FWA and that investigations and corrective actions are handled promptly and consistently.
Scope	<p>Applies to PREMERA and its subsidiaries and affiliates (“Premera” or the “Company”) and FDRs supporting the MA line of business as well as DEs supporting the Qualified Health Plan (QHP) line of business or any other Third-Party conducting business on behalf of Premera.</p> <p>Premera is committed to compliance with federal and state regulations that govern the industries in which we do business - including but not limited to those applicable to MA, the Patient Protection and Affordable Care Act, as amended, including its implementing regulations, and Privacy.</p> <p>This policy does not cover any National Committee for Quality Assurance (NCQA) requirements.</p>
Definitions	<p>Centers for Medicare & Medicaid Services (Health Care Financing Administration, HCFA, CMS): A federal agency that administers the Medicare program and much of the Affordable Care Act including certifying Qualified Health Plans.</p> <p>Customer: Any person or organization whose needs are met through the use or potential use of the Company's products or services.</p> <p>Delegated Entity (QHP) (DE): Any party, including an agent, vendor or broker that enters into an agreement with a Qualified Health Plan issuer to provide administrative services or health care services to qualified individuals, qualified employers, or qualified employees and their dependents under a Qualified Health Plan.</p>

	<p>Downstream Entity (MA): Any party that enters into a written arrangement, acceptable to the Centers for Medicare & Medicaid Services, with persons or entities involved with the Medicare Advantage benefit or Part D benefit, below the level of the arrangement between a Medicare Advantage Organization or applicant or a Part D plan sponsor or applicant and a first tier entity. These written arrangements continue down to the level of the ultimate provider of both health and administrative services.</p> <p>First Tier Entity (FTE, Medicare Advantage First Tier Entity, MA FTE): Any party that enters into a written arrangement, acceptable to the Centers for Medicare & Medicaid Services (CMS), with a Medicare Advantage Organization or Part D plan sponsor or applicant to provide administrative services or health care services to a Medicare eligible individual under the Medicare Advantage program or Part D program.</p> <p>First Tier, Downstream, or Related Entity (FDR): Any party entering into a written agreement acceptable to CMS with a Medicare Advantage Organization (MAO) or Part D plan sponsor (Sponsor) to provide administrative or healthcare-related services. These arrangements continue down to the ultimate provider of health and administrative services including those contracted with first tier entities and those related to a MAO or sponsor by common ownership or control and performs some of the MAO or sponsor's management functions, furnishes services to enrollees, leases property or sells materials to the MAO or Sponsor.</p> <p>Member: An individual who belongs to a health plan. This can be the subscriber or a dependent.</p> <p>Non-Employee Worker: Workers who perform work and/or provide services for the Company typically through a third party staffing agency or business. Currently the Company recognizes two different types of Non-Employee Workers: Contingent Worker and Outsourced Service Worker. The Non-Employee Worker Guidelines provide additional information.</p> <p>Qualified Health Plan (QHP): An insurance plan that is certified by a Health Insurance Marketplace, meets the Affordable Care Act requirements for having minimum essential coverage, provides essential health benefits, and follows established limits on cost-sharing, including deductibles, co-pays, and out-of-pocket maximums.</p> <p>Related Entity: Any party that is related to a Medicare Advantage Organization (MAO) or Part D sponsor by common ownership or control and performs some of the MAO or Part D plan sponsor's management functions under contract or delegation, furnishes services to Medicare enrollees under an oral or written agreement, or leases real property or sells materials to the MAO or Part D plan sponsor at a cost of more than \$2,500 during a contract period.</p> <p>Third Party: A vendor, pro-vendor, Business Associate, First Tier Entity, Delegated Entity, producer, or provider currently doing business with the Company or seeking to do business with the Company.</p> <p>Vendor: An entity with which the Company has entered a Vendor Agreement to provide products or services for the Company, its employees, customers, providers, subsidiaries, and/or affiliates.</p>
Policy	<u>Reporting</u>

Premera is committed to preventing, identifying and correcting noncompliance issues and FWA. Premera expects employees, FDRs, DEs, other Third-Parties, Non-employees, and members to report suspected noncompliance or possible FWA and has created multiple confidential mechanisms to do so.

Reports of suspected noncompliance issues may be made directly to the MA Compliance Officer and Director of Regulatory Compliance & Ethics by calling 425-918-5400 or emailing Jennifer.Badgley@premera.com. Reports also may be made to the Corporate Compliance & Ethics Officer by calling 425-918-3489 or emailing Sven.Peterson@premera.com. The Compliance & Ethics department may also be reached at Compliance@premera.com. The MA Compliance department may be reached at MACompliance@premera.com.

For individuals who wish to remain anonymous, Premera has contracted with ComplianceLine, an external hotline management company to report actual or suspected violations of the Code of Conduct, corporate policies or laws and regulations.

Reports may be made by calling the Compliance & Ethics Hotline at 1-888-418-1537, or submitting a report online at www.MyComplianceReport.com (Access ID: PBC). Calls are answered live twenty-four hours a day, seven days a week by ComplianceLine employees who are trained to handle such matters in a confidential and sensitive manner. ComplianceLine will assign a case number that can be used to check the status of the report. When anonymity is desired, confidentiality is maintained to the extent permitted by law and deemed appropriate for the situation. When remaining anonymous, it is important to check the system frequently to ensure additional information is not needed to conduct the investigation.

Reports of suspected FWA may be made to the Special Investigations Unit (SIU) by calling the Anti-Fraud Hotline at 1-800-848-0244 or 425-918-5500; sending an email to the [SIU Referrals box](#); or via letter at Premera Blue Cross, SIU Medicare Advantage, 7001 220th St. SW, MS 219, Mountlake Terrace, WA 98043. Any potential FWA issues are investigated by the SIU department.

In accordance with the Compliance & Ethics Hotline Corporate Policy, any retribution, retaliation, intimidation or harassment of an employee reporting concerns in good faith, or for participating in or cooperating with an investigation is prohibited. Corrective action up to and including termination of employment may occur for anyone that retaliates, intimidates, harasses or seeks retribution against another employee. DEs, FDRs and other Third-Parties are expected to maintain similar requirements for their employees. Additionally, accusations which are intentionally false or reckless are not tolerated and will result in corrective action.

Investigations

Regulatory Compliance & Ethics investigates actual or suspected noncompliance violations promptly but not later than two weeks from when the item was first reported. Regulatory Compliance & Ethics works with other departments as appropriate and in accordance with the Regulatory Compliance & Ethics Reporting, Investigation and Resolution of Potential Noncompliance and FWA Concerns procedure as well as the Regulatory Compliance & Ethics Inquiry Response and Corrective Action procedure to complete the investigation. Employees are expected to cooperate and assist with such investigations. The Medicare Advantage (MA) Compliance Team investigates any reported issues related to MA members or MA lines of business. The SIU department investigates any reported cases of FWA in accordance with the Fraud and Abuse –

	<p>General Information and Reporting Corporate Policy as well as applicable policies, procedures and the FWA Plan. Human Resources takes the lead on employee relations investigations and Privacy takes the lead on privacy related investigations.</p> <p>To avoid an actual or perceived conflict of interest, concerns involving employees from Member Contracts, Regulatory Services, Complaints and Appeals, or Regulatory Compliance & Ethics are routed by Compliance Line directly to the VP, General Counsel for investigation in conjunction with Human Resources.</p> <p>All investigations are completed as quickly as possible. Investigation status can be tracked via the Compliance & Ethics Hotline (if that was the source), or via Rsam, a governance, risk and compliance tool. The dates when investigations are completed are also recorded in these sources. SIU documents and tracks any FWA cases they review in their system. These cases may take additional time to resolve due to the nature of this work.</p> <p><u>Corrective Action</u></p> <p>When corrective action is needed as the result of an investigation, Regulatory Compliance & Ethics or SIU will meet with Human Resources and other departments as appropriate to evaluate the situation based on the facts of the substantiated allegation. Human Resources will work with management in the impacted area to determine any disciplinary actions that may be needed. Regulatory Compliance & Ethics and SIU will work with department management, FTEs, DEs, and/or other Third-Parties on any needed changes to policies or procedures. As appropriate, a formal Corrective Action Plan (CAP) may be issued to formally document the confirmed noncompliance. Additionally, a follow up review or audit may be scheduled to ensure corrective action is effective.</p> <p>Due to the confidential nature of such investigations, it may not be possible to provide specific details or any actions taken to the initiator of the concern.</p> <p>Premera expects that if an FDR, DE or other Third-Party has determined that there has been unethical or noncompliant behavior they will notify Premera immediately. The FDR, DE or other Third-Party will also ensure disciplinary action is appropriate to the seriousness of the violation, fairly and consistently administered and imposed within a reasonable timeframe.</p>
<p>Violations of Policy</p>	<p>Violations of this policy may be grounds for corrective action, up to and including termination of employment.</p> <p>Violations of this policy by FDRs, DEs, other Third-Parties or their employees, may result in increased auditing and monitoring, performance guarantees or other contractual penalties and/or termination of the contract.</p> <p>Corrective action will be appropriate to the seriousness of the violation.</p>
<p>Exception Process</p>	<p>Exceptions to this policy must be approved in advance and in writing by the MA Compliance Officer or the Corporate Compliance & Ethics Officer.</p>
<p>Laws, Regulations & Standards</p>	<p>Federal Sentencing Guidelines §8B2.1(b); 42 CFR 423.501; Medicare Managed Care Manual Chapter 21; Medicare Prescription Drug Benefit Manual Chapter 9; 42 CFR 422.503, 422.504, 423.505, 423.752, 423.504, and 422.752; and other requirements applicable to the Company.</p>

Controls	Regulatory Compliance & Ethics management is responsible for providing oversight of noncompliance investigations to ensure consistency of resolution and disciplinary actions. All potential noncompliance and FWA issues are tracked through to completion. Reports summarizing investigations are provided to the MA Compliance Committee, the Corporate Compliance & Ethics Committee and the Audit and Compliance Committee of the Board, as appropriate. Premera's SIU department reports quarterly to Regulatory Compliance & Ethics and periodically to the MA Compliance Committee.

Policy Owner	Director, Regulatory Compliance & Ethics and MA Compliance Officer
Contact	Any questions regarding the contents of this policy or its application should be directed to the Corporate Compliance & Ethics Officer or the Director, Regulatory Compliance & Ethics.
Approval Dates	04/11/2023; 2/11/2022; 03/12/21; 02/17/20; 05/06/19; 04/20/18; 09/19/17; 09/26/16

Approval	Director, Regulatory Compliance & Ethics and MA Compliance Officer
Print Name	Jennifer Badgley
Signature	<i>Electronic approval on file.</i>
Date	04/11/2023