		<h1>Policies and Procedures</h1>		Applies to: Commercial <input checked="" type="checkbox"/> Medi-Cal <input checked="" type="checkbox"/> Medicare Adv <input checked="" type="checkbox"/> EPO /POS <input checked="" type="checkbox"/> ACO <input checked="" type="checkbox"/>	Policy No:  <b>COMPLIANCE</b>  Page 1 of 4
Date Released 11/18/2013	Effective Date: 11/21/2013	Revised  02/05/2015	Subject: Documenting Reports of Fraud and Abuse and other Violations of the Code of Conduct		
Reviewed by:  Jeffrey A. Baron			Approved by:		

## I. POLICY STATEMENT

Regal Medical Group, Inc. (“RMG”) will document and investigate all possible fraud and abuse or other activities that are in violation of the RMG Code of Conduct, as required by the RMG and the HPN Compliance Plan and Anti-Fraud/Waste/Abuse Plans, CMS, the California Department of Managed Health Care (DMHC) and other governmental agencies. RMG will promptly disclose to law enforcement agencies any facts that support reports of fraud and abuse.

## II. PURPOSE


To ensure RMG is in compliance with CMS, DMHC and other governmental agency requirements of a program which documents, investigates and discloses reports of fraud and abuse impacting the delivery of service by or to RMG and its contracted providers.

## III. SCOPE

- A. This policy impacts all RMG employees and all product lines. There is no single all encompassing definition of fraud and abuse. However, to help put into context this policy fraud and abuse are defined as any act of deception, misrepresentation, or concealment, or allowing it to be done by someone else, in order to obtain an advantage for which one would not otherwise be entitled. This can occur within one or more product lines, and within and/or outside the RMG organization.
- B. Fraudulent activities may relate to monetary losses to persons, to an agency or to a health-care entity. Other offenses can include non-monetary actions as well, such as members not receiving the quality of care they are entitled to or which the government or another payer reasonably expects.

## IV. PROCEDURE


- A. The RMG Compliance Office is responsible for documenting and investigating reports of fraud and abuse or other activities in violation of the RMG Code of Conduct. Regardless of how a report is received (e.g., by “Hotline”, mail, E-mail, FAX, etc.), it will be logged by the Compliance Officer as soon as possible, but not more than 3 business days. The Compliance Officer will apprise the COO and/or General Counsel of the nature of the report, and confirm the

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Investigator responsible for following up on the report. In the event of any potential conflict of interest, the COO or General Counsel may be consulted with by Compliance Officer. The following table is to be used to help ascertain this:

<u>Nature of report</u>	<u>Investigation conducted by</u>
Fraud and abuse	Compliance Officer
Personnel complaint	Vice President of Human Resources
Fraud involving company employees or Officers	Compliance Officer
ACO /EPO Fraud or Malfeasance	Chief Operating Officer
	HPN Corporate Compliance Officer

- B. All reports received by the RMG Compliance Office will be logged by the Compliance Officer, with the following information:
1. Date received.
  2. Means of receipt (e.g. by Hotline, E-mail, FAX, memo, etc.)
  3. Description of allegation.
  4. Disposition (e.g., forwarded to another investigator as noted above.
  5. Date Legal Counsel was apprised.
- C. The Compliance Officer is responsible for checking messages daily for possible reports received. This includes Hotline messages, FAX's, memos, etc.
- D. Investigations will commence promptly, but no later than 3 business days after receiving the report. A log will be updated by the Compliance Officer to document ongoing investigations, including dates of interviews, notes of interviews, documents collected, or materials requested and from whom.
- E. The Compliance Officer is to be updated at least weekly on the results of all pending investigations and which should be continued or closed.

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F. Within 2 weeks of the substantial conclusion of the investigation, if facts support the allegation of fraud and abuse, the Chief Compliance Officer will prepare an advisory report or notification to the appropriate regulator or enforcement agencies as follows:


<u>Nature of Fraud</u>	<u>Agency</u>
Impacts Federal program or federal statute violated	Federal: OIG/CMS/OCR/FBI MEDIC,
Impacts State or Commercial program or State statute or local law violated	CA Dept of Justice, HALT Team
Impacts or relates to Los Angeles County Medi-Cal product	L.A. HALT Team/LA DHS/
Impacts or relates to Medi-Cal product Outside LA County	California Department of Health Services and/or OIG-CMS, MEDIC, HALT Team

For Frauds that impact on EPO, ACO, Indemnity Lines of business, or workers compensation CMS/DOI, ERISA,

In addition reports, where investigations determine a violation of Medical, Dental, Chiropractic, Laboratory, or Pharmacy licensure issues, than additional referrals to the respective licensing agencies may be made at discretion of COO, General Counsel, and/or Chief Compliance Officer.

In the event that any controlled substances are involved, or criminal activity is found, than separate referrals to the Drug Enforcement Agency, police agencies, or state or federal law enforcement or prosecutors may be necessary

G. The Compliance Officer will consult with legal counsel to ascertain and/or confirm the appropriate governmental agency that must be apprised and when. In certain cases, the local District Attorney's Office will also be apprised. In certain cases a specific case will require multiple notifications to local, state, and federal

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agencies. All reports to an agency will be sent by certified mail with copies maintained by the Chief Compliance Officer.

- H. The Compliance Officer will report regularly to the Compliance Committee, the HPN Compliance Committee, and the RMG Chief Operating Officer ,and General Counsel, on pending and new reports of possible fraud and abuse. This will also be done on an as-needed basis.
- I. Subject to ability to obtain MIS data retrospectively and concurrently, the Compliance Officer will provide Compliance Committee with a quarterly trending analysis report for the Compliance Committee, to help ascertain trends or patterns which should be addressed more closely in future in-service materials or in advisories to employees, provider networks, providers or other business entities.
- J. By January 10<sup>th</sup> of each year, the Compliance Officer will prepare an annual report for review by the COO and/or General Counsel. This report will be forwarded to HPN for integration with filings to be made by HPN to the DMHC by the 20<sup>th</sup> of January. The annual report describes HPN's (inclusive of RMG's) efforts to deter, detect and investigate fraud for the previous calendar year. It will also include any reports to a law enforcement agency, as required by Statute, including the number of cases prosecuted or resolved, to the extent known by HPN / RMG at that time.
- K. Regarding reports made via the Hotline, messages are to be checked daily by the Compliance Officer. (Note: The greeting is to be recorded in English and Spanish.)

If a caller is actually on the line and Spanish translation is needed, a Spanish translator is to be found as soon as possible after advising the caller to hold. The caller is to be told, in brief Spanish if necessary:

“One moment please, I will bring in a Spanish translator. Can you wait for a few moments? Thank you...”

- L. All persons reporting possible fraud and abuse are to be advised they may remain Anonymous and that no retaliatory action will be taken by RMG, but also that it may be difficult or impossible to conduct a thorough investigation unless RMG is able to interview the person. An interview should be scheduled with this person as soon as practical for all parties.