



Troy Medicare Policy and Procedure

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| Title: Well-Publicized Disciplinary Standards | | | Policy Number: CMP 009 |
| Primary Department: Compliance | LOB: Medicare Advantage | | Author: S Scott |
| Effective Date: 09/01/2022 | Original Date: 08/08/2022 | Review Date(s): 1/9/2023, 7/18/2023, 11/24/2023, 10/15/2024 | Archive Date: |
| Interactive Related Department(s) | | | |
| <input checked="" type="checkbox"/> All Departments <input type="checkbox"/> Compliance <input type="checkbox"/> Medical Management <input type="checkbox"/> Provider Operations <input type="checkbox"/> Sales and Marketing | <input type="checkbox"/> Appeals and Grievances <input type="checkbox"/> Customer Service <input type="checkbox"/> Member Services <input type="checkbox"/> Quality Management <input type="checkbox"/> Utilization Management | <input type="checkbox"/> Care Management <input type="checkbox"/> Enrollment <input type="checkbox"/> Plan Administration <input type="checkbox"/> Claims <input type="checkbox"/> Other _____ | |

POLICY PURPOSE

Troy Health, Inc. is committed to promoting disciplinary standards that are well-publicized to encourage good faith participation in the compliance program.

The purpose of this policy is to describe the expectations for employees to identify non-compliance and unethical behavior, report compliance issues and potential fraud, waste, and abuse, and to report these problems with an expectation of confidentiality and protections from retaliation.

Troy Medicare is committed to complying with federal and state rules and regulations.

SCOPE

This policy applies to all employees, contractors, members of the Board of Directors, consultants, vendors and volunteers.

REFERENCES

- 42 C.F.R. §§ 422.503(b)(4)(vi)(E), 423.504(b)(4)(vi)(E)
- 42 C.F.R. §§ 422.500 & 423.501
- Medicare Managed Care Manual, Chapter 21, Section 50.5

RESPONSIBLE PARTIES

- Chief Compliance Officer

DEFINITIONS

- **FDRs** – First-Tier, Downstream and Related Entities (different levels of contracted entities to perform health plan functions or health care services to enrollees).
- **First-Tier Entity** is any party that enters into a written arrangement, acceptable to CMS, with a Medicare Advantage Organization (MAO) or Part D plan sponsor or applicant to provide administrative services or healthcare services to a Medicare eligible individual under the Medicare Advantage program or Part D program. (See, 42 C.F.R. §§ 422.500 & 423.501).

A **First-Tier Entity** could include the following:

1. Administrative Services
2. Healthcare services to a Medicare-eligible individual under the Medicare Advantage program or Part D program.

- **Downstream Entity** is any party that enters into a written arrangement, acceptable to CMS, 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. (See, 42 C.F.R. §§ 422.500 & 423.501).

A **Downstream Entity** could include the following:

1. Hospital within a health system that has entered into a system level agreement
2. Credentialing verification organization

- **Related Entity** means any entity that is related to a Medicare Advantage Organization or Part D sponsor by common ownership or control and:
 - (1) Performs some of the Medicare Advantage Organization or Part D plan Sponsor's management functions under contract or delegation; or
 - (2) Furnishes services to Medicare enrollees under an oral or written agreement; or
 - (3) Leases real property or sells materials to the Medicare Advantage Organization or Part D plan Sponsor at a cost of more than \$2,500 during a contract period. (See, 42 C.F.R. §§ 422.500 & 423.501).
- **Retaliation** – punishment of an employee by an employer or supervisor for engaging in legally protected activity, such as reporting non-compliance, participation in a workplace investigation, or making a complaint to a government body. Retaliation can include any negative action, such as demotion, discipline, termination, salary reduction, or shift reassignment.

POLICY

As part of an effective compliance program, Troy Health must have well-publicized disciplinary standards outlined in the Code of Conduct and through Compliance policy. The Chief Compliance Officer is responsible for ensuring these standards are also promoted through other mechanisms, such as newsletters, posters, general compliance training, communications with First-tier, Downstream, and Related Entities (FDRs), and during operational area

meetings.

Troy Health requires employees, FDRs and employees of FDRs to participate in required training; cooperate during internal investigations; report non-compliance, potential FWA, unethical conduct, illegal behavior, and an employee's resistance to cooperate with corrective actions.

If non-compliant or unethical conduct is found, timely, consistent, and effective enforcement will be implemented. Enforcement may include HR actions (may include mandatory training or retraining, reassignment of duties, suspension or other disciplinary actions), up to and including, termination. The disciplinary action will be appropriate to the severity of the violation. Records of enforcement will be retained for a period of ten (10) years as required.

The Chief Compliance Officer is responsible for ensuring retaliatory actions are not taken and the reporting employee(s), contractor(s), member(s) of the Board of Directors, consultant(s), vendor(s), volunteer(s) and employee(s) of FDRs are protected.

PROCEDURE

1. The Chief Compliance Officer will investigate a reported issue, interview the employees involved, and gather information.
2. If enforcement actions may be required, the Chief Compliance Officer involves Human Resources (HR) to investigate and determine culpability.
3. If disciplinary action is required, based on the violation and severity, HR will capture and retain case information for 10 years:
 - a. date of violation reported
 - b. description of violation
 - c. date(s) of investigation
 - d. summary of findings
 - e. disciplinary action taken
 - f. date disciplinary action taken
4. The Chief Compliance Officer will review the disciplinary actions taken to ensure it was appropriate, fair, consistent, and imposed within a reasonable timeframe.
5. If an FDR is involved or an employee of an FDR makes a report of non-compliance of FWA, the Chief Compliance Officer will engage with the Compliance or Human Resources contacts at the FDR.

ATTACHMENTS/RELATED POLICIES/STANDARD OPERATING PROCEDURES

- *Troy Code of Conduct*

APPROVALS

Sally Scott

Chief Compliance Officer

10/30/2024

Date

Christina Za

Policy Committee

10/29/2024

Date

Revision History:

| Date | Author | Revision Notes |
|-------------|---------------|-----------------------------------------------------------------------------------------------------------------------------|
| 8/8/2022 | S Scott | Initial version |
| 1/9/2023 | S Scott | Added verbiage for FDR and FDR employees |
| 7/18/2023 | S Scott | Added regulatory reference, added examples of HR actions, added Code of Conduct as a related document. |
| 11/24/2023 | S Scott | Added commitment to compliance statement. Sent to Policy Committee for review and approval of 7/18/24 and 11/24/23 changes. |
| 10/15/2024 | S Scott | Annual review; updated scope and policy statement |