



Policy Title:	Compliance Violations, Reporting and Investigation	Effective Date:	1.1.2023
Functional Unit:	Compliance		
Policy Owner (Title):	Corporate Compliance Officer	Page Number:	1 of 9

I. POLICY STATEMENT and PURPOSE

It is the Company’s policy to comply at all times with applicable Federal, State and Local laws, all rules and regulations established by regulatory agencies related to the business of the Company, and the Company’s Corporate Compliance Program, including its Code of Conduct and written Policies and Procedures. The Company requires individuals to report any actual or suspected violations of laws, regulations, or the Compliance Program (collectively, “compliance violations”), and has established procedures for reporting, investigating, and resolving such violations, and the disciplinary standards for noncompliance. The purpose of this policy is to describe the mechanisms for reporting compliance violations and the procedures for investigating and resolving reported allegations.

II. DEFINITIONS

Downstream Entity – Any party that enters into a written arrangement, acceptable to CMS, with persons or entities involved with the Medicare Advantage (MA) benefit or Part D benefit, below the level of the arrangement between an MAO 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.

Electronic Protected Health Information (ePHI) – Protected Health Information (PHI) transmitted by or maintained in electronic format.

First Tier Entity – Any party that enters into a written arrangement, acceptable to CMS, with an MAO or Part D plan sponsor or applicant to provide administrative or health care services to a Medicare-eligible individual under the MA program or Part D program.

Protected Health Information (PHI) – Any information that is transmitted or maintained in any format, including electronic media,

- i. that is created or received by a Covered Entity, and
- ii. relates to the past, present, or future physical or mental health or condition of any individual, the provision of health care to an individual, or the past, present, or future payment for the provision of health care to an individual, and
- iii. includes demographic information collected from an individual that identifies the individual or with respect to which there is a reasonable basis to believe the information can be used to identify the individual.

NOTE: For purposes of this Policy and other Company policies relating to the use and disclosure of PHI, the definition of PHI does *not* include information records covered by



Policy Title:	Compliance Violations, Reporting and Investigation	Effective Date:	1.1.2023
Functional Unit:	Compliance		
Policy Owner (Title):	Corporate Compliance Officer	Page Number:	2 of 9

the Family Educational Right and Privacy Act. It also does not include PHI contained in employment records maintained by the Company in its role as employer.

Related Entity – Any party that is related to an 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.

Workforce – For purposes of this policy, all employees (regular, temporary, and part-time), contractors, officers, directors, and other agents (collectively “the Workforce”) of Sunshine Senior Services.

III. OWNERSHIP & TRAINING

The Chief Compliance Officer (CCO) is responsible for administration, oversight, and training with regard to performance under this policy and procedure.

IV. PROTOCOLS

- a. Any activity that results or may result in the violation of any type of law or regulation, the Corporate Compliance Program, the Code of Conduct, or certain Policies and Procedures, whether deliberate or unintentional, by either an internal or external individual/entity, may constitute a ‘compliance violation.’ These could include activities such as (but not limited to):
 - i. Operational errors or failures (systems or processes) that result in actual or potential non-compliance and/or impact to beneficiaries, clients, customers, or vendors (i.e. untimeliness, inaccurate data, late payment, website errors/ functionality issues, etc.)
 - ii. Violation of regulatory requirements or guidelines
 - iii. Fraud, waste, or abuse
 - iv. Unethical behavior
 - v. Improper accounting practices
 - vi. Breach of confidentiality/privacy
 - vii. Theft or improper use of Company assets
 - viii. Misuse or improper access to or disclosure of protected health information
 - ix. Discrimination, harassment, or retaliation
 - x. Falsifying documents
 - xi. Kickbacks, inducements, or other illegal remuneration
 - xii. Improper employment practices



Policy Title:	Compliance Violations, Reporting and Investigation	Effective Date:	1.1.2023
Functional Unit:	Compliance		
Policy Owner (Title):	Corporate Compliance Officer	Page Number:	3 of 9

- xiii. Conflict of interest
- xiv. Improper marketing or advertising activities
- xv. Attempts to conceal a violation or evidence of a potential violation
- xvi. Failure to report a known or suspected violation or evidence of a potential or actual violation

b. Requirement to Report Compliance Violations

- i. Individuals and FDRs are required to report in good faith, in a timely manner, any problems and concerns about Company-related practices, regulations, policies, or business issues, including any actual or suspected compliance violations.
- ii. The Company has a formalized system for communicating compliance issues, with established lines of reporting and dissemination of information. Individuals and FDRs may report their concerns confidentially and anonymously if desired.
- iii. Instructions for how to report suspected or actual compliance violations are provided in the Code of Conduct, and using other applicable communication methods or documents such as newsletters, emails, posters, and compliance training activities.

c. Prohibition Against Retaliation or Intimidation

- i. It is the Company's policy that individuals/FDRs will not be retaliated against or intimidated for reporting any type of compliance violation in 'good faith' (with a reasonably held belief that the disclosure is true and has not been made either for personal gain or for any ulterior motive), or for participating in an investigation.
- ii. Acts of retaliation or intimidation will be treated by the Company as a serious disciplinary matter, up to and including termination of employment of the person perpetrating the retaliation or intimidation, or termination of external party contracts.

d. Communication of Requirements and Procedures – The Company educates and informs individuals and FDRs of its requirement to report compliance concerns, and the mechanisms for such reporting, through various methods such as training programs, policies and procedures, the Code of Conduct, newsletters, flyers,



Policy Title:	Compliance Violations, Reporting and Investigation	Effective Date:	1.1.2023
Functional Unit:	Compliance		
Policy Owner (Title):	Corporate Compliance Officer	Page Number:	4 of 9

posters, awareness activities, e-mails, and any other mechanism that may be deemed effective for communication.

- e. Reporting Compliance Concerns or Violations – Individuals and FDRs may report compliance concerns or violations in person, by direct telephone contact, facsimile, letter, or via the Company’s Compliance, Ethics, and Fraud Hotline. Email communication is not recommended due to confidentiality limitations; however, any report received via email will be processed in accordance with this policy.
 - i. Any individual or FDR may report a compliance concern or violation by using the Compliance, Ethics, and Fraud Hotline. The Company contracts with an external, independent vendor to provide an anonymous and confidential Hotline, which can be used at any time. The Hotline telephone number is 1-833-247-8283.
 - ii. Employees may report concerns either orally or in writing to their immediate Supervisor or any Supervisor that the employee is comfortable approaching, or to a member of the Compliance Department, or the CCO. Concerns related to access, use, or disclosure of PHI should be directed to the Privacy Officer; those relating to ePHI should be directed to the Security Officer; issues or concerns about the Compliance Department or staff should be directed to Legal Counsel.
 - iii. Individuals outside the Company and FDRs may report actual or suspected compliance violations either orally or in writing by notifying their key contact within the Company, the CCO, or through the Compliance Hotline.
- f. Confidentiality – The Company will attempt to maintain the confidentiality of any individual or FDR who reports a compliance concern or violation, to the fullest extent permissible by law. However, disclosure of an individual’s identity, if known, may be necessary in order to fully investigate the concern.
- g. Corrective Action – The Company will take appropriate corrective and/or disciplinary actions in response to actual or potential noncompliance or fraud, waste or abuse. The corrective action must identify the root cause of the issue, must be tailored to address the particular problem or deficiency identified, and include timeframes for specific achievements. Client organizations for which the Company is delegated to conduct investigations are responsible for the identification, development, implementation, and follow-up of any necessary



Policy Title:	Compliance Violations, Reporting and Investigation	Effective Date:	1.1.2023
Functional Unit:	Compliance		
Policy Owner (Title):	Corporate Compliance Officer	Page Number:	5 of 9

disciplinary or corrective actions relative to individuals or entities within the Client's organization and over which the Company has no responsibility or oversight.

h. Investigation of Alleged Compliance Violation

- i. All reports of possible compliance violations are taken seriously and will be investigated. Regardless of the reporting method used, the report of actual or suspected violation should be directed to the Compliance Department for documentation, processing, and reporting.
 1. Any alleged violation of Privacy or Security policies and procedures shall be immediately referred to the Privacy or Security Officer (or designee), in accordance with the Company's Privacy and Security policies.
 2. Any other reported issues, including reports of potential fraud, waste or abuse, shall be assigned either to Lumeris SIU or internally for investigation.
- ii. A designated Investigator, under the supervision of the CCO, will investigate every report of a possible compliance violation as quickly as possible, with investigations to begin no later than two weeks after the date the report of potential noncompliance is received. The method of investigation will vary with each case, depending on the nature of the allegation. Legal counsel will be consulted as appropriate.
- iii. Individuals/FDRs are expected to cooperate fully in any investigation of alleged compliance violations, and to assist in the resolution of any reported compliance issues, as requested.
- iv. Investigations are conducted in a fair and impartial manner, and may include any of the following activities:
 1. Telephone or in-person interviews with:
 - a. The person or entity making the report, if known;
 - b. The subject of the report;
 - c. Persons in an authoritative position over, subordinate to, or a co-worker of the subject of the report;
 - d. Any other person or entity identified in the allegation, either directly or indirectly.



Policy Title:	Compliance Violations, Reporting and Investigation	Effective Date:	1.1.2023
Functional Unit:	Compliance		
Policy Owner (Title):	Corporate Compliance Officer	Page Number:	6 of 9

2. Review of relevant documents, such as personnel files, customer service or claims files, analysis reports, or medical records.
 3. Review of files on providers who have been the subject of complaints, investigations, violations, or prosecutions for identical or similar reasons. This may identify a pattern of violations for a particular provider, a pattern of violations within a particular practice, or a pattern of violations within a particular specialty or sub-specialty. Such patterns will set precedence for the ongoing investigation and eventual outcome.
- v. The Investigator may solicit assistance or input from the CCO, Compliance Manager, departmental staff, or any party as deemed appropriate to conduct a thorough investigation into the allegation. Outside investigation resources, if required, will be retained by the Legal Counsel.
 - vi. Documentation – Compliance incidents reported via the methods described herein are documented within the Compliance Department’s incidents tracking system. Investigation files will be retained by the Compliance Department in accordance with the Company’s record retention guidelines.
- i. Outcomes – Upon completion of the investigation, the Investigator reviews the findings with the CCO whether the allegation was founded (firm evidence to support), unfounded (evidence does not support), or inconclusive or unsubstantiated (not precisely determined or supported).
 - i. Founded Allegations – Immediate steps will be taken to correct any founded compliance violation. The CCO (or designee), with advice from legal counsel or others as appropriate, will determine any necessary corrective actions to address the allegation and facilitate notification to affected parties, including the individual alleging the compliance violation.
 1. Individuals/FDRs found to be involved in a compliance violation will be subject to corrective and/or disciplinary action (as described below). The individual/FDR will be informed of the allegation and outcome of the investigation, and will be provided an opportunity to submit a written appeal to the CCO if desired prior to any corrective or disciplinary action being implemented.



Policy Title:	Compliance Violations, Reporting and Investigation	Effective Date:	1.1.2023
Functional Unit:	Compliance		
Policy Owner (Title):	Corporate Compliance Officer	Page Number:	7 of 9

2. All founded allegations require the development of a management letter, corrective action plan (CAP), or appropriate disciplinary action, in accordance with Company procedures.

a. A Management Letter offers written recommendations relating to observations identified during the investigation. When warranted, a Management Letter is created by the Compliance Department, approved by the CCO (or designee), and delivered to and acknowledged by the business unit that was investigated.

b. A CAP is a formal, written strategy for the remediation of findings of non-compliance. Corrective action and follow-up are overseen by the CCO (or designee) and assisted by Compliance Department staff. Timely and thorough completion, applicable to the nature and urgency of the finding, is required.

c. Appropriate follow-up activities will occur to validate that the corrective actions implemented adequately correct the root cause(s) of the founded issue.

d. Business owners are expected to take immediate actions as necessary to resolve or minimize the impact of an issue/incident and prevent recurrence, without waiting for a formal CAP to be requested.

3. Disciplinary Standards – The Company will take disciplinary action when a compliance violation is found to have occurred or when it is discovered that knowledge of a possible violation was not reported. Disciplinary action will be timely, consistent, and appropriate to the seriousness of the violation.

a. First-time or minor offenses resulting in little harm to individuals or the organization will be addressed through verbal instructions, coaching, a CAP, or retraining, to improve understanding and performance and reduce the chance for repeat offense. The offender is expected to show immediate improvement with no further misconduct.



Policy Title:	Compliance Violations, Reporting and Investigation	Effective Date:	1.1.2023
Functional Unit:	Compliance		
Policy Owner (Title):	Corporate Compliance Officer	Page Number:	8 of 9

- b. Serious misconduct, repeated offenses, or violations that cause harm to individuals or the organization will be addressed through more serious disciplinary actions, such as a written warning, a period of probation or suspension from work or contract, extensive training, a CAP, and/or termination of employment or contract. The Company will also take any appropriate legal action against the offender if warranted. The Company may take these disciplinary actions without having first taken lesser action if the seriousness of the violation or offense justifies severe disciplinary action.
- 4. If it is determined that criminal activity, a violation of the law affecting a federal health care benefit, or a violation of any other activity that is governed by a regulatory agency has occurred, the CCO is responsible for escalating the issue for determination as to whether any required disclosure to outside authorities is necessary.
 - ii. Unfounded Allegations – If an investigation results in a determination that the allegation is not supported by the evidence, no corrective action is warranted and the case is closed. An allegation that is without substance and appears to be made for malicious or frivolous reasons could subject the reporter to disciplinary action up to and including termination.
 - iii. Inconclusive or Unsubstantiated Allegations – If the allegation is found to be made in good faith but unsubstantiated, it will be treated as confidential and privileged and the reporter's identity will remain secure.
 - iv. If the Company is not delegated to manage investigation outcomes, the client organization is responsible for all activities as appropriate to the final case determination.
- j. Compliance Record – A record of all alleged compliance violations reported, even if the determination is that there is not enough information to investigate the allegation, is maintained by the Compliance Department in its incidents tracking system. Records are accessible only to the CCO and designee(s), and are retained in accordance with the Company's record retention requirements and/or as required by any contractual agreements with client organizations. The Compliance Department's incidents tracking system contains, at a minimum, the following information:



Sunshine
Senior Services

Policy Title:	Compliance Violations, Reporting and Investigation	Effective Date:	1.1.2023
Functional Unit:	Compliance		
Policy Owner (Title):	Corporate Compliance Officer	Page Number:	9 of 9

1. Report Date
2. Reporter's Name (if revealed)
3. Allegation Type and Priority
4. Referral Source
5. Case Status (open/closed)
6. Investigator and Summary of Allegation
7. Determination and Resolution

- k. Education/Prevention – The Company will utilize reported compliance violation data to evaluate its operational procedures and identify areas of improvement, including training opportunities or revisions to policies and procedures. Any creation or revision of policies to ensure that the violation discontinues will be initiated immediately by the SIU and/or Compliance Department with assistance from the director or manager of the department where the violation occurred.
- l. Complaints – Individuals/FDRs who notice that a reported allegation is still occurring and believes the issue has not been addressed in a prompt manner should report any dissatisfaction, in writing, to the CCO.
- m. Reporting – Compliance incidents statistics, including (at a minimum) the number of incidents reported, source, method, incident status, volume trends, and outcomes, are reported by the CCO (or designee) to the Compliance Committee and the Board of Trustees at regularly scheduled meetings.

V. REGULATORY REFERENCES / CITATIONS

CMS Medicare Managed Care Manual, Chapter 21
42CFR §§ 422.503, 423.504

VI. RELATED POLICIES / PROCEDURES

- Referral of Investigations to Regulatory Agencies
- Investigation of Sales Complaints
- Compliance, Ethics, and Fraud Hotline
- Non-Retaliation

VII. ATTACHMENTS

None

Owners of Sunshine Senior Services:

Robert L. Anderson, J. J. Frost, Jens Fet