

CORPORATE COMPLIANCE PROGRAM

BACKGROUND AND POLICY: The Oakwood Accountable Care Organization, LLC d/b/a Beaumont ACO (“ACO”) corporate policy relating to compliance with applicable laws and regulations is embodied in this ACO Corporate Compliance Program as approved by the ACO Board of Managers. This program is complementary to the ACO mission, vision and other standards of behavior. These documents set forth standards of conduct and ACO compliance expectations for all ACO employees, contractors, providers/suppliers, professionals and participants.

I. GENERAL STANDARDS; DEFINITIONS AND GOALS

- A. **Introduction.** The ACO Corporate Compliance Program applies to ACO employees, contractors, providers/suppliers, professionals and participants. It promotes an ethical, service oriented organizational culture and encourages compliant behavior and conduct. It reflects ACO Board of Managers and senior management confidence that the ACO can succeed and prosper in a competitive health care environment by practices that are consistent with the spirit and intent of the ACO’s mission, vision and other standards of behavior. It is also a stern warning that illegal and improper conduct will not be tolerated.

The ACO Corporate Compliance Program is based on federal corporate sentencing guidelines, Medicare Shared Savings Program guidance (42 CFR 425 et seq.) and compliance guidance provided by the U.S. Department of Health and Human Services Office of the Inspector General. The Program covers criminal and civil standards. The Program requires all employees, contractors, providers/suppliers, professionals and participants ask for guidance from designated sources when in doubt about the interpretation or application of a law, regulation, rule or ACO policy. In addition, ACO requires vendors and business associates to comply with ACO compliance requirements as well as abide by applicable ACO policies when providing services for ACO, ACO beneficiaries or when on ACO premises.

- B. **Definitions.**

OHI means Oakwood Healthcare, Inc., a Michigan nonprofit corporation.

ACO means the Oakwood Accountable Care Organization, LLC d/b/a Beaumont ACO.

Affiliate means a subsidiary or affiliated entity in which ACO, directly or indirectly, holds a greater than 50% voting or control interest. ACO involvement in ventures or entities that provide healthcare services or otherwise are involved in activities that may pose significant risk to ACO, in which ACO (directly or indirectly) holds equal to or less than a 50% interest, will be subject to this Compliance Program upon approval of the senior leader in consultation with the Corporate Compliance Officer and the other owner(s) of the entity.

Board means the ACO Board of Managers.

Business Associate means a person or entity doing any activity for or on behalf of ACO.

Compliance Program or Program means this ACO Corporate Compliance Program as well as (if any) unit specific Compliance Plans and supporting ACO policies.

Compliance Plan means a unit specific compliance plan developed and administered as part of this Program typically involving a specific substantive or transactional area (e.g., environmental exposure; Medicare/Medicaid coding and billing).

Corporate Compliance Officer or **CCO** means the person designated to implement and manage the Program. At the initiation of the ACO, the CCO is the Sr VP Org Excel, Accred & Comp, Oakwood Corporate Services.

C. **Goals.** The Compliance Program goals are to:

1. Promote an ethical, lawful, service oriented organizational culture and encourage compliant behavior and conduct.
2. Enhance the reputation of ACO.
3. Foster an understanding of and commitment to compliance.
4. Provide basic and advanced compliance training and education at all levels of the ACO.
5. Prevent and detect illegal and improper behavior and reduce noncompliance risk.
6. Assure that employees, contractors, providers/suppliers, professionals and participants know how and are encouraged to report suspected illegal or improper conduct.
7. Assure prompt review, investigation and response to reported illegal or improper conduct and prevent recurrence.
8. Assure probable violations of law are reported to appropriate law enforcement agencies.

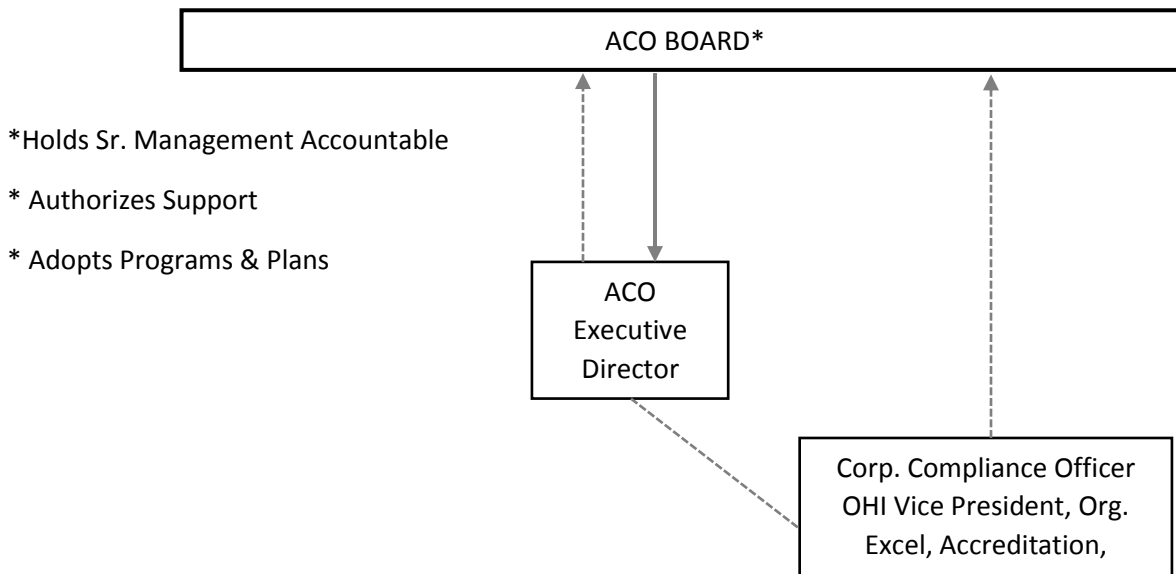
The foregoing goals include and are applicable to ACO employees, contractors, providers/suppliers, professionals and participants.

II. STANDARDS OF CONDUCT; POLICIES AND PROCEDURES

- A. **Standards of Conduct.** ACO shall develop and make readily available written standards of conduct that delineate ACO's commitment and expectations concerning compliance with applicable laws, regulations and ethical standards.
- B. **Written Compliance Policies.** ACO shall develop written compliance policies that address specific risk areas. These policies shall be made readily available to employees and agents, periodically reviewed and revised as necessary. In the absence of a specific written ACO compliance policy, ACO and ACO employees, contractors, providers/suppliers, professionals and participants shall follow OHI Corporate and Administrative Policies and Procedures
- C. **Obligations to Report.** The standards of conduct impose an obligation on all ACO employees, contractors, providers/suppliers, professionals and participants to report practices or activities that appear to violate ACO standards of conduct, ACO compliance policies or applicable law and regulation. This obligation includes the requirement that the ACO reports probable violations of law to appropriate law enforcement agencies. The foregoing reporting obligation does not arise until nor preclude the ACO from conducting a proper review of the matter in question.
- D. **Periodic Review.** The Corporate Compliance Officer will coordinate a periodic review of, and any necessary revisions to the ACO standards of conduct and ACO compliance policies.

III. PROGRAM DESIGN AND RESPONSIBILITIES

A. Organization and Responsibilities



B. ACO Board of Managers. The Board of Managers are responsible for:

1. Setting Corporate policy and goals.
2. Adopting a compliance program.
3. Charging Affiliates and ACO contractors, providers/suppliers, professionals and participants with compliance responsibility applicable to their area and to cooperate on all compliance matters.
4. Requiring each Board member to complete on an annual basis a conflict of interest statement consistent with Internal Revenue Service requirements.
5. Holding ACO management responsible for implementing the Compliance Program.
6. Delegating appropriate Corporate-level responsibility and authority to the Corporate Compliance Officer.
7. Directly receiving and, as appropriate, acting on reports and recommendations from the Corporate Compliance Officer and others charged with compliance responsibility.
8. Exercising final authority on compliance matters.

C. Corporate Compliance Officer. The Corporate Compliance Officer shall exercise Board- delegated authority to oversee compliance activities within the ACO and shall report directly to the ACO. The Corporate Compliance Officer shall have the authority necessary to plan, design, implement and maintain ACO wide compliance programs, plans, policies and procedures, subject to approval of the Board of Managers. This authority includes the review all documents and information relevant to compliance activities, such as patient records, billing records, contracts, and other business records and documents.

The Corporate Compliance Officer:

1. Reports directly to the ACO Board of Managers and provides reports to the Board on compliance matters.
2. Shall have no other duties or responsibilities specifically including serving in any capacity as legal counsel to the ACO, Affiliates or OHI.

3. Oversees drafting of compliance programs, including individual business unit Compliance Plans and corporate compliance policies.
4. Administers the Compliance Program.
5. Assures communication and implementation of compliance goals, standards and procedures throughout the ACO.
6. Develops and coordinates compliance education and training.
7. Develops and implements alternative means of communication to allow improprieties to be reported without fear of retaliation, and promotes open communication with the Corporate Compliance Office for reporting and for clarification or questions regarding policies and compliance matters. The foregoing includes the adoption of a compliance toll free (confidential and anonymous) hotline as well as good faith reporting (whistleblower) and other policies. At the initiation of the ACO, the OHI external corporate compliance hotline shall be utilized.
8. Coordinates compliance activities between and among ACO, Affiliates and ACO employees, contractors, providers/suppliers, professionals and participants.
9. Investigates or oversees investigation of suspected cases of illegal or improper activity within the ACO, Affiliates and ACO employees, contractors, providers/suppliers, professionals and participants. The Corporate Compliance Officer recommends corrective steps.
10. Reviews ACO policies and procedures for consistency with standards, procedures and goals of the Compliance Program.
11. Prepares periodic reports for the Board regarding compliance activity including Compliance Program effectiveness.
12. Periodically recommends Compliance Program and Compliance Plan revision.
13. Performs such other duties as assigned by Board relevant to the Compliance Program.

D. **ACO Executive Director** The ACO Executive Director shall:

1. Assure that the Corporate Compliance Officer has adequate and reasonable resources to perform responsibilities.
2. Hold ACO employees, contractors, providers/suppliers, professionals and participants accountable for their efforts and results in implementing the Compliance Program and Plans.
3. Assure that there are adequate evaluation and screening mechanisms in place to prevent entrusting compliance responsibility or operational decision-making to individuals with a known propensity for illegal or improper conduct.
4. Assure that ACO employees, contractors, providers/suppliers, professionals and participants at all levels throughout the ACO are evaluated in part based on their ability to communicate and apply Compliance Program standards, procedures and goals to their respective work forces.
5. Oversees adoption of Corporate policies needed to implement the Compliance Program.

E. **Corporate Director of Legal Affairs**. If the ACO has engaged the services of a person to serve as ACO general counsel, the ACO general counsel shall:

1. Assist the Corporate Compliance Officer upon request to assure compliance action adequately meets ACO needs.
2. Provide advice and guidance to the Corporate Compliance Officer if requested in the retention of outside lawyers, auditors and consultants to assist with compliance reviews and audit activity.
3. Participate in investigations at the request of the Corporate Compliance Officer, reports back to the Corporate Compliance Officer on investigation results, maintains appropriate records, and renders legal advice.

- F. **Affiliate Boards and Others.** Affiliates and other ventures shall:
1. Adopt the Compliance Program within their organizations; or alternatively, provide assurances satisfactory to the ACO that the Affiliate has in place an equivalent compliance program.
 2. For ventures or entities in which ACO has a less than 50% ownership or control interest, but that are providers of health care services or otherwise engaged in activities that may involve significant risk to ACO, the venture or entity provides and demonstrates appropriate assurances to ACO that compliance mechanisms are in place and adequate to the needs and size of the venture.
 3. Provide periodic reports to ACO (and to the other owner(s) on the Affiliate's compliance program, and such other information as ACO (or the other owner(s) of the entity) may require from time to time.

IV. PROGRAM STANDARDS AND REQUIREMENTS

- A. **CORPORATE POLICIES.** Corporate compliance related policies are subject to Corporate Compliance Officer review and approval and will be incorporated into appropriate ACO policies. Policy will address at least the following subjects:
1. Record retention including a provision that no records related to a pending or anticipated investigation will be destroyed.
 2. Discipline of employees and agents of ACO who violate law, regulations, and/or the compliance requirements.
 3. Reporting of suspected illegal or improper conduct including an anonymous reporting system that shall be communicated to ACO employees, contractors, providers/suppliers, professionals and participants.
 4. A good faith reporting policy to protect against retaliatory treatment of persons making reports.
 5. ACO employees, contractors, providers/suppliers, professionals and participants evaluation based, in part, on their ability to communicate and apply Compliance Program standards, procedures and goals to the work force.
 6. Background checks for ACO employees, contractors, providers/suppliers, professionals and participants designed to identify individuals with a known propensity for illegal or improper conduct. Background checks shall be performed at initiation of work with ACO and shall be performed no less than biennially (every two years) thereafter. Background checks shall at minimum include review of the Office of Inspector General and General Services Administration databases relating to excluded practitioners.
 7. Handling and reporting investigations and regulatory actions.
 8. Subpoenas, search warrants or other demands for information served on ACO or ACO employees, contractors, providers/suppliers, professionals and participants.
 9. Annual compliance training for ACO, ACO employees, contractors, providers/suppliers, professionals and participants.

OHI Corporate and Administrative Policy and Procedures, education or process effecting any of the above may be utilized until such time as the ACO adopts its own policy, education or process.

- B. **RISK ASSESSMENT.** Compliance Plans will be developed based upon risk assessment. Risk assessment will ordinarily be performed in the following ways:
1. As baseline compliance reviews or audits.
 2. As a result of internal monitoring or auditing activities.
 3. As a byproduct of actual investigations.

4. As necessary to evaluate ACO compliance with governmental announcements and press releases on areas of industry exposure, known government enforcement program priorities, and changes in law and regulation.

Risk assessment may be performed by various means using internal expertise, small sample audits, natural observation, claim rejection trends, and external experts.

C. **COMPLIANCE PLANS.** Compliance Plans shall:

1. Relationship to Compliance Program. Be a subset of the Corporate Compliance Program.
2. Core Elements. Have core elements tailored to fit the work force and the substantive or transactional area covered to include:
 - a. A brief description of governing legal or regulatory authority.
 - b. Compliance standards and procedures applicable to the health service provided and reasonably capable of reducing illegal or improper conduct.
 - c. The identity of ACO officers and managers assigned Plan responsibility.
 - d. A communications plan to effectively educate and remind employees and agents on compliance related standards and procedures at appropriate intervals. Education shall be documented. In the case of agents, the plan may require inclusion of model terms in contracts and certification of the agent's familiarity and conformity to ACO policy and procedure while performing work on ACO premises or on behalf of ACO.
 - e. A system, including names and phone numbers, by which employees and agents can obtain prompt and accurate advice including the ACO compliance hotline.
 - f. A system for reporting suspected illegal or improper activities to include the ACO compliance hotline and Corporate Compliance Office.
 - g. Monitoring and auditing systems reasonably designed to detect criminal or improper conduct or measure Plan effectiveness.
 - h. Specific document creation, maintenance and destruction standards and assignment of responsibility for maintenance of Compliance Plan records.
3. Initial Compliance Plans. Compliance Plans will cover at least:
 - a. Incentive and Shared Savings Program issues to include:
 - (i) Medicare quality and financial data reporting; and (ii) Other third parties (specifically including Blue Cross and Blue Shield) quality and financial data reporting.
 - b. Conflict of interest rules and requirements as set forth in Internal Revenue Service guidance.
 - c. Conflict and potential kickback issues specifically including receipt and distribution of gifts and gratuities whether involving ACO employees, contractors, providers/suppliers, professionals and participants, or ACO beneficiaries.
 - d. Provider recruiting, retention and contracting activities.
 - e. Joint ventures between ACO and non-exempt provider entities.
 - f. Antitrust issues relating to the ACO and its functions including : (i) participation in trade associations and groups; (ii) merger and affiliation activity; (iii) provider network formation and administration; (iv) participation in ancillary and downstream service arrangements; and (v) joint venture activity.
 - g. Environmental risks.
 - h. Compliance with Stark, fraud and abuse statutes and regulations (as applicable).
 - i. Compliance with state and federal confidentiality requirements for patient information.

- D. EDUCATION AND TRAINING.** Education and training shall be an ongoing activity.
1. *Program Development, Implementation and Content.* ACO will develop and implement compliance related education and training program. Compliance training shall include specific risk areas identified by the Corporate Compliance Officer, ACO Board, ACO management and public and private third party payors. The program will include basic education and training for all employees in the following areas:
 - a. ACO's commitment to compliance with the laws and regulations.
 - b. An overview of ACO's Corporate Compliance Program.
 - c. The Corporate Compliance Officer role.
 - d. ACO standards of conduct.
 - e. ACO employees, contractors, providers/suppliers, professionals and participants required compliance with law and regulation.
 - f. The obligation to report practices or activities that may violate ACO standards of conduct, ACO compliance policies or applicable law and regulation.
 - g. Reporting tools and protections for those who report in good faith.
 - h. Federal and State fraud and abuse law.
 - i. ACO corrective action policy.

At the initiation of the ACO, ACO shall in the absence of other education and training utilize OHI's corporate compliance training and education module.

2. *Education and Training Requirements.* ACO will require basic compliance training for all ACO employees, contractors, providers/suppliers, professionals and participants including periodic re-education. New ACO employees, contractors, providers/suppliers, professionals and participants will receive compliance training as part of ACO's orientation process. ACO employees, contractors, providers/suppliers, professionals and participants in compliance high risk areas will receive additional training as necessary and as applicable to the services provided.
3. *Documentation of Education and Training.* ACO will maintain records of all compliance education and training sessions, including attendance sheets and samples of training materials.

E. EVALUATIONS.

1. ACO disciplinary guidelines shall include acts in violation of applicable federal and state law, acts which violate the ACO policies and procedures implemented through the Program, as well as a failure to detect and report wrongdoing consistent with their ACO employee, contractor, providers/supplier, professional and participant duties.
2. Job and position descriptions shall require adherence to the Program.
3. ACO employees, contractors, providers/suppliers, professionals and participants will be required to acknowledge adherence to compliance related policy and procedure as a material condition of employment, and that failure to comply will result in discipline up to and including termination of relationship with the ACO.
4. Evaluations of ACO employees, contractors, providers/suppliers, professionals and participants shall include promotion of and compliance as factors. Evaluation shall specifically include adequately instructing subordinates, setting an atmosphere of compliance, and detecting non-compliance.

F. COMMUNICATIONS AND REPORTING.

1. *Access to the Corporate Compliance Officer.* ACO employees, contractors, providers/suppliers, professionals and participants may directly access the Corporate Compliance Officer to report practices or activities that may present compliance issues, or to seek clarification with respect to ACO standards of conduct, ACO compliance policies or the requirements under law, regulation and guidelines applicable to ACO operations. Questions and responses will be documented when feasible and appropriate to do so. The Corporate Compliance Officer may consult with ACO and OHI management, legal counsel or other professional advisors as necessary to respond to inquiries and may share responses with appropriate ACO employees, contractors, providers/suppliers, professionals and participants.
2. *Reporting System Procedures.* The following procedures shall apply to the reporting of practices or activities which appear to present a compliance problem:
 - a. ACO standards of conduct shall require employees and other program participants to report to the Corporate Compliance Officer on activities that appear to violate: (i) ACO standards of conduct; (ii) ACO compliance policies; or (iii) applicable law or regulation.
 - b. The Corporate Compliance Officer will be responsible for coordinating the investigation and responding to all reports.
 - c. The Corporate Compliance Officer will be responsible for summarizing reports made on the Program and providing periodic reports to the Board.
 - d. The Corporate Compliance Officer will develop and implement mechanisms for confidential communication of reports. These mechanisms may include: e-mail, interoffice mail, hotline or voice mail.
 - e. The Corporate Compliance Officer and ACO management will routinely inform ACO employees, contractors, providers/suppliers, professionals and participants of the existence of the reporting system, and of the procedures for using this system.
 - f. Confidentiality. The Corporate Compliance Officer shall develop and implement policies to protect the privacy of an individual making a report.

G. PROCEDURES FOR PROMPT INVESTIGATION.

1. *Prompt Investigation.* The Corporate Compliance Officer will promptly investigate reports or reasonable indications of suspected noncompliance to determine whether a violation has occurred. If it is determined that a violation has occurred, corrective action shall be taken consistent with this Program.
2. *Procedures.* The following procedures will be followed:
 - a. The Corporate Compliance Officer will promptly coordinate an appropriate investigation of each report or reasonable indication of suspected noncompliance. The Corporate Compliance Officer may seek assistance from, or delegate specific tasks to, members of ACO management, legal counsel or other professional advisors.
 - b. When there appears to be liability risk to ACO, legal counsel shall be promptly contacted and may be retained to assist with the investigation. Auditors and other health care advisors may be retained by the Corporate Compliance Officer to assist in the investigation. Legal counsel will prepare or assist in the preparation of all internal investigation documentation. Legal counsel will also assist in the analysis of ACO's obligations or options with respect to repayment, voluntary disclosure or other appropriate corrective action. In appropriate circumstances, legal counsel will act to preserve the attorney-client and/or work product privilege.

- c. If an ACO employee, contractor, provider/supplier, professional and participant is the subject of an investigation, the Corporate Compliance Officer shall exclude that person from participating in the investigation and from access to documents and records regarding the investigation. The Corporate Compliance Officer shall also have the authority to exclude ACO employees, contractors, providers/suppliers, professionals and participants from participating in an investigation if it is believed that their involvement may jeopardize the integrity of the investigation.
- d. Each investigation will include the gathering and preservation of relevant documents and the identification and interviewing of those ACO employees, contractors, providers/suppliers, professionals and participants, former ACO employees, contractors, providers/suppliers, professionals and participants and others who may be able to provide pertinent information.
- e. Each investigation will be systematically documented to include: documentation of the alleged violation; description of the investigative process; copies of interview notes and key documents; list of witnesses interviewed and documents reviewed; investigation results; disciplinary recommendations; and any corrective action implemented.
- f. The Corporate Compliance Office will respond to the reporting party, as appropriate, and to the extent reasonably possible, summarize the investigation status and corrective action taken.

H. CORRECTIVE ACTION.

1. *Corrective Action Plan.* Whenever a compliance problem has been identified, the Corporate Compliance Officer will develop, in consultation with appropriate management, a corrective action plan identifying the steps to be taken to correct the problem and reduce the likelihood that it will recur or that similar problems will occur in other areas or departments.
2. *Procedures.* A corrective action plan shall be tailored to reasonably address the compliance problem in light of its scope and seriousness. The Corporate Compliance Officer shall obtain advice and guidance as appropriate. Corrective action plans shall consider the following matters:
 - a. The need for education to reduce the potential for recurrence.
 - b. Whether changes are required to ACO policy and procedure.
 - c. Whether responsible parties should be disciplined.
 - d. Whether any repayment is required to third party payors.
 - e. The manner in which the corrective action plan will be communicated to responsible parties, affected departments, and ACO management.
 - f. Corrective action related to other identified issues.
3. *Review and Record-keeping.* Corrective action plans shall be maintained by the ACO business unit and Corporate Compliance Office. The Corporate Compliance Officer shall periodically review corrective action plans to determine current status of and effectiveness of the plan.

- I. **AUDITING AND MONITORING.** The Corporate Compliance Program shall include periodic auditing and monitoring activities designed to detect compliance problems and measure the Program effectiveness. The Corporate Compliance Officer, in consultation with ACO Board and management, will identify subject areas for auditing and monitoring activities. These areas may include:
 1. Quality reporting data and financial incentive or shared savings filings and support data.
 2. Focus areas identified by the Office of Inspector General and law enforcement agencies.
 3. Focus areas identified by OIG special fraud alerts, OIG audits and evaluations, and law enforcement initiatives.

4. ACO specific focus areas identified through reports submitted by ACO employees, contractors, providers/suppliers, professionals and participants, and others.
5. ACO specific focus areas identified by third-party payor, government agencies ,accrediting agencies and ACO Board and management.

Whenever auditing or monitoring activities identify a compliance problem, the corrective action procedures will be followed. Auditing and monitoring activities shall be documented and maintained by the ACO business unit and Corporate Compliance Office.

J. DISCIPLINARY ACTION AND NEW EMPLOYEE POLICY.

1. *Disciplinary Policy.* Anyone who violates the ACO standards of conduct, ACO compliance policies or applicable law will be subject to discipline consistent with ACO policy. The disciplinary action taken may vary depending on the nature, severity and frequency of the violation and may result in any of the following disciplinary actions, as specified in the policy and in relevant ACO human resources policies: verbal warning; written warning; written reprimand; suspension; and termination. Business associates and their employees (such as OHI and its employees) shall be subject to the same guidance above but in accord with the respective organizations human resource policy. Business associates shall provide ACO with a summary or confirmation that action was action taken or that no action was warranted as the facts and circumstances dictate.
2. *New Employee Policy.* ACO will conduct (or shall cause to be conducted) reasonable and prudent background investigations for new ACO employees, contractors, providers/suppliers, professionals and participants specifically those who will have discretionary decision-making authority implicating ACO compliance with the law and regulation. ACO will also have policies to prohibit the employment of individuals who have been recently convicted of a criminal offense related to health care or who are listed as debarred, excluded or otherwise ineligible for participation in Medicare, Medicaid or other federal health care programs.

V. ANNUAL PLAN REVIEW

ACO's Compliance Program shall be reviewed periodically to assess whether it is working. The Corporate Compliance Officer shall prepare an annual report that summarizes significant compliance efforts undertaken during the preceding year and recommend changes to improve the Compliance Program effectiveness. This report should be circulated to appropriate persons for comment and any Program recommendations.

Approval

Signature: Belal F. Abdallah

Name: Belal Abdallah, MD

Title: Chairman, Beaumont ACO Board of Managers

Date: 1/1/2019