

**Care N' Care Insurance Company of North Carolina, Inc. Policy**

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| <b>Policy Title</b><br>Compliance and Integrity                |   |  |   |
| <b>Department Responsible</b><br>Compliance and Integrity      | <b>Policy Code</b><br>HTA – 1.00                              | <b>Effective Date</b><br>December 2015 | <b>Next Review Date</b><br>November 1, 2022 |
| <b>Title of Person Responsible</b><br>Chief Compliance Officer | <b>Approval Council</b><br>CNC-NC Policy Governance Committee |  | <b>Approved Date</b><br>December 10, 2015   |

**PURPOSE**

The purpose of this policy is to establish the framework for the Company’s Compliance and Integrity Department program. Care N’ Care Insurance Company of North Carolina, Inc. (“CNC-NC”) understands a strong compliance, ethics and integrity program is core to developing accountability and transparency. Additionally, CNC-NC understands that participation in federal programs is a tremendous responsibility and is committed to following the best practices and guidance from the United States Sentencing Commission and the Centers for Medicare & Medicaid Services.

**DEFINITIONS, INITIALS, ACRONYMS**

N/A

**POLICY**

It is the policy of CNC-NC to comply with all applicable federal, state and local laws and regulations. In addition, it is the policy to have a Code of Conduct that is reviewed and approved by the Board of Directors, the President of the Company, and by the Corporate Compliance and Integrity Committee. This policy applies to all employees, members of the Board of Directors (when acting on behalf of the Company), first tier, downstream and related (FRDs) entities, contractors, and all agents of the Company.

**RESPONIBILITIES**

*Board of Directors*

- Receive and review reports from the Chief Compliance Officer.
- Evaluate the effectiveness of the Compliance and Integrity Department program.
- Review high risk issues of compliance.
- Report any compliance concerns or suspected or actual fraud, waste and abuse.

*Chief Compliance Officer*

- Is a full-time employee of CNC-NC and does not have operational accountabilities.
- Develops written policies and procedures and a Code of Conduct to support CNC-NC’s policy to comply with all applicable federal, state, and local laws and regulations.
- Operationalizes the components of the Code of Conduct and has functional accountabilities for the Compliance and Integrity Program.
- Distribute the applicable policies and procedures and Code of Conduct to employees initially upon hire, and annually thereafter.
- Distribute the applicable policies and procedures and Code of Conduct to FDRs initially upon contracting, and annually thereafter.

- Provide in-person, a report to the President on the Compliance and Integrity program at least quarterly.
- Provide in-person, a report to the Board of Directors on the Compliance and Integrity Program at least four times per year.
- Provide general compliance and fraud, waste and abuse training to employees.
- Chair the Corporate Compliance and Integrity Committee, which is responsible for overseeing the Compliance and Integrity Program that meet at least four times per year.
- Serve as the Privacy Officer.
- Ensure the completion of all applicable training and education for employees and members of the Board of Directors.

*Departmental Management*

- Will help ensure that employees understand and participate in the Compliance and Integrity Program, complete training and education, and understand their responsibilities.
- Monitor Compliance and Integrity.
- Develop departmental specific policies and procedures that support the function and applicable laws and regulations.

**REFERENCE DOCUMENTS/LINKS**

- United States Sentencing Commission Seven Elements of an Effective Compliance Program
- Centers for Medicare & Medicaid Services, Prescription Drug Benefit Manual Chapter 9, Compliance Program Guidelines and Medicare Managed Care Manual Chapter 21, Compliance Program Guidelines
- 42 CFR 422.503
- 42 CFR 423.504

**PREVIOUS REVISION/REVIEW DATES**

| <b>Date</b>      | <b>Reviewed</b> | <b>Revised</b> | <b>Notes</b>  |
|------------------|-----------------|----------------|---|
| N/A              | N/A             | N/A            | This is a new policy.   |
| September 2016   | Yes             | No             |   |
| July 2017        | Yes             | No             |   |
| November 2018    | Yes             | Yes            | Removed reference to HTA and added privacy responsibility and education and training.   |
| July 2019        | Yes             | Yes            | Included reporting requirements for board members; administrative accountabilities of the Compliance Officer; and education for the board of directors. |
| November 9, 2020 | Yes             | Yes            | Included reference to distributing policies and procedures and Code of Conduct to FDRs initially upon contracting and annually thereafter.              |
| November 3, 2021 | Yes             | No             |   |