

Stony Brook Accountable Care Organization
COMPLIANCE PLAN

2020 Version

ARTICLE I

INTRODUCTION AND SCOPE

Stony Brook Accountable Care Organization, LLC ("SB-ACO") was formed to improve the healthcare of the populations that Clinical Practice Management Plan ("CPMP") and its affiliated physicians and serve. SB-ACO has developed a network of providers to offer quality health care and other related services to patients. In order to advance its mission of better managing all aspects of health care and improving the health of its community, SB-ACO strives to operate more efficiently and in a manner that (i) is designed to improve the quality of health care service delivery, (ii) is coordinated and cost-effective, and (iii) has the goal of reducing overall health care costs.

SB-ACO is committed to complying with state and federal laws and regulations that govern healthcare, including, but not limited to, the Federal False Claims Act (31 U.S.C. 3729 *et seq.*), the New York False Claims Act (Article 13, §§ 187-194), the Federal Anti-Kickback Statute (42 U.S.C. 1320a-7b(b)), the New York Anti-Kickback Statute (Section 34-1.5 & Section 6509-a), the Civil Monetary Penalties Law (42 U.S.C. 1320a-71) and the federal Physician Self-Referral Law (42 U.S.C. 1395nn). To make sure that SB-ACO complies with all relevant and applicable federal and state legal and regulatory standards, as well as with applicable contractual requirements, SB-ACO has designed and implemented this Compliance Plan.

This Compliance Plan describes the structure of the SB-ACO compliance program, which is based on Section 8 of the United States Sentencing Guidelines, relevant guidance from the Office of the Inspector General of the United States Department of Health and Human Services, relevant guidance from the Centers for Medicare & Medicaid Services and New York State law governing compliance programs. This Plan sets forth certain compliance policies and procedures intended to promote regulatory compliance and prevent, detect, and resolve any non-compliant or illegal conduct and fraud, waste, or abuse of government program funds by those participating in or otherwise providing services to SB-ACO.

This Compliance Plan applies to the SB-ACO Board of Directors, all SB-ACO staff (including leased employees), contractors (as appropriate), SB-ACO participants, providers and suppliers, and other individuals or entities performing functions or services related to SB-ACO activities or providing items or services to SB-ACO (collectively, the "Covered Persons"), except where otherwise indicated. All Covered Persons must comply with this Plan and any other applicable compliance policies and procedures, laws, regulations, and ethical rules at all times and avoid even the appearance of impropriety. In addition, all Covered Persons must cooperate fully with the SB-ACO Compliance Program, which consists of this Plan and any other applicable SB-ACO compliance policies and procedures.

Failure to comply with this Plan and any other applicable SB-ACO Compliance Program policies and procedures may result in discipline, up to and including termination of employment or the relevant affiliation with SB-ACO or involvement in SB-ACO activities, or any other corrective action deemed appropriate by the SB-ACO Chief Compliance Officer.

SB-ACO will update this Plan periodically and as necessary to reflect changes in law and regulation.

ARTICLE II

OVERSIGHT OF THE SB-ACO COMPLIANCE PROGRAM

SB-ACO Board of Directors: The SB-ACO Board of Directors is ultimately responsible for oversight and implementation of the SB-ACO Compliance Program and this Plan. Its duties and obligations include:

- 1) Providing oversight and strategic direction to the SB-ACO Compliance Program
- 2) Holding SB-ACO management accountable for SB-ACO's compliance activities
- 3) Reviewing reports from the Chief Compliance Officer and responding in a manner consistent with the fiduciary duty owed to SB-ACO
- 4) Overseeing financial and other support available to the Chief Compliance Officer to ensure that funding of SB-ACO compliance initiatives is sufficient to maintain an effective compliance program.

SB-ACO Chief Compliance Officer: The SB-ACO Board of Directors will appoint a Chief Compliance Officer who is not SB-ACO's legal counsel and who reports to the SB-ACO Executive Director, but with direct access to the SB-ACO Board as needed (including providing periodic reports on SB-ACO compliance activities to the SB-ACO Board, as discussed below). With adoption of this Plan, SB-ACO has designated the CPMP Compliance Director to serve as the SB-ACO Chief Compliance Officer.

The SB-ACO Chief Compliance Officer, with the assistance of any designees he or she so appoints, will be responsible for:

- 1) Overseeing and monitoring the implementation and on-going operation of this Plan
- 2) Creating, maintaining, and revising this Plan and other SB-ACO compliance and privacy-related policies and procedures regularly and as needed
- 3) Promoting awareness of this Plan, compliance and privacy-related policies and procedures, methods of reporting probable violations of the law, and federal and state legal requirements SB-ACO must follow
- 4) Ensuring that Covered Persons receive annual compliance and privacy training and as-needed educational programs and materials on compliance and privacy-related issues
- 5) Maintaining and promoting a compliance hotline that allows confidential reporting of issues on an anonymous basis and emphasizes SB-ACO's non-retaliation policy
- 6) Investigating all credible SB-ACO-related reports received on the compliance hotline and through any other means or referring them to the appropriate entity or department for investigation and resolution
- 7) Ensuring that SB-ACO takes appropriate corrective action and disciplinary action when non-compliant or illegal or unethical conduct is identified
- 8) Requiring the monthly screening of Covered Persons for exclusion from federal or state health care program participation as required by law
- 9) Creating an annual compliance and privacy work plan, including a compliance audit plan, and conducting or overseeing audits in accordance with the plan
- 10) Assisting key SB-ACO clinical and administrative leadership in coordinating internal compliance review and monitoring activities, including annual or periodic reviews, to the extent deemed necessary and appropriate by SB-ACO management

- 11) Reporting to the SB-ACO Board of Directors on Compliance Program activities and results on a periodic basis, not less than twice annually.

Key Clinical and Administrative Leadership: SB-ACO's key clinical and administrative leadership, including, but not limited to, the Executive Director and Medical Director, have a heightened obligation to ensure the success and effectiveness of the SB-ACO Compliance Program. They are responsible for ensuring that SB-ACO meets its mission and complies with federal and state laws and regulations governing healthcare generally and ACOs specifically. Additionally, it is their obligation to assist in creating a culture and climate that encourages and supports the reporting of SB-ACO compliance issues at any time by any Covered Person (or any other individual who becomes aware of an issue).

Relationship to CPMP Compliance Program: In adopting this Compliance Plan, SB-ACO has referenced, and is relying upon, CPMP's Compliance Program for certain operational compliance procedures and compliance policies. Any Covered Persons independently affiliated with CPMP and CPMP-employed personnel and providers are subject to both the SB-ACO Compliance Plan and to CPMP's Compliance Program, Code of Conduct and applicable Compliance Policies and Procedures. CPMP Compliance Policies and Procedures shall apply when there is not a specific SB-ACO policy on a compliance issue. If there is a conflict between the requirements of the SB-ACO Compliance Program and the CPMP Compliance Policies and Procedures, the terms of the SB-ACO Compliance Program will govern with respect to SB-ACO activities.

Participant and Provider-Level Compliance Issues: SB-ACO approaches compliance as an organization-wide endeavor, extending to each SB-ACO participant, provider and supplier. SB-ACO respects the autonomy of each individual participant, provider and supplier to conduct its own internal compliance activities and maintain its own compliance plans, but retains authority to oversee SB-ACO compliance activities generally in accordance with this Plan and the SB-ACO Compliance Program. Each SB-ACO participant, provider and supplier is expected to comply fully with the SB-ACO Compliance Plan and applicable compliance policies and procedures, and to cooperate fully in all SB-ACO compliance-related activities, in addition to conducting their own internal compliance programs.

Consistent with the above, SB-ACO participants, providers and suppliers shall implement their own compliance programs, as applicable and appropriate. However, whether or not the SB-ACO participant, provider, or supplier is required to have its own compliance program under the law, the SB-ACO participant, provider, or supplier will, at minimum, put into place a system to monitor the appropriateness of its documentation, coding, and billing practices. Any employee or contractor of a SB-ACO participant, provider or supplier will remain covered by the requirements of the compliance program of their employer, in addition to the requirements of the SB-ACO Compliance Program and this Plan. Following the provision of reasonable advance written notice, SB-ACO will have the authority to audit the compliance activities of all SB-ACO participants, providers and suppliers..

Exclusion Screening: All SB-ACO participants, providers and suppliers must check all necessary federal healthcare exclusion databases on a monthly basis to ensure compliance with federal healthcare program requirements. If any SB-ACO participant, provider or supplier determines that it or any other SB-ACO participant, provider or supplier is subject to any federal healthcare program exclusion or other sanction, it must notify the SB-ACO Chief Compliance Officer immediately, who is then authorized to take corrective action as appropriate. In addition, all SB-ACO participants, providers and suppliers must annually attest that they have complied with the requirements of this section.

ARTICLE III

GENERAL STANDARDS OF CONDUCT

Quality Data Collection and Submission: SB-ACO must submit quality and other relevant data to meet the requirements of third party payor agreements and government programs. All Covered Persons will cooperate with SB-ACO in gathering and recording data in a truthful, accurate, and complete manner so that the data can be properly submitted. All personnel responsible for submitting this data will be expected to strictly follow all laws, regulations, guidance, and SB-ACO policies governing these procedures. Deliberate or reckless misstatements or submission of data to government agencies or third parties is strictly prohibited. SB-ACO will have the right, following the provision of advance written notice, to audit and review quality and other data submitted by a Covered Person in connection with SB-ACO activities.

No Reduction of Medically Necessary Services: While SB-ACO is committed to lowering the costs of the health care services provided to its patients while enhancing the quality of care, neither SB-ACO nor any Covered Person will reduce or limit any medically necessary services to any patient.

No Discrimination: SB-ACO prohibits all forms of discrimination in the provision of services, marketing, or enrollment practices. Neither SB-ACO nor any Covered Person will deny, limit, or condition any services provided to individuals on any basis prohibited by law (for example, race, age, sex, gender identity, etc.), including any factor that is related to health status, such as nature and extent of the medical condition, including mental and physical illness; medical history; or genetic information. SB-ACO will not tolerate any practice that would reasonably be expected to have the effect of denying or discouraging the provision of medically necessary services to eligible individuals.

Conflict of Interest: SB-ACO has adopted a conflict of interest policy, which is made available to all Covered Persons. All Covered Persons must strictly comply with this policy.

Fraud, Waste and Abuse: All Covered Persons must comply with all applicable fraud, waste, and abuse laws including, but not limited to, federal and state criminal laws, the Federal False Claims Act (31 U.S.C. 3729 *et seq.*), the New York False Claims Act (Article 13, §§ 187-194), the Federal Anti-Kickback Statute (42 U.S.C. 1320a-7b(b)), the New York Anti-Kickback Statute (Section 34-1.5 & Section 6509-a), the Civil Monetary Penalties Law (42 U.S.C. 1320a-71), and the federal Physician Self-Referral Law (42 U.S.C. 1395nn). All Covered Persons must cooperate with any fraud, waste and abuse investigation related to SB-ACO activities.

Privacy: All Covered Persons must comply with (i) all applicable state and federal privacy laws and regulations, including, but not limited to, the Health Insurance Portability and Accountability Act ("HIPAA") and the privacy and security rules promulgated under that Act ("HIPAA Rules"), as amended by the Health Information Technology for Economic and Clinical Health Act, as incorporated in the American Recovery and Reinvestment Act of 2009, and its implementing regulations (the "HITECH Act"), all as amended from time to time, as well as guidance issued by the Secretary of the United States Department of Health and Human Services, , and (ii) all applicable SB-ACO privacy policies.

Marketing Materials: All SB-ACO marketing and communication materials intended for distribution to potential or actual beneficiaries must comply with all applicable state, federal or SB-ACO requirements relating to such activities.

Documentation, Coding, and Billing: SB-ACO and all Covered Persons may only bill for medically necessary services that are consistent with accepted standards of medical care. Billing and coding must always be based on adequate documentation of the medical justification for the service provided and the bill submitted, and the medical documentation must be accurate, truthful, and in compliance with all applicable laws, rules, and regulations. SB-ACO and all Covered Persons are strictly prohibited from knowingly engaging in any form of up-coding of any service, or any other billing practice that violates any applicable law, rule, or regulation. No Covered Person may misrepresent charges or services to or on behalf of the government, a patient, or a payor. Similarly, no Covered Person may use “defaults” to a particular billing code. Bills may not be submitted if the documentation of the nature or scope of the service is unclear, or if it is otherwise unclear what the appropriate code is. Billing and diagnostic codes may never be selected on the basis of whether the given code guarantees or enhances payment. Rather, only those codes that correspond to the actual service rendered and documented may be selected. Finally, regardless of any legal requirements, all documentation must be sufficient to satisfy SB-ACO internal standards for quality assurance as to the services rendered. SB-ACO will have the right, following the provision of advance written notice, to audit and review coding and billing data in connection with any SB-ACO activities..

Accurate Books and Records: SB-ACO and all Covered Persons must keep accurate books and records relating to any activity, claims submission, arrangements, or transactions relating to the operations of SB-ACO. No false or artificial entries shall be made at any time for any purpose. Similarly, all reports submitted to governmental agencies, insurance carriers, or other entities will be accurately and honestly made. Deliberate or reckless misstatements to government agencies are prohibited.

Credentialing: All Covered Persons engaged in the credentialing of SB-ACO participants, providers and suppliers shall comply with all applicable laws, rules, and regulations, as well as SB-ACO policies, in connection with such activities. No individual or entity shall be credentialed as a SB-ACO participant, provider or supplier unless he/she/it is appropriately licensed, a participant in the Medicare and New York State Medicaid programs in good standing, adequately insured for professional liability and meets other standards for participation in SB-ACO, as adopted by SB-ACO and amended or modified from time to time.

ARTICLE IV

WRITTEN POLICIES AND PROCEDURES

SB-ACO may develop and implement formal, written compliance policies and procedures to supplement and expand upon this Plan and the SB-ACO Compliance Program and to otherwise underscore SB-ACO’s commitment to compliance. As noted, CPMP Compliance Policies and Procedures shall apply when there is not a specific SB-ACO policy on a compliance issue. In addition, SB-ACO may use compliance systems and processes from CPMP, such as hotlines and anonymous reporting mechanisms and the use of CPMP compliance staff to conduct SB-ACO compliance audits or other monitoring activities, in each case as deemed appropriate by the SB-ACO Chief Compliance Officer and approved by the CPMP Compliance Director. SB-ACO may also rely on staff of other entities affiliated with SB-ACO through common ownership or control (as long as the staff are free of conflicts of interest with SB-ACO) to perform SB-ACO compliance activities.

ARTICLE V

COMPLIANCE TRAINING AND EDUCATION

SB-ACO recognizes the importance of compliance education in ensuring that all Covered Persons conduct themselves in accordance with applicable laws and regulations that govern the healthcare industry. SB-ACO is committed to ensuring that all Covered Persons receive appropriate and timely compliance training and education as set forth below.

All new SB-ACO staff (including leased employees) will receive training on fraud, waste, and abuse and privacy within 30 days of hire and annually thereafter. Similarly, SB-ACO management staff and the Board of Directors will receive annual training on fraud, waste, and abuse and privacy. The initial and annual trainings will be conducted in-person by SB-ACO compliance staff.

SB-ACO participants, providers and suppliers must also ensure that all employees receive appropriate compliance training. Each of these entities must annually certify to SB-ACO that they require all employees to receive annual compliance and privacy training that satisfies federal, state and SB-ACO compliance training requirements. They will must, upon request, provide copies of any training materials used to meet this requirement to the SB-ACO Chief Compliance Officer, who has the sole discretion to determine whether the training materials and programs satisfy the requirements of this Plan. If any SB-ACO participant, provider or supplier is unable to complete this certification, they may be prohibited from participating in SB-ACO or, alternatively, the SB-ACO Chief Compliance Officer in his or her discretion may provide alternative training materials and the SB-ACO participant or provider shall ensure that these materials have been distributed to all employees and annually certify their compliance with SB-ACO training requirements. In addition, all SB-ACO participants, providers and suppliers shall make this Plan available to all employees.

Any other Covered Persons who are not subject to the compliance training requirements above will be provided with a copy of this Plan and be required to certify annually that they have read the Plan and agree to comply with its requirements to the extent applicable.

In addition, all Covered Persons will undergo additional compliance and privacy training as deemed necessary by the SB-ACO Chief Compliance Officer. Additional training will be conducted as appropriate through educational programs and by disseminating written materials on compliance-related developments.

Completion of compliance training must be documented by SB-ACO participants, providers, and suppliers and provided to the SB-ACO Chief Compliance Officer upon request. At a minimum this documentation must include (i) the name, organization, and department of the workforce member participating in the training program; (ii) the participation/completion date; and (iii) a summary of the education materials used in the training. SB-ACO and each SB-ACO participant, provider and supplier shall retain the above records with respect to their respective compliance-related training programs for a period of at least six (6) years.

ARTICLE VI

MECHANISMS TO IDENTIFY AND ADDRESS COMPLIANCE ISSUES

Internal Reporting Requirement: Any Covered Person who becomes aware of information indicating a potential compliance issue related to SB-ACO operations and performance must report the information immediately. A failure by a Covered Person to report suspected unethical or unlawful conduct will be

considered harmful to the integrity of the SB-ACO, and may be viewed as a potential violation of the SB-ACO Compliance Program.

Methods of Reporting: Covered Persons may report information indicating potential compliance issues, including but not limited to noncompliance or suspected fraud, waste and abuse, related to SB-ACO operations and performance in any of the following ways:

- Directly to the SB-ACO Chief Compliance Officer, either in person or by telephone, email, letter or fax
- Directly to the reporting individual's supervisor, who then must pass the information on to the SB-ACO Chief Compliance Officer
- By email to laura.mcnamara@stonybrookmedicine.edu
- Anonymously or by name to the CPMP Compliance Hotline at 1-844-6856 or email <http://cpmp-ufpcs.alertline.com>

SB-ACO participants, providers and suppliers will make the "Methods of Reporting" information available to all employees involved in SB-ACO operations.

Covered Persons also have a right to report suspected fraud and abuse activity to government authorities such as the New York State Attorney General's Office, the United States Centers for Medicare & Medicaid Services, the United States Department of Health and Human Services Office of Inspector General, or the United States Department of Justice.

Non-Retaliation: SB-ACO prohibits Covered Persons from suggesting, causing, or engaging in retaliation, intimidation, retribution, or harassment directed against an individual who has made a good faith report of a compliance issue or who has participated in good faith in an investigation of suspected misconduct. Any individual found to have engaged in this prohibited behavior will be subject to disciplinary action, up to and including termination of employment or termination of the relevant affiliation with SB-ACO or involvement in SB-ACO activities.

As long as a person is reporting something he or she sincerely believes may be a violation, that person will be protected even if the report of misconduct is mistaken. However, deliberately and knowingly making a false report is not a protected activity and will result in appropriate disciplinary action, up to and including termination of employment or termination of the relevant affiliation with SB-ACO or involvement in SB-ACO activities. Self-reporting one's own violation will not provide immunity from appropriate disciplinary action. However, if SB-ACO personnel come forward to report their own violations, appropriate leniency in the discipline to be applied may be considered.

Any individual who believes that a Covered Person has threatened or has carried out acts of retaliation, intimidation, retribution, or harassment against anyone who has made a good faith report of a compliance issue must report this information through one of the "Methods of Reporting" set forth above.

Investigation: Upon receiving credible information indicating a potential compliance issue related to SB-ACO operations and performance, the SB-ACO Chief Compliance Officer or his or her designee shall promptly undertake a reasonably diligent investigation of the matter, with, as appropriate, involvement from other SB-ACO key clinical and administrative leadership, the SB-ACO Board of Directors and/or legal counsel. All Covered Persons must fully cooperate with any compliance investigation, including the production of requested books and records. In some cases, the SB-ACO Chief Compliance Officer may

refer matters to SB-ACO participants, providers or suppliers for investigation, subject to SB-ACO oversight as appropriate.

SB-ACO will tailor the scope of each investigation as the circumstances may warrant, but in all cases the SB-ACO Chief Compliance Officer shall endeavor to complete the investigation within six months of the receipt of the credible information, unless the investigation is unusually complex or there are extraordinary circumstances that would prevent a more expeditious process.

In matters involving SB-ACO's potential or actual receipt of funds to which it is not entitled, the SB-ACO Chief Compliance Officer will investigate and work with SB-ACO participants, providers and/or suppliers (as applicable) to ensure that SB-ACO and such participants, providers and/or suppliers satisfy any obligations they each may have under applicable state and federal laws to report and return any such amounts.

In cases in which the SB-ACO Chief Compliance Officer determines that discipline or any other corrective action is appropriate under this Plan, all Covered Persons shall cooperate in implementing the discipline or other corrective action.

SB-ACO shall maintain (and retain for at least six (6) years) records summarizing each compliance-related investigation, including the manner in which the issue arose, the steps used to investigate, the results of the investigation and any resulting disciplinary measures or corrective actions.

Auditing: The SB-ACO Chief Compliance Officer, in consultation with the SB-ACO Board of Directors as appropriate, may initiate any compliance audits he or she determines to be in the best interest of SB-ACO. The audits may include, but are not limited to, routine compliance audits, audits in response to a suspected compliance issue, or audits implemented as part of a corrective action plan. All Covered Persons must fully cooperate with any compliance audit initiated by the SB-ACO Chief Compliance Officer.

SB-ACO shall maintain (and retain for at least six (6) years) records summarizing each compliance-related audit, including a summary of the audit results and any resulting disciplinary measures or corrective actions.

Corrective Action: The SB-ACO Chief Compliance Officer, in collaboration with the SB-ACO Board of Directors as appropriate, shall have the authority to impose such corrective actions as he or she deems necessary in order to remediate compliance issues. The SB-ACO Chief Compliance Officer may impose additional training or monitoring as corrective action if considered necessary in his or her reasonable discretion. Among other potential corrective actions or disciplinary measures, the SB-ACO Board of Directors may suspend or limit a Covered Person's right to share in the savings of the ACO or suspend or terminate the Covered Person's participation in SB-ACO.

Reporting to Law Enforcement: If required by law or as appropriate, SB-ACO will report probable violations of law to appropriate law enforcement. The SB-ACO Chief Compliance Officer shall evaluate all such potential compliance issues reported to him or her and determine, in conjunction with SB-ACO legal counsel as needed, whether the events qualify as probable violations of law. In the event probable violations are detected, the SB-ACO Chief Compliance Officer, in conjunction with legal counsel, shall coordinate the process for reporting the event to the proper law enforcement agency.

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