Government Programs Requirements
Long Form

This Government Programs Requirements document is between ("Supplier") and Buyer, together with all schedules, exhibits, work orders, statements of work, order forms, addenda, amendments, riders, and other attachments thereto (collectively, the "Agreement"). The following provisions are required to be incorporated into all Buyer contracts with first tier, downstream, or related entities as defined in 42 CFR 422 and 423 et seq., and as such, are hereby incorporated by reference into the Agreement. Capitalized terms used but not defined herein shall have the meaning ascribed to such terms in the Agreement.

1.1 Supplier attests to the best of its knowledge, information and belief, there are no past or pending investigations, legal actions, or matters subject to arbitration involving Supplier or any of its employees, contractors (including temporary employees, consultants, and volunteers), Governing Body members, Downstream Entities, or any major shareholders (5% or more) on matters relating to payments from governmental entities, both federal and state, for health care and/or prescription drug services.

1.2 Supplier attests to the best of its knowledge, information, and belief that neither Supplier nor any of its employees, contractors (including temporary employees, consultants, and volunteers), Governing Body members, Downstream Entities, or any major shareholders (5% or more) have been criminally convicted, has had a civil judgment entered against them for fraudulent activities, nor are they sanctioned under any federal program involving the provision of health care and/or prescription drug services.

1.3 Supplier attests to the best of its knowledge, information and belief, that neither Supplier nor any of its employees, contractors (including temporary employees, consultants, and volunteers), Governing Body members, Downstream Entities, or any major shareholders (5% or more) appear in the List of Excluded Individuals/Entities as published by the Department of Health and Human Services (DHHS) Office of the Inspector General (hereinafter, “OIG List”), the CMS preclusion list, nor in the list of excluded or debarred contractors as published by the General Services Administration in the System for Award Management (hereinafter, “GSA List”).

1.4 Supplier shall review the OIG List and the GSA List prior to the hiring/contracting of any new employees, contractors (including temporary employees, consultants, and volunteers), Downstream Entities or Governing Body members. Supplier also shall review the OIG and GSA Lists on at least a monthly basis to ensure that none of its employees, contractors, Governing Body members, Downstream Entities, and major shareholders (5% or more) are excluded or become excluded from participation in federal programs.

1.5 Supplier shall notify Buyer immediately of any change in circumstances (to Supplier’s best knowledge, information, or belief) occurring after the Effective Date of this Agreement which would affect Supplier’s response to any portion of the attestations contained in paragraphs i, ii and iii of this Section.

1.6 Supplier shall neither employ nor contract with providers or prescribers who are listed on the CMS preclusion list as defined in 42 C.F.R. § 422.2. Supplier shall ensure that payments are not made to providers or prescribers included on the CMS preclusion list, and if Supplier contracts with providers on behalf of Buyer, shall include in such agreements that providers will not be eligible for payment and will be prohibited from pursuing payment from members after the expiration of the 60-day period specified in 42 C.F.R. § 422.222. The Provider will hold financial liability for services, items, and drugs that are furnished, ordered or prescribed after the expiration of such 60-day expiration period.

1.7 Buyer reserves the right to audit Supplier and/or its Downstream Entities, or to request verification or documentation from same demonstrating that Supplier and its Downstream Entities are in compliance with paragraphs i through iv of this Section. Upon request, Supplier agrees to provide Buyer with any information necessary for Buyer to conduct checks of the OIG and GSA Lists for Supplier's employees, contractors (including temporary employees, consultants, and volunteers), Governing Body members, Downstream Entities, and major shareholders (5% or more); or otherwise assist Buyer in documenting compliance with these requirements, including but not limited to, supplying attestations as required in this Section.

1.8 Supplier shall require its subcontractors, agents or other Downstream Entities to provide reasonable assurance as evidenced by written contract that such subcontractor, agent or other Downstream Entity shall comply with the same Government Programs requirements and obligations that are applicable to Supplier under this Agreement.

1.9 Notwithstanding any relationships that Buyer may have with first tier, downstream, and related entities (as those terms are defined in 42 C.F.R. 422.2), Buyer maintains ultimate responsibility for adhering to and otherwise fully complying with all terms and conditions of its contract with CMS. Supplier shall participate in and comply with Buyer's oversight program, including but not limited to, attending meetings; providing attestations as requested; responding to document, policy, and procedure review requests; implementing corrective action plans suggested by Buyer or CMS; participating in monitoring and reviews; and providing Buyer with similar information about Supplier's Downstream Entities.

1.10 Any authorized local, state, or federal government agency, including without limitation the U.S. Department of Health and Human Services ("HHS"), the U.S. General Accounting Office ("GAO"), the Comptroller General, the Centers for Medicare and Medicaid Services ("CMS"), and their authorized designees, shall have the right to audit, evaluate, directly collect from, and inspect any pertinent information relating to CMS’s contract with Buyer, including but not limited to books, contracts, computer or other electronic systems, or other records (including medical records and patient care documentation) of the Supplier or its Downstream Entities. This right will exist through ten (10) years from the final date of the final contract period of the contract between CMS and Buyer, or from the date of completion of any audit, whichever is later. Supplier also agrees to maintain such records for a period of ten (10) years following termination or expiration of this Agreement, or until completion of an audit, whichever is later. Supplier shall produce such records directly to the requesting entity.

1.11 Supplier shall document and take appropriate corrective actions in response to any potential noncompliance or potential Fraud, Waste and Abuse (FWA) identified via audit, monitoring or otherwise, by Buyer, HHS, GAO, or CMS. Supplier shall allow Buyer, HHS, GAO and/or CMS to oversee its documentation and implementation of corrective actions.

1.12 Supplier is prohibited from holding an enrollee liable for payment of any fees that are the obligation of Buyer.

1.13 Any services or other activities performed by Supplier, or its Downstream Entities must be done in accordance with 42 CFR Parts 422 and 423 and Buyer's policies and procedures, and shall be consistent with and comply with Buyer's contractual obligations to CMS.

1.14 Buyer and CMS retain the right to revoke the activities and reporting requirements delegated to Supplier and/or its Downstream Entities, or to specify other remedies in instances where Buyer or CMS determine that either Supplier or its Downstream Entities have not performed satisfactorily.

1.15 If Supplier generates data to determine payment on behalf of Buyer, then Supplier must certify (based on best knowledge, information and belief) the accuracy, completeness, and truthfulness of the data.

1.16 Buyer may only delegate activities or functions to Supplier in a manner consistent with the requirements set forth in 42 CFR 422.504(i)(4). Buyer has delegated to Supplier the activities and reporting responsibilities set forth in the applicable active and legally binding master agreement(s) and schedules and/or other contracts, including statements of work.

1.17 Consistent with the terms of any applicable Health Insurance Portability and Accountability Act of 1996 (HIPAA) Business Associate Agreement, Supplier agrees to:

- Abide by all federal and state laws regarding confidentiality and disclosure of medical records, or other health and enrollment information. Supplier must safeguard the privacy of any information that identifies a particular enrollee and have procedures that specify:
  - For what purposes the information will be used within the organization; and
  - To whom and for what purposes it will disclose the information outside the organization.
- Ensure that medical information is released only in accordance with applicable federal or state law, or pursuant to court orders or subpoenas.
- Maintain the records and information in an accurate and timely manner.
- Ensure timely access by enrollees to the records and information that pertain to them.

1.18 Supplier agrees to incorporate into this Section such other terms and conditions as CMS may find necessary and appropriate, including amendments to CMS rules, regulations and guidance. Supplier also agrees to incorporate into its Downstream Entity contracts all terms and conditions contained herein.

1.19 Supplier shall have a compliance plan that consists of (1) measures to detect, correct, and prevent fraud, waste, and abuse; (2) written policies, procedures, and standards of conduct articulating Supplier's commitment to comply with all applicable Federal and State standards; (3) the designation of a compliance officer and compliance committee accountable to senior management and responsible for high level oversight of Supplier's compliance plan; (4) effective training and education for Supplier's compliance officer and Supplier's employees, Governing Body members, and Downstream Entities, including training on fraud, waste and abuse and general compliance; (5) effective lines of communication between the compliance officer and Buyer, and the compliance officer and Supplier's employees, Governing Body members, and Downstream Entities; (6) enforcement of standards through well-publicized disciplinary actions; (7) procedures for effective and routine internal monitoring and auditing; and (8) procedures for ensuring prompt responses to detected offenses and development of corrective action initiatives related to any evidence of fraud or misconduct.

1.20 Supplier agrees to complete Fraud, Waste, and Abuse (FWA) and general Medicare compliance training and provide to Buyer, upon request, certificates of completion or other evidence validating its compliance with the requirements set forth in this section. Training must be completed within ninety (90) days of hire/contract and annually thereafter. Supplier shall allow Buyer to maintain appropriate oversight of Supplier's training efforts under its compliance plan. Supplier shall attest to Buyer upon request that it meets the requirements identified in this Section and has conducted compliance training in accordance with its compliance plan. Supplier shall maintain training records for a period of ten (10) years. Such records shall include dates of attendance, topics, audience, method used (electronic, in-person, etc.) certificates of completion (if applicable), and test scores of any tests administered. Supplier shall provide Buyer with copies of training logs and/or other materials related to training upon request by Buyer.

1.21 Supplier shall, and shall require its Downstream Entities to, within five (5) business days of becoming aware of an actual, suspected or potential compliance concern or actual, suspected or potential fraud, waste and abuse by Supplier, its Governing Body members, employees, contractors, agents, or Downstream Entities, report such compliance and FWA concerns to Buyer. These reports may be made to the Buyer Contract Administrator or by contacting the Buyer Medicare Anti-Fraud Hotline at (888) 650-8136 or TTY (800) 588- 2711. Reports may also be submitted to: Fraud Investigations Unit, Blue Cross and Blue Shield of Michigan, 600 E. Lafayette Blvd., Detroit, MI 48226.

1.22 Supplier shall protect against retaliation for reporting of such compliance and fraud, waste, and abuse concerns. Supplier shall ensure that these reporting requirements and its non-retaliation policy are well publicized.

1.23 Supplier shall coordinate with Buyer to (a) timely investigate the compliance or FWA concern, (b) mitigate the compliance or FWA concern, and (c) implement appropriate corrective actions. Supplier must also maintain documentation of any corrective actions taken, including but not limited to operational training to address compliance or FWA concerns.

1.24 Supplier shall monitor and audit its Downstream Entities to ensure that they are in compliance with all applicable laws, regulations, and contractual requirements, including compliance with these Government Programs provisions. If Supplier determines its Downstream Entity requires corrective action(s), Supplier shall ensure that such corrective action(s) are taken by its Downstream Entity. Supplier shall provide information about its Downstream Entity oversight, including any corrective action plans, to Buyer upon request.

1.25 Payments from Buyer to Supplier are made, in whole or in part, from federal funds, and subject Supplier to all laws applicable to the individuals or entities who receive Federal funds, including the False Claims Act (32 USC 3729, et. seq.), the Anti-Kickback Statute (section 1128B (b) of the Social Security Act), Title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975, the Americans with Disabilities Act, the HIPAA administrative simplification rules at 45 CFR Part 160, 162, and 164, and the Rehabilitation Act of 1973.

1.26 Supplier and its Downstream Entities will comply with all applicable Medicare laws, regulations, and CMS instructions. Supplier acknowledges that Buyer shall monitor the performance Supplier and its Downstream Entities on an ongoing basis.

1.27 In the event Supplier performs work under this Agreement at an Offshore (Non-United States) location (referred to as "Offshore Subcontract Arrangement/Agreement"), including but not limited to work at an Offshore location by Supplier's employees or entering into an agreement with a subcontractor or Downstream Entity to perform work at an Offshore location, Supplier must notify Buyer prior to or within 5 business days of commencing or executing an Offshore Subcontract Arrangement/Agreement. Supplier shall provide Buyer the name, address and narrative description of the offshore functions and state the proposed or actual effective date for the Offshore Subcontract Arrangement/Agreement. Supplier further agrees to provide a CMS Offshore Attestation upon request from Buyer.

1.28 To the extent Supplier performs services or functions that are governed by the CMS Manual System, Pub. 100-16 Medicare Managed Care, Chapter 3, Medicare Marketing Guidelines for the Department of Health & Human Services Centers for Medicare & Medicaid Services, as amended, Supplier agrees to comply with such guidelines. The definition of marketing materials includes any informational materials targeted to Medicare beneficiaries pursuant to 42 CFR 422.2260 and 42 CFR 423.2260. CMS' authority for marketing oversight extends to include a range of different marketing materials and activities as noted in the guidelines. While not exhaustive, the following summaries are the responsibility of the Supplier.

- Communications going to Medicare Advantage members or prospects must comply with current CMS marketing guidelines.
- Communications are subject to Buyer brand standards.
- Must prepare and provide compliant draft documents in an editable format.
- Provide a list of all member documents with details for how and when they will be distributed and to whom.
- No communications to members will be distributed without Buyer approval and if required, CMS approval.

- Acknowledges that all communications going to Medicare beneficiaries are subject to the Buyer's review process.

1.29 If Buyer has delegated to Supplier the selection of providers or Downstream Entities, Buyer retains the right to approve, suspend, or terminate such arrangement.

ADDITIONAL PROVISIONS FOR PROVIDER / HEALTH CARE DELIVERY AGREEMENTS

1.30 If Supplier is a Provider or otherwise performs health care services for Medicare Advantage enrollees, Supplier is also prohibited from holding an Enrollee liable for Medicare Parts A and B cost sharing that is the legal obligation of the State or Buyer.

1.31 If Supplier is a Provider, Buyer must provide for continuation of Enrollee health care benefits 1) for all Enrollees, for the duration of the contract period for which CMS payments have been made; and 2) for Enrollees who are hospitalized on the date its contract with CMS terminates, or in the event of Buyer's insolvency, through the date of discharge.

1.32 The credentials of medical professionals affiliated with the Supplier will either be reviewed by Buyer, or Buyer will review and approve the credentialing process and Buyer must audit the credentialing process on an ongoing basis.

1.33 If Supplier performs network contracting or otherwise is responsible for provider agreements, Supplier shall ensure that the Provider Agreement specifies a prompt payment requirement, the terms and conditions of which are developed and agreed to by Buyer and the contracted providers and suppliers.

1.34 If Supplier is a Provider or is otherwise responsible for coding of medical records, Supplier will include supporting documentation in a Member's medical record for all diagnosis codes submitted by Supplier to Buyer for payment consistent with CMS guidelines. In the event of a CMS Risk Adjustment Data Validation (RADV) audit, Supplier will be required to submit medical records for the validation of risk adjustment data. Supplier acknowledges its obligation to cooperate with Buyer and/or CMS during such audits and to timely produce requested medical records in accordance with 422.310(e).

1.35 Supplier shall not discriminate against members in the delivery of health care services based on race, ethnicity, national origin, religion, sex, age, mental or physical disability or medical condition, health status, sexual orientation, claim experience, medical history, evidence of insurability (including conditions arising out of acts of domestic violence), genetic information or source of payment.

ADDITIONAL PROVISIONS FOR MEDICARE PRESCRIPTION DRUG PLAN PROGRAM-RELATED AGREEMENTS

1.36 Supplier agrees to participate in Buyer's Medicare Prescription Drug Benefit program.

1.37 Any services or other activity performed by Supplier in accordance with this Agreement shall be consistent and comply with Buyer's contractual obligations as a Part D sponsor. 42 CFR §423.505(i)(3)(iii)

1.38 Supplier agrees to abide by all applicable Federal laws and regulations and CMS instructions. 42 CFR §423.505(i)(4)(iv)

1.39 Supplier agrees to abide by State and Federal privacy and security requirements, including the confidentiality and security provisions stated in the regulations at 42 CFR §423.136.

1.40 Supplier agrees to make its books and other records available in accordance with 42 CFR §423.505(e)(2) and 42 CFR §423.505(i)(2). Generally stated, these regulations give HHS, the Comptroller General, or their designees the right to audit, evaluate and inspect any books, contracts, records, including medical records and documentation involving transactions related to CMS' contract with the Part D sponsor and that these rights continue for a period of 10 years from the final date of the contract period or the date of audit completion, whichever is later. 42 CFR §423.505(e)(2) and(i)(2)

1.41 Supplier will ensure that beneficiaries are not held liable for fees that are the responsibility of the Part D sponsor. 42 CFR §423.505(i)(3)(i)

1.42 The delegated activities or reporting responsibilities may be revoked if CMS or Buyer determine that Supplier has not performed satisfactorily. The contract/administrative services agreement may include remedies in lieu of revocation to address this requirement. 42 CFR § 423.505(i)(4)(ii)

1.43 Buyer will monitor the performance of Supplier on an ongoing basis. 42 CFR §423.505(i)(4)(iii)

1.44 If Supplier will establish the pharmacy network or select pharmacies to be included in the network, Buyer retains the right to approve, suspend, or terminate any arrangement with a pharmacy. 42 CFR §423.505(i)(5)

1.45 If Supplier will establish the pharmacy network or select pharmacies to be included in the network, payment to such pharmacies (excluding long-term care and mail order) shall be issued, mailed, or otherwise transmitted with respect to all clean claims submitted by or on behalf of pharmacies within 14 days for electronic claims and within 30 days for claims submitted otherwise. 42 CFR §§423.505(i)(3)(vi) and 423.520

1.46 If Supplier will establish the pharmacy network or select pharmacies to be included in the network, if a prescription drug pricing standard is used for reimbursement, identify the source used by Buyer for the standard of reimbursement. 42 CFR §§423.505(b)(21) and 423.505(i)(3)(viii)(B)

1.47 If Supplier will establish the pharmacy network or select pharmacies to be included in the network, and the source for any prescription drug pricing standard is not publicly available, all individual drug prices will be disclosed and updated to the applicable pharmacies in advance of their use for reimbursement of claims. 42 CFR §423.505(i)(3)(vii).

1.48 If Supplier will establish the pharmacy network or select pharmacies to be included in the network and a prescription drug pricing standard is used for reimbursement, updates to such a prescription drug pricing standard will occur not less frequently than once every 7 days beginning with an initial update on January 1 of each year, to accurately reflect the market price of acquiring the drug. 42 CFR §423.505(b)(21) and (i)(3)(viii)(A)

1.49 If Supplier will establish the pharmacy network or select pharmacies to be included in the network, network pharmacies must submit claims to Buyer or Supplier (or their designee) whenever the membership ID card is presented or on file at the pharmacy unless the enrollee expressly requests that a particular claim not be submitted. 42 CFR § 423.120(c)(3).

1.50 If Supplier will adjudicate and process claims at the point of sale and/or negotiate with prescription drug manufacturers and others for rebates, discounts, or other price concessions on prescription drugs, Supplier will comply with the reporting requirements established in 42 CFR §423.514(d) and (e).