

The HealthPlus Compliance Program

The purpose of the HealthPlus Compliance Program is to prevent, detect, and correct illegal, improper, and unethical conduct, and to protect the public from misconduct. Our compliance program acts as an oversight mechanism to assure that all applicable laws, regulations, and internal policies and procedures are appropriately being followed. Establishing a compliance program confirms our commitment to honest and responsible conduct by providing guidance and education to employees, members, providers, employer groups, contractors, and first-tier, downstream and related entities, identifying and preventing criminal and unethical conduct, and improving the quality, efficiency, and consistency of services. Issues are thoroughly and quickly reviewed and appropriate action is taken in a timely manner. HealthPlus encourages employees, members, providers, practitioners and first-tier, downstream and related entities to report any potential compliance issue. You can report issues anonymously, and HealthPlus cannot retaliate against you for reporting violations to us or to the government.

Examples of Fraud, Waste & Abuse

As partners in providing quality health care, HealthPlus relies on its employees, members, providers, employer groups, and agents to report potential fraud, waste and abuse (FWA) issues. Below are examples of fraudulent behavior. If you suspect any of the following, please report it immediately to the HealthPlus Compliance & Privacy/Security Official.

Examples of FWA by a member include the following:

- Changing a prescription
- Changing medical records
- Changing referral forms
- Identity theft
- Doctor shopping
- Prescription stockpiling
- Resale of medications on the black market
- Prescription diversion/inappropriate use
- Misrepresentation of eligibility status
- Letting someone else use their HealthPlus insurance card to get medical services
- Using transportation services to do something other than go to the doctor.

Examples of FWA by a provider/prescriber include the following:

- Lying about credentials such as a college degree
- Billing for services that were not done
- Billing a balance that is not allowed
- Double billing, upcoding, and unbundling
- Collusion among providers – providers agreeing on minimum fees they will charge and accept
- Underutilization – not ordering covered services that are medically necessary
- Script mills – providers writing unnecessary prescriptions or to patients who are not theirs
- Falsifying information (not consistent with medical record) submitted through a prior authorization or other formulary oversight mechanism in order to justify coverage

Examples of FWA by a pharmacy include the following:

- Inappropriate billing practices
- Billing multiple payers for same RX
- Billing for brand when generic is dispensed
- Inappropriate use of DAW (Dispense As Written) codes
- Prescription drug-shorting
- Dispensing expired/adulterated prescription drugs
- Illegal remuneration schemes
- Drug diversion
- Billing non-covered items as covered items
- Billing for prescriptions not picked up
- TrOOP (True Out-of-Pocket costs) manipulation
- Bait and switch pricing
- Billing for non-existent prescriptions
- Failure to offer negotiated prices

Examples of FWA by an employee of HealthPlus include the following:

- Lying about a provider's credentials or provider network
- Forging a signature on a contract
- Intentionally submitting false claims
- Rigging bids – collusion between state employees and HMO employees
- Excessive salaries and fees to close associates of HMOs
- Plan intentionally denies benefits
- Inappropriate incentive plans
- Inappropriate cost-shifting to carved out services
- Embezzlement or theft
- Self-dealing – awarding a contract based solely on friendship or family relationships
- Bust-outs – Plan does not pay providers

Meet our Corporate Compliance & Privacy/Security Official

HealthPlus' Corporate Compliance & Privacy/Security Official is Theresa M. Schurman, Esq. Ms. Schurman is responsible for overseeing the HealthPlus Compliance Program, including the review of processes and practices to assure state/federal regulations and HealthPlus policies and procedures are followed. If a process is not being followed, Theresa and her team work with the appropriate individuals to initiate a change. She also coordinates education to employees, providers, members, Board members and first-tier, downstream and related entities. (To contact Ms. Schurman, see *Reporting Potential Compliance Issues* below.)

Reporting Potential Compliance Issues

HealthPlus maintains a strict non-retaliation procedure to protect employees, members and providers who report compliance problems and concerns. Those who report issues may do so without fear of retaliation or retribution. Fraud, waste and abuse (FWA) can be reported anonymously and you will not be penalized for filing a complaint with HealthPlus or the federal or state government. To report a potential compliance issue for all product lines:

Compliance Hotline: 1-800-345-9956, option 4
(You do not have to leave your name.)

Call or Write: Theresa M. Schurman, Esq.
Corporate Compliance & Privacy/Security
Official
HealthPlus of Michigan
2050 S. Linden Road, Flint, MI 48532
(810) 720-8199 tschurma@healthplus.org.

Medicaid/MiChild FWA also can be reported directly to:
Michigan Department of Community Health
Medicaid Integrity Program
400 S. Pine Street, 6th Floor, Lansing, MI 48909
1-866-428-0005
http://www.michigan.gov/mdch/0,1607,7-132-2946_24460---,00.html

Or the Office of Inspector General (OIG) of Health & Human
Services, 1-800-222-8558

Medicare and Medicare Part D issues also can be reported
directly to:
Centers for Medicaid & Medicare Services at 1-800-447-
8477;
Office of Inspector General (OIG) of Health & Human Services,
1-800-447-8477
Medicare: Medicare Recovery Audit Contractor (RAC)
Medicare Part D: Medicare Part D Drug Integrity Contractor
(MEDIC). For current RAC and MEDIC, see
www.cms.hhs.gov.
All applicable law enforcement agencies.

Privacy Notice

HealthPlus of Michigan, HealthPlus Partners, HealthPlus
Options, & HealthPlus Insurance Company¹

This notice describes how personal and medical information about you may be used and disclosed and how you can get access to this information. Please review it carefully.

Information We Have. We receive enrollment information about you, which includes your date of birth, sex, identification number, and other personal information. We also receive bills, physician reports and other information about your medical care.

Our Privacy Policy. We care about your privacy and we guard your information carefully. We are required to maintain the privacy of your information and to provide you with this notice of our legal duties and our privacy practices. Internally, we protect your oral, written and electronic information by requiring employees and others with access to such information to follow specific confidentiality and technology use procedures. We will not sell any information about you. Only people who have both the need and the legal right may see your information. Unless you give us a written authorization, we will only disclose your information for purposes of treatment, payment, business operations or when we are required by law to do so.

Treatment. We may disclose medical information about you for the purpose of coordinating your health care. For example,

we may notify your personal doctor about treatment you receive in an emergency room.

Payment. We may use and disclose medical information about you so that the medical services you receive can be properly billed and paid. For example, we may ask a hospital emergency department for details about your treatment before we pay the bill for your care.

Business Operations. We may need to use and disclose medical information about you in connection with our business operations with affiliated entities. For example, we may use medical information about you to review the quality of services you receive and to investigate fraud and abuse.

Health-Related Benefits and Services. We, or our agents, may contact you about other health-related benefits and services that may be of interest to you.

As Required By Law. We will release information about you when we are required by law to do so. Examples of such releases would be for law enforcement or national security purposes, subpoenas or other court orders, public health services, communicable disease reporting, disaster relief, review of our activities by government agencies, to avert a serious threat to health or safety or in other kinds of emergencies.

Employer Plans. We will share only enrollment information or summary health information (or other information if required by law) with an employer or plan sponsor. However, we may share your personal information with the employer or plan sponsor if you are a participant or dependent in a self-funded employer health plan and the employer has provided us with written assurances that the information will be kept confidential and will not be used for an improper purpose.

Authorizations. If you give us a written authorization to do so, we may use and disclose your personal information. If you give us a written authorization, you have the right to change your mind and revoke that authorization.

Copies of this Notice. You have the right to receive an additional copy of this notice at any time. Even if you have agreed to receive this notice electronically, you are still entitled to a paper copy of this notice. Please call or write to us to request a copy.

Changes to this Notice. We reserve the right to revise the Privacy Notice. A revised notice will be effective for medical information we already have about you as well as any information we may receive in the future. We are required by law to comply with whatever notice is currently in effect. Any changes to our notice will be published in our member newsletter.

Other Laws and Regulations. HealthPlus must comply with all federal and state laws and regulations. Michigan law and other federal law may provide additional protection for your personal health information (e.g., HIV/AIDS, behavioral health, and minors).

Your Right to Inspect and Copy. Upon written request, you have the right to inspect the information we have about you and to get copies of that information.

Your Right to Amend. If you feel that the information about you, which we have, is incorrect or incomplete, you can make a written request to us to amend that information. We can deny your request for certain limited reasons, but we must give you a written reason for our denial.

Your Right to a List of Disclosures. Upon written request, you have the right to receive a list of our disclosures of your information, except when you have authorized those disclosures or if the disclosures are made for treatment, payment, or health care operations. We are not required to give you a list of disclosures made before April 14, 2003.

Your Right to Request Restrictions on Our Use or Disclosure of Information. If you do so in writing, you have the right to request restrictions on the information we may use or disclose about you. We are not required to agree to such requests.

Your Right to Request Confidential Communications. You have the right to request that we communicate with you about medical matters in a certain way or at a certain location. Your request must be in writing. For example, you can ask that we contact you only at home or only at a certain address or only by mail.

How to Use Your Rights Under This Notice. If you want to use your rights under this notice, you may call us or write to us. If your request to us must be in writing, we will help you prepare your written request, if you wish.

Complaints and Communications to Us. If you want to exercise your right under this Notice or if you wish to communicate with us about privacy issues or if you wish to file a complaint, you can write to: Compliance & Privacy/Security Official at 2050 S. Linden Road, Flint, Michigan, 48532 or call the Compliance Hotline at 1-800-345-9956. You will not be penalized for filing a complaint.

Complaints to the Federal Government. If you believe that your privacy rights have been violated, you have the right to file a complaint with the federal government. You may write to: Office of the Secretary, Department of Health and Human Services, 200 Independence Avenue, S.W., Washington, D.C. 20201. You will not be penalized for filing a complaint with the federal government.

¹ When we refer to HealthPlus, we, or our, we mean HealthPlus of Michigan, Inc. and its affiliated entities, HealthPlus Partners, Inc., HealthPlus Options, Inc., and HealthPlus Insurance Company. We are affiliated entities as defined under the Health Insurance Portability and Accountability Act and related regulations ("HIPAA") and we share information among ourselves as appropriate. When we refer to you, we mean a member of a HealthPlus of Michigan, Inc. and its affiliated entities, HealthPlus Partners, Inc., HealthPlus Options, Inc., and HealthPlus Insurance Company.

HealthPlus Helps Protect Your Identity

The Red Flag Rule requires financial institutions (an institution that extends credit), creditors and health plans to develop a

program to identify, prevent and mitigate identity theft. Compliance with the Rule was effective Nov.1, 2009. Health care providers who extend credit to their members are required to comply with these rules.

"Red Flags" are described as relevant warning signs of identity theft. These may include:

- unusual account activity
- fraud alerts on a consumer report
- attempted use of suspicious account application documents.

As a member, you may be required to provide picture identification when going to a physician's office, lab or an emergency room.

You can protect yourself from identity theft by looking for and reporting the following:

- You receive a bill for another individual.
- You are billed for a product or service you did not receive.
- You receive a bill from a provider you had not seen.
- You receive a notice of insurance benefits for health services you had not received.

If you think any of these things have happened to you, please contact the HealthPlus Compliance Hotline at 1-800-345-9956, ext. 4 or the HealthPlus Compliance Official at (810) 720-8199.

Deficit Reduction Act/False Claims Act

The 2005 Deficit Reduction Act (DRA) established a new Medicaid Integrity Program that is very similar to the Medicare Integrity Program. The 2005 DRA funded this new Fraud and Abuse detection program with an increased level of funding up to \$75 billion by 2009. This level of funding indicates the rising intensity of Medicaid scrutiny. When an organization comes under the scrutiny of the Medicaid Integrity Program, one of the items that will be reviewed is whether the organization did an adequate job of communicating the details of the False Claims Act (FCA) and the whistleblower protections throughout the organization and to agents and contractors.

If you have any questions regarding the DRA or FCA, please contact HealthPlus' Compliance & Privacy/Security Official, Theresa M. Schurman, Esq., at (810) 720-8199 or at tschurma@healthplus.org. The HealthPlus Web site www.healthplus.org may be accessed to review HealthPlus' Corporate Compliance Program, details of the False Claims Act, and HealthPlus' procedure for identifying and reporting Fraud & Abuse.

Find Answers to Your Questions on Our Web Site

Do you have questions about your benefits or how to obtain care while out of the HealthPlus service area? For answers to these and other questions about HealthPlus, go to www.healthplus.org

Your personal member “handbook” is available on the Web site. If you are a Commercial or a HealthPlus Partners member, you can log onto the secure Member Service Center of the HealthPlus Web site and select *Download Your Benefit Guide*. If you are a HealthPlus MedicarePlus member, you can select *Our Plans, Medicare* to view your Subscriber Contract.

The “handbook” has a wealth of useful information. You can find out:

- How to obtain care from your primary care physician, specialists and other practitioners and providers
- How to obtain care in and outside of the HealthPlus service area
- How to seek after-hours care
- How HealthPlus manages your pharmacy benefit
- What to do in an urgent or emergent situation
- How to voice a complaint or appeal a decision made by HealthPlus
- How HealthPlus evaluates whether to include new technology as a benefit
- How HealthPlus protects your privacy
- How to submit a claim if you receive a bill for covered services

The online provider directory (select *Find a Doctor/Hospital*) helps you choose a primary care physician and gives you information about the names, locations, telephone numbers and more of the practitioners and providers in our network. Customer Service staff are available at 1-800-332-9161 to help with any questions you have about practitioners and providers.

If you are a Commercial or HealthPlus Partners member and would like information about your covered benefits and limitations, including your applicable copays or deductibles, log in to the secure Member Service Center of the HealthPlus Web site and select *Download Your Benefit Guide* to view your benefit summary and your rider. If you are a HealthPlus MedicarePlus member, go to the Web site and select *Our Plans, Medicare* to view your summary of benefits and your rider. If you would like a printed copy of the Provider Directory, your benefit summary or your personal member “handbook,” call Customer Service at 1-800-332-9161.

Your Rights and Responsibilities

Do you know what your rights and responsibilities are as a HealthPlus member? HealthPlus is committed to treating you in a manner that respects your rights and addresses your responsibility for cooperating with HealthPlus staff and affiliated providers. A formal statement of your rights and responsibilities is available on our Web site at www.healthplus.org (select *Members, Quality and Satisfaction*). Don't have access to the Web? Call Customer Service at 1-800-332-9161 for a printed copy.

Quality Improvement— A Way of Life at HealthPlus

The goal of the HealthPlus Quality Improvement Program ensures that you receive the highest quality health care and

customer service. Each year, we establish program priorities and goals and monitor our progress in achieving those goals. Interventions are implemented where necessary to improve performance. At the conclusion of the year, the overall effectiveness of the program is evaluated. HealthPlus works in partnership with members and affiliated physicians and providers to promote quality.

One of our major accomplishments is maintaining “Excellent” accreditation status for our Commercial, Medicaid and Medicare Advantage products from the National Committee for Quality Assurance (NCQA), an independent, not-for-profit organization dedicated to measuring the quality of America's health care. “Excellent” accreditation is NCQA's highest accreditation status. This recognition is based in part on the strength of HealthPlus' performance on measures of customer satisfaction, access, preventive care and care for patients who are ill.

In addition, for the fifth year in a row, HealthPlus of Michigan's Commercial and Medicare Advantage health plans are recognized by *U.S. News and World Report*, in conjunction with NCQA, as among the nation's best.

The true measure of a good health plan is satisfied members. That is why the HealthPlus Quality Improvement Program involves listening and responding to members' concerns. HealthPlus members are generally very satisfied with their health plan and the care they receive.

For more information about the Quality Improvement Program at HealthPlus, go to our Web site at www.healthplus.org and select *Members, Quality and Satisfaction*. To request a printed copy of this information, please call Customer Service at 1-800-332-9161.

Hospital Performance and Patient Safety Data Available

Patient safety is a top priority at HealthPlus. We work with other organizations, such as The Leapfrog Group, to improve patient safety. The Leapfrog Group provides important information that can help you make more informed health care choices. The Leapfrog Group rates hospitals on their progress in implementing safety initiatives. Performance and patient safety data for hospitals affiliated with HealthPlus is available on our Web site at www.healthplus.org. This data also is available on the Leapfrog Web site at www.leapfroggroup.org.

Other associations that provide performance and patient safety data for hospitals affiliated with HealthPlus are the Michigan Hospital Association (www.mha.org) and the Michigan Health and Safety Coalition (www.mihealthandsafety.org). The data from these organizations also is available on the HealthPlus Web site.

HealthPlus Can Help

Medical Management (sometimes called Utilization Management) is a process designed to evaluate the appropriateness of health care services. The goal of the Medical Management program at HealthPlus is to ensure that

members receive access to timely and appropriate, high quality health care services.

HealthPlus Utilization Case Managers work closely with you, your Primary Care Physician and any specialists to whom you have been referred, to assure that you receive medically necessary services and to facilitate communication among the health care professionals involved with your care. For example, Medical Management staff monitor the care you receive during a hospital stay and make arrangements for continuing or home care, if needed.

You and your Primary Care Physician, or the specialists to whom you have been referred by your Primary Care Physician, make most decisions about your care. In some situations, HealthPlus Medical Management staff review proposed care or treatment, ongoing care or previously provided care with your physician to determine whether the recommended care is (or was) appropriate and medically necessary.

If one of the HealthPlus Medical Directors determines that a service is not medically necessary and is not eligible for coverage, you will receive a letter describing the reason for the denial, the criteria or guideline upon which the decision is based and your right to appeal this decision should you disagree.

To promote fair and consistent utilization management decision-making, we use nationally recognized guidelines and criteria, tailored to meet individual patient needs. The guidelines and criteria are reviewed at least annually by a committee of local physicians. The physicians and nurses involved in the Medical Management process make decisions based only on appropriateness of care and service. They are not rewarded for issuing denials and are not compensated or rewarded in any manner that would motivate them to make inappropriate coverage decisions or encourage underutilization of services.

Medical Management staff are available to receive and return phone calls during normal business hours, 8 a.m. to 5 p.m. They also can receive calls after hours. Non-urgent calls will be returned the next business day. Urgent after-hours calls will be returned as soon as possible by the on-call staff. Please call 1-800-332-9161 to contact a member of the Medical Management staff.

Our Member Satisfaction Plan and Your Right to External Appeal

Because your satisfaction is one of the main goals at HealthPlus, we have established a Member Satisfaction Plan (MSP). The MSP provides ways of reaching fair solutions to any problems you may have with HealthPlus.

When you have a question or problem, please call the Customer Service Department at **1-800-332-9161**. Most inquiries can be resolved within two working days.

If you cannot resolve your concerns with the Customer Service Department, you can use the MSP. In some cases, expedited grievance reviews are available.

You also have the right to an external review at no cost to you through the Office of Financial and Insurance Regulation (OFIR) if you have exhausted your rights under the MSP, if you have not received a timely response from HealthPlus or under certain conditions warranting expedited review.

You may write or call:

State of Michigan, OFIR Appeals Section
6111 W. Ottawa St.
PO Box 30220
Lansing, MI 48909-7720
Telephone: **(517) 373-0220** or **1-877-999-6442** (toll-free).

For a detailed description of the MSP, go to our Web site at www.healthplus.org and select *Members, Quality and Satisfaction*. If you do not have access to the Web and would like a printed copy of the MSP, call Customer Service at 1-800-332-9161.

Janet's Law

On October 21, 1998, President Clinton signed into law the "Womens' Health & Cancer Rights Act of 1998." This Act is also known as "Janet's Law."

Your HealthPlus Benefit Rider explains the medical and surgical benefits in connection with a mastectomy as provided by this Act. If you have had a mastectomy and wish to elect breast reconstruction in connection with the mastectomy, please note that the following coverage is available to you:

1. Reconstruction of the breast on which the mastectomy has been performed;
2. Surgery and reconstruction of the other breast to produce a symmetrical appearance;
3. Prostheses, if prosthetic devices are listed as a covered service in your Certificate of Coverage or Benefit Rider; and
4. Care for physical complications from all stages of the mastectomy, including lymphedemas.

The above described coverage must be provided in a manner determined in consultation with you and your attending physician. Finally, please note that the above described coverage is subject to any applicable annual deductibles, coinsurance provisions, and copayments as provided in your Subscriber Contract or Certificate of Coverage and Benefit Rider(s).

If you have any questions, please call the HealthPlus Customer Service Department at 1-800-332-9161.