



Oversight & Compliance Program Description

AUTHORITY

Connect for Health Colorado (“C4HCO”) was established under the provisions of C.R.S. §§ 10-22-101 *et seq.* (as amended) as a nonprofit unincorporated public entity operating as an instrumentality of the State of Colorado. The stated legislative purpose behind the creation of C4HCO is to increase access, affordability, and choice for individuals and small employers purchasing health insurance in Colorado through a state based health benefit exchange or marketplace operated under the provisions of the Patient Protection and Affordable Care and Health Care and Education Reconciliation Acts (as amended).

The Centers for Medicare & Medicaid Services’ Center for Consumer Information and Insurance Oversight (“CCIIO”), part of the Department of Health & Human Services (“DHHS”), provides standards for health insurance that promote fair and reasonable practices to ensure that affordable, quality health coverage is available to all Americans, including oversight over the operation of state-based marketplaces. C4HCO is such a state-based marketplace.

CCIIO requires that state-based marketplaces establish a framework for conducting internal oversight and monitoring along with the implementation of best practices as a dynamic and integral part of their day to day operations. A successful oversight and monitoring program is intended to foster accountability and transparency, mitigate the risk of systemic vulnerabilities going undetected, and reduce the frequency of operational problems.

C4HCO’s Oversight & Compliance Program (“O&C Program”) as a state-based marketplace is intended to:

- Reflect a commitment to oversight and monitoring;
- Establish a set of consistent procedures;
- Develop standards of conduct;
- Define roles and responsibilities;
- Promote effective training;
- Create mechanisms for monitoring and reporting; and
- Apply organization-wide to all activities of C4HCO.

ADOPTION

Connect for Health Colorado’s Oversight & Compliance Program is adopted effective this first day April, 2015.

By: _____
Gary Drews, Interim Executive Director and Chief Executive Officer

REVISION HISTORY

Version	Date	Modified By	Description
1.0	09/10/2014	Cammie Blais	Initial draft
1.1	09/15/2014	Chuck Fish	Revision
2.0	04/01/2015	Alan Schmitz	Revision

1.0 PURPOSE

The purpose of Connect for Health Colorado's Oversight & Compliance Program is to establish a framework for conducting internal oversight and monitoring along with the implementation of best practices as a dynamic and integral part of day to day operations. The Program is intended to foster accountability and transparency, mitigate the risk of systemic vulnerabilities being undetected, and reduce the frequency of operational problems. The Program encompasses the roles, responsibilities, policies and processes regarding the oversight and compliance monitoring activities of C4HCO into one overarching document. Reference is made to various policies, procedures, plans and other documents that may, along with this document, be amended from time to time and, as a whole, are intended to constitute the required rules and responsibilities of this O&C Program.

2.0 PERFORMANCE GOALS AND METRICS

2.1 Internal Management

Overarching internal management of the oversight and monitoring function of C4HCO consist of a series of overlapping structures and processes encompassing the marketplace activities of C4HCO including:

- Evaluation and adoption of written policies and procedures linked to functional operations of C4HCO:
 - Financial Accounting and Reporting;
 - Technology, Security & Privacy;
 - Business Administration and Planning;
 - Employee Training & Oversight;
 - Vendor Management;
 - Stakeholder Management; and
 - Legal Compliance (including Conflict Resolution and Appeals).
- Defined roles and responsibilities of individuals overseeing and monitoring compliance for each functional area of operation.
- Training of employees, stakeholders, vendors and the Board on compliance issues.
- Mechanisms for reporting compliance issues and disseminating the results of reviews and investigations.
- Methodologies for internal monitoring and auditing of marketplace activities across functional operations.

Specific information with respect to the component parts of the internal management and monitoring function are described in subsequent sections. The leadership and management team of C4HCO meet at least weekly to receive financial reports, internal management reports, progress reports, project planning updates, operations updates, risk exposure analysis, and legal compliance updates in the context of the existing structures and processes described below.

2.2 Board of Directors

C4HCO's enabling legislation establishes broad authority oversight responsibilities to its Board of Directors ("Board"), including, but not limited to:

- Responsibility for appointing a Chief Executive Officer/Executive Director;
- Considering operational and organizational structure;
- Receiving and reviewing financial information;
- Review of operating and financial plans;
- Providing periodic reporting to state leaders;
- Assessing affordability and the cost of health insurance facilitated by the marketplace in relation to quality of care and access for all Coloradoans; and
- Creating and working with advisory groups.

The Board utilizes various performance measures and benchmarks to evaluate the operation of C4HCO, including:

- A dashboard reflecting marketplace activity including:
 - Enrollment information;
 - Consumer/customer account activity;
 - Assistance channel usage;
 - Consumer/customer interface through on-line and telephone communications;
 - Technical performance of information management systems; and
 - Conflict resolution and appeals information.
- Leaderships' assessment of qualitative and quantitative risk exposures facing C4HCO across a spectrum of market and operational activities.

C4HCO's Board has established a committee structure to assist in oversight and monitoring functions. Standing Board Committees and examples of their function are:

- Board Finance Committee – review of financial and audit reports; sustainability approaches; broker and producer remuneration.
- Board Operations Committee – technology and operational issues; verification and validation procedures; conflict resolution and appeals processes.
- Board Policy & Regulations Committee – state and federal policy and regulation issues.
- Board Executive Committee – input to management with respect to management and oversight of a state-based marketplace.

Moreover, C4HCO's Board established and receives input from various advisory groups with regard to the operation of the marketplace. Standing Board Advisory Groups are:

- Health Plan Advisory Group;
- Individual Experience Advisory Group;

- SHOP (employer group) Advisory Group; and
- Outreach and Communications Advisory Group.

One of the intended purposes for the operation of the various Advisory Groups is to provide subject matter input which can then be translated into oversight and compliance policies and procedures implemented by C4HCO.

2.3 Operational and Financial Plans

C4HCO’s annual Operational Plan (approved by the Board of Directors and the Colorado General Assembly’s Legislative Implementation Review Committee (“LIRC”)) links the strategic goals of C4HCO with tactical goals and objectives. With progress updates provided to the Board, and periodic updates provided to LIRC during their oversight meetings, the Operational Plan provides management with a measurement tool to assist in internal oversight and monitoring.

The Operational Plan assists management in defining roles and responsibilities within the organization, lays out training and education requirements for vendors and stakeholders, and provides a planning tool for management to measure progress and identify potential areas of weakness that require organizational change. Moreover, the Operational Plan includes the adoption of operating metrics as a tool for use by management in the areas of: (i) access, affordability and choice; (ii) Customer Service Center operational efficiency; (iii) insurance producer agents and broker metrics; (iv) health coverage guide and assistance network metrics; (v) information systems use and technology; (vi) applications account activity; and (vii) appeals and conflict resolution activity.

More specifically, the Operational Plan addresses:

- Budget and Sustainability
- Sales by Channel:
 - Insurance Producer Agents and Brokers
 - Assistance Sites & Health Coverage Guides
 - Customer Service Center operation
 - Carrier-based Designated Sales Representatives
 - Certified Application Counselors
 - Direct Consumer interface with the marketplace website
- Customer Service Center Operation:
 - Quality Assurance Efforts
 - Technological Improvements
 - Staffing Forecasts in anticipation of seasonal open enrollment
 - Continued Training:
 - Privacy and Security of Protected Information
 - Technology and Information Management Systems
- Certification and Re-Certification Standards:
 - Carrier Participation and Compliance Standards:
 - *Carrier Participation Agreement* controls
 - Assistance Network Compliance:

- Training update
 - Background checks
 - Grant Terms and Conditions Compliance
 - Audit
 - FFATA Reporting
 - Privacy and Security Requirements
 - Conflict of Interest Policy
 - Insurance Producer Agents and Brokers:
 - Re-Certification and Training
 - Privacy and Security Requirements
 - Producer Agreement Requirements
 - Producer Established Enrollment Center Requirements
 - Privacy and Security
 - Certified Application Counselors:
 - Training update
 - Federal Certification Requirements
 - Privacy and Security Requirements
- Conflict Resolution and Appeals:
 - Formal appeals concerning Advanced Premium Tax Credit and Cost Sharing Reductions
 - Eligibility & Verification issues
 - Coordination with state Medicaid administrator
 - Certification/Decertification of Carrier and Qualified Health and Dental Plans
- Communications and Outreach Programs and Channels
- Technology, Operational Support Systems and Infrastructure
 - Shared financial eligibility service application with Medicaid administrator
 - Renewal & Re-Determination Functionality
 - Generation of 1095 Statements
 - SHOP account management and functionality
 - Audit logging and system monitoring functions to track transactional and operational functions
- Human Resource Functions.
 - Staffing
 - Administration of the on-line training computer modules:
 - Finance
 - Privacy & Security
 - Audit
 - Regulatory & Legal Compliance
 - Creation and maintenance of C4HCO's *Workforce Member Handbook* providing organizational oversight, rules and policies across a wide range of topics, including:
 - Code of Conduct
 - Equal Employment Opportunity
 - Sexual Harassment & EEO Complaint Procedures
 - Conflict of Interest

- Whistleblower Policy & Procedures
- Software Piracy
- File Access
- Confidentiality
 - Current *Workforce Member Handbook*

In addition to the C4HCO’s Operational Plan, C4HCO adopts an annual Financial Plan. The Financial Plan developed by C4HCO is subject to approval the Board of Directors and LIRC. As a planning and measurement tool, the Financial Plan is subject to periodic review and revision over the course of a fiscal year and consists of an aggregate budget and *pro forma* modeling scenarios as may be required.

2.4 Individual Goals/Performance

Organizational goals for C4HCO are cascaded down from leadership to individual staff members and are evaluated through a formal performance management process referred to as the “C4HCO Employee Contribution Process.” Employee goals are established, managers meet regularly throughout the year with employees to provide updates and feedback on the achievement of established goals. All employees receive a formal performance appraisal that includes manager and peer feedback on an annual basis.

3.0 POLICIES AND PROCEDURES

3.1 Content Management

C4HCO maintains a centralized Policy & Procedures library covering myriad topics, including all formally adopted policies and underlying procedures addressing, but limited to:

- ✓ Conflict of Interest Disclosures
- ✓ Fraud, Waste & Abuse
- ✓ Security & Privacy
- ✓ Security Awareness Training
- ✓ Audit & Accountability
- ✓ Contingency Planning
- ✓ Security & Privacy Incident Response
- ✓ FTI Transmission
- ✓ PII Security
- ✓ Risk Assessment
- ✓ Privacy Accountability Audit & Risk Management
- ✓ Data Quality & Integrity

The documentation of all organizational processes and procedures is disseminated throughout the organization and to all stakeholders pursuant to a comprehensive “Policy Lifecycle and Content Review Process.” The stated purpose of this Policy is:

The work of C4HCO is critical to ensuring all Coloradoans have access to comprehensive, affordable health insurance. Critical parts of achieving that goal include codified policies that adhere to state and federal regulations, as well as ensuring that all partners are compliant with those policies and that those policies are reflected in the policies, procedures, and content produced and followed by those partners. In addition, C4HCO is subject to state and federal audit for those policies. As such, having a process in place to create, approve and maintain policies as

well as review external content for compliance is critical to the work and consistent with the mission of C4HCO.

Every policy established by C4HCO is required to be created, approved and maintained in accordance with the lifecycle and content review process which utilizes a six step process: (i) discovery, (ii) analysis, (iii) development, (iv) review / approval, (v) dissemination, and (vi) maintenance.

3.2 Routine Auditing & Monitoring

The full array of C4HCO's policies and procedures anticipate and incorporate routine monitoring and auditing to confirm on-going compliance and monitor operational performance. Routine auditing and monitoring occur with respect to:

- Financial Policies and Procedures
 - C4HCO's financial audit requirements ensure compliance with best practices for the entity and stakeholders according to GAAS (Generally Accepted Auditing Standards), GAGAS (Generally Accepted Government Accounting Standards), and Federal guidelines under the Cooperative Agreement awarded by the Department of Health & Human Services (HHS).
 - C4HCO engages an independent certified public accounting firm to perform an annual financial audit of C4HCO as a non-profit entity of considerable size.

- Internal Audit Functions
 - C4HCO is exploring hiring an internal audit manager to oversee and manage external audits and conduct internal reviews and audits to supplement the compliance responsibilities of General Counsel.

- Operational Performance Measures and Metrics
 - Marketplace performance metrics are routinely reviewed and reported, including the use of "service level assessment" criteria in material vendor contracts to identify and monitor outcomes and performance (See, Section 3.3, below for a discussion of the Process for Overseeing and Managing Vendor Contracts).

- Complaint and Conflict Resolution Procedures
 - C4HCO tracks the source of all incoming inquiries, complaints and requests for information into a common repository with responsibility for responding to and resolving any issue including allegations of fraud, waste and abuse (See, Section 3.4 below).

- Business Continuity and Risk Assessment
 - C4HCO continued operations require a shift from tracking, managing and mitigating short-term implementation risks to longer term strategic business continuity concerns. To facilitate this shift, a Business Continuity Management Plan has been developed to describe the processes, tools and roles that C4HCO employs to address the business continuity challenges that it faces as a going concern.
 - The Business Continuity Management Plan proactively requires the development and implementation of an action plan to address identified potential adverse impacts on the

organization for submission and management by a Business Continuity Topics Review Committee.

- Information Security & Privacy
 - Implements “Minimum Acceptable Risk Standards for Exchanges (“MARS-E”) in C4HCO’s Audit and Accountability Policy
 - Lays out a comprehensive process and audit tracking process with regard to information management and technology systems utilized by C4HCO

3.3 Vendor Management

A Vendor Management and Oversight Policy is used to ensure administrative oversight and monitoring of all vendors executing contracts with or on behalf of C4HCO. This Policy establishes a framework for vendor oversight and monitoring using a graded approach commensurate with the size, scope and type of contract. Adherence to the Policy during contract execution provides C4HCO assurance that vendors are delivering the quantity and quality of services within the agreed upon timeframes and at the agreed upon pricing.

The Vendor Oversight Policy breaks down vendor relationships by type of contact and then assigns: (i) Initial Administrative & Management Controls; (ii) On-going Oversight Activities; and (iii) a Funds Disbursement Process to each agreement. Clear roles and responsibilities for C4HCO management and staff are laid out in the Policy with respect to category of contract.

Vendor Management procedures and a systematic process of reviewing material agreements to assess performance with an assigned vendor manager are developed and adopted by C4HCO.

- See also Section 7.5, below.

3.4 Fraud, Waste & Abuse

To ensure proper internal controls, training, testing, and notifications thereof, C4HCO has implemented a comprehensive Fraud, Waste, and Abuse Policy. This Policy is designed to protect the organization, customers, and business partners and emphasizes proper fund management.

- Carriers: C4HCO has a specific Fraud, Waste, and Abuse Policy that ensures carriers are in compliance with the False Claims Act. Specifically, there is language in all carrier contracts that stipulate the following:
 - Compliance is a condition of participation in the marketplace and a requirement for certification of those carriers’ QHPs
 - Carriers must have written policies and procedures for their internal training and management of activities that relate to the False Claims Act
 - The Carrier Participation Agreement and annual Certification process require each participating carrier to certify compliance with all applicable state and federal laws and regulations applicable to participation in a state-based marketplace

- Vendors: C4HCO’s Process for Managing and Overseeing Vendor Contracts (described in Section 3.3 above) provides oversight and monitoring specifically designed to oversee, fund disbursement and control vendor services in connection with the use of detailed master services agreement requirements and underlying statement of work performance expectations. C4HCO’s Procurement Policy (and underlying procedures) lay out specific requirements to ensure proper and commercially reasonable contract terms.
- Internal Financial Processes: C4HCO utilizes Board approved financial reporting policies and procedures. C4HCO’s financial audit requirements ensure compliance with best practices for the entity and stakeholders according to GAAS (Generally Accepted Auditing Standards), GAGAS (Generally Accepted Government Accounting Standards), and Federal guidelines under the Cooperative Agreement awarded by the Department of Health & Human Services (HHS). C4HCO engages an independent certified public accounting firm to perform an annual financial audit of C4HCO as a non-profit entity of considerable size. Periodic self-audits and reviews are required.
- Security & Privacy: C4HCO’s multiple information and security privacy policies and procedures are designed create a formalized process with defined roles and responsibilities to report and address information technology incidents and threats to guard against fraud, waste and abuse related to the information and technology systems relied on by C4HCO. Periodic self-audits and reviews are required.
- Workforce: C4HCO’s Workforce Member Handbook (Section 2.3, above) adopts a comprehensive whistleblower policy. The Handbook creates a process for reporting suspected violations on an anonymous basis and a set of procedures for response to reports received with clearly defined roles and responsibilities. Moreover, a physically locked drop-box in an employee common area allows for anonymous reporting to management. The Handbook further addresses reports related to accounting practices, internal financial controls and audit matters to the Finance Committee of C4HCO’s Board.

4.0 ROLES AND RESPONSIBILITIES

4.1 Compliance Officer / General Counsel

C4HCO’s Compliance Officer (General Counsel) is responsible for all oversight and monitoring activities within the organization and for reporting compliance related matters to the CEO/ED and the Board of Directors. The Compliance Officer owns and updates the Oversight and Compliance Program Description, develops and delivers compliance status reporting to the management of the organization, including the Board of Directors, and supports all staff regarding the training and implementation of oversight and compliance activities.

General Counsel is authorized to retain the assistance of outside entities to perform self-critical reviews for the purpose of allowing General Counsel to provide legal advice to C4HCO’s Board and management.

C4HCO intends to staff a full-time internal audit manager reporting to General Counsel.

4.2 Chief Financial Officer (“CFO”)

C4HCO's CFO is the primary advisor to the Compliance Officer on financial, human resource, and federal reporting matters. The CFO manages the financial and employment practices policies and procedures and implements reporting as required by the Compliance Officer, the CEO/ED, Board of Directors, and/or outside agencies.

4.3 Security & Privacy Manager

C4HCO's Security and Privacy Manager is responsible for and provides oversight for compliance with technical privacy and security compliance for the organization. The Privacy & Security Manger is the primary advisor to the Compliance Officer on known or potential security and privacy matters. The Security and Privacy Manger implements security and privacy policies and procedures and reports as required to the Compliance Officer, the CEO/ED, Board of Directors, and/or outside agencies

4.4 Chief Executive Officer ("CEO") / Executive Director

C4HCO's Chief Executive Officer and Executive Director is responsible for managing the activities of the Compliance Officer and ensuring that the Board is properly updated on compliance matters to foster accountability and transparency and promote the intent and purpose of the Oversight and Compliance Program.

4.5 Board of Directors

C4HCO's Board of Directors, as a governing Board, has ultimate responsibility for oversight and internal and external organizational compliance, oversight and monitoring to foster accountability and transparency in the operation of the marketplace and to increase access, affordability, and choice for individuals and small employers purchasing health insurance in Colorado.

4.6 Legislative Health Benefit Exchange Implementation Review Committee

Colorado's Legislative Health Benefit Exchange Implementation Review Committee is statutorily constituted to: (i) guide implementation of the marketplace; (ii) make recommendations to Colorado's General Assembly; and (iii) ensure that the interests of Coloradans are protected and furthered. The Legislative Health Benefit Exchange Implementation Review Committee is required to meet and receive periodic reporting and input from C4HCO. Reports, agendas and information concerning the Committee's functions and activities are maintained for review on-line.

5.0 TRAINING AND CERTIFICATION

5.1 On-Boarding / Employment Practices / Security & Privacy

Newly on-boarded staff, including both employees and on-site contractors, are trained in C4HCO's employment policies and provided C4HCO's Workforce Member Handbook. As noted in preceding Sections, the Handbook addresses multiple topics, including, but not limited to:

- Equal Employment Opportunity
- Sexual Harassment & EEO Complaint Procedures
- Conflict of Interest
- Whistleblower Policy & Procedures

- Software Piracy
- File Access
- Confidentiality

Moreover, C4HCO provides initial and follow-up periodic training and updates through an on-line application and all C4HCO workforce members are required to complete the training coursework. The training is housed in a learning management system that records the progress, completion, and test scores. The Human Resources Manager monitors progress to ensure training is completed and coordinates required annual re-training. A grade of 80% or better is required to complete each module.

C4HCO's Security & Privacy training modules include:

- Privacy & Security Overview
- Personally Identifiable Information ("PII")
- Protected Health Information ("PHI")
- Federal Tax Information ("FTI") & FTI Disclosure Statement
- Payment Card Industry Data Security

Additional on-boarding materials are used to assist newly appointed Board members with respect to the history and operations of C4HCO as a state-based marketplace.

5.2 Insurance Producer Agents & Brokers

C4HCO's learning management system provides a comprehensive list of all required coursework and quizzes for the initial certification and re-certification of insurance producer agents and brokers. The coursework includes courses on SHOP portal functions and also for individual marketplace portal functions. C4HCO also facilitates in-person training seminars for insurance producer agents and brokers as an optional method of meeting certification and re-certification requirements.

C4HCO's Producer Agreement requires compliance with state and federal laws and regulations and provides C4HCO with the ability monitor and oversee insurance producer agent and broker conduct. Agents and brokers that fail to meet required certification/re-certification standards are deactivated.

A dedicated Broker team oversees communication and oversight of Broker activities.

5.3 Health Coverage Guides, Certified Application Counselors, and Assistance Site Administrators

C4HCO's learning management system provides a comprehensive list of all required coursework and quizzes for the initial certification and re-certification of Health Coverage Guides, Certified Application Counselors and Assistance Site Administrators. A grade of 80% or better is required to complete each module.

A dedicated team oversees communication and oversight of activities and operations of HGC's CAC's and Assistance Sites.

Compliance with federal funding requirements for reporting, audit and oversight associated with Assistance Networks are the responsibility of the CFO and controller.

5.4 Service Center

C4HCO's Service Center's vendor's employees, in addition functional call center training and compliance with quality assurance measures are required to complete the learning management system training modules on Security & Privacy listed in Section 5.1, above. Further, Service Center staff is required to complete modules addressing the conflict resolution and appeals process including an understanding of the underlying laws and regulations. A grade of 80% or better is required to complete each module.

C4HCO senior management oversees operation of C4HCO's service center, including vendor compliance with contract SLA's and metrics.

5.5 Conflict Resolution & Appeals

C4HCO's learning management system provides training modules regarding applicable federal and state laws and regulations governing appeals of eligibility determinations for a state-based marketplace in conjunction with the Colorado's Medicaid Administrator.

Operation of the Office of Conflict Resolution and Appeals is the responsibility of General Counsel, including management of the lawyers embedded within the Appeals team.

6.0 REPORTING

6.1 Open Meeting Requirements of Colorado's Sunshine Law

C4HCO, operating as a nonprofit unincorporated public entity, is statutorily designated as an instrumentality of the State of Colorado. Neither C4HCO, nor its Board, is an agency of the State of Colorado. C4HCO is subject to Colorado's open meetings law which generally requires that meetings of the Board of C4HCO convened to discuss public business during which a formal action takes place as part of the policy-making function are subject to prior notice and open to the public.

6.2 Colorado's Open Records Act

C4HCO's enabling legislation further provides that *members of the Board* are subject to the Colorado's Open Records Act. The enabling legislation does not expressly provide that C4HCO, as an exchange, its executive director, *ad hoc* committees, or employees are subject to the Open Records Act.

C4HCO receives inquiries from elected officials, national and local media, the general public, and other non-profit organizations. C4HCO goes to great lengths to ensure that Open Record Act requests are responded to in a timely manner and consistent with the requirements of state law.

Transparency of operation is fundamental C4HCO's mission and public confidence.

6.3 Statutory Reporting under State Law

C4HCO enabling legislation contains numerous reporting requirements to state officials, including the Governor, General Assembly and various legislative committees including the Legislative Health Benefit Exchange Implementation Review Committee (described above) and the Legislative Audit Committee.

6.4 Financial Reporting

C4HCO maintains a Financial Reporting Matrix with respect to authority, type of report, recipient and C4HCO procedure. Financial reporting is included in information provided and described in Section 6.3 above. Financial Operational Plans, budgeting and reporting to the Board fall under the purview of the CFO and Controller.

6.5 Regular Reports to C4HCO's Board of Directors

C4HCO's conducts regular Board meetings open to the public. Information and reporting are tailored to meet Board instructions and provide detailed information across every aspect of the operation of state-based marketplace. See also, Section 2.2 above.

Board Committee meetings are regularly conducted to vet initiatives and obtain Committee recommendations for Board implementation.

The Board as whole and Board Committees may receive input from advisory groups as appropriate.

C4HCO's Annual Report is published and maintained on its website.

6.6 CMS & CCIIO Oversight and Reporting

C4HCO is committed to working collaboratively with CMS and CCIIO to help ensure that: (i) affordable and quality health coverage is available to Coloradoans; (ii) consumers are provided choices of available coverage; and (iii) advanced premium tax credits and cost-sharing reductions are appropriately administered in compliance with the Affordable Care Act in transparent and sustainable manner.

C4HCO's policies and procedures are designed to meet the numerous regulatory requirements provided by CMS and CCIIO in the Exchange Final Rule, Program Integrity Rule and such other regulatory guidance with which state-based marketplaces must comply, including submission of an annual financial statement and eligibility and enrollment reports.

In order to meet continuing reporting and auditing requirements, the use and implementation of the "State-based Marketplace Annual Reporting Tool ("SMART") is intended to be an integral component of C4HCO's Oversight and Compliance Program.

7.0 DEFINED ENFORCEMENT STANDARDS

C4HCO defines enforcement standards for its workforce, stakeholders, service partners and contract vendors to seek prevention of fraud, waste and abuse and mitigate potential impact of inappropriate activity on the financial and programmatic activities of C4HCO. C4HCO's public facing website provides a dedicated reporting vehicle for suspected fraud, waste and abuse directly into its Office of Conflict Resolution where information can be collected, acted upon or referred to the appropriate agency or entity

outside of C4HCO. The Office of Conflict Resolution and Appeals acts a conduit of reporting fraud to the State’s Medicaid Administrator.

7.1 Workforce Enforcement Standards

The Workforce Member Handbook (Section 2.3) provides a written code of conduct for complying with established business standards of the organization; defines unlawful harassment and discrimination subject to discipline ranging from a written warning to termination; and expressly prohibits retaliation for the submission of a complaint or report concerning the violation of any Workforce policy. The Handbook includes examples of behavior considered to be in violation of the enumerated polices and conduct otherwise considered to be unethical (e.g. Conflict of Interest, Workforce Gift Policy, Social Media Policy, Use of Equipment/Electronics Policy, Substance Abuse Policy, Confidentiality Policy). The Workforce Member Handbook provides a comprehensive whistleblower policy and reporting procedure with confidentiality and non-retaliation provisions expressly described.

Workforce enforcement decisions lay primarily with supervisory departmental staff and ultimately may be appealed or reviewed at increasingly higher levels of management. Laying out detailed policies and procedures for appealing or reviewing Workforce enforcement (including termination) are purposefully *not* laid out in detail. The creation of inflexible procedures raises the potential that any failure to exactly follow such procedure gives rise to a claim that due process was not provided. In this case, the absence of a policy operates to mitigate risk exposures.

The Workforce Member Handbook applies to all employees, contractors, volunteers, trainees, interns, and anyone else whose conduct is under the direct control of C4HCO whether or not they are paid by C4HCO. C4HCO conducts regular all-staff meeting to provide information and update policies and procedures, including changes and amendments to the Workforce Member Handbook.

7.2 Carrier (QHP & QDP) Enforcement Standards

C4HCO’s Carrier Participation Agreement, which is subject to annual renewal of subsequent plan benefit years, lays out detailed certification, re-certification and de-certification processes and procedures, including appeals of certification of decisions. The Agreement further contains numerous operational standards that carrier’s must comply with to participate in the marketplace along with carrier contractual warranties and representations. This is the primary methodology for defining operational standards for carriers in addition to the full panoply of laws and regulations to which carriers are otherwise subject.

7.3 Insurance Producer Agent and Broker Enforcement Standards

Insurance producer agents and brokers are subject to certification (including background checks) and annual recertification prior to being able to place coverage through the marketplace. Further, the Certified Producer’s Agreement that governs C4HCO’s contractual relationship with agents and brokers requires: (i) compliance with C4HCO Polices and applicable laws; (ii) representation that the producer has never been subject to a prior disciplinary action; and (iii) the producer to correct an identified failure to perform.

7.4 Assistance Network Enforcement Standards

C4HCO maintains a comprehensive Assistance Network Grant Agreement with assistance sites and regional hubs for funding certification. Grant funding and the disbursement of grant monies are proactively tracked with rigorous C4HCO grant accounting procedures. Any expenditure of grant funds not in accordance with approved budgetary requests from an assistance network are subject to prior review approval by C4HCO. Assistance networks and health coverage guides under the supervision of assistance networks must meet certification requirements, including: (i) background checks; (ii) OIG exclusion list; (iii) privacy & security requirements; (iv) conflict of interest requirements; and (v) training as set out in Section 5.3, above.

Assistance network grantees, as part of a comprehensive financial reporting process, agree:

...to comply with the Federal rules and requirements related to C4HCO's grant including but not limited to circulars A-87, A-122, and A-133, issued by the United States Office of Management and Budget, as applicable. If Grantee receives funds in excess of \$500,000 in the Grantee's fiscal year, Grantee will be subject to a federal A-133 Audit. Grantee is responsible for notifying C4HCO in the event that grant funds will exceed the \$500,000 threshold for the Grantee fiscal year.

Enforcement provisions in C4HCO's Assistance Network Grant Agreements include:

Failure to perform and corrective action: If it is apparent that the Grantee is failing to meet its obligations under this Agreement, Connect for Health Colorado will provide notice of the identified failure to the Grantee, an opportunity to establish a corrective action plan approved by Connect for Health Colorado, and at least thirty (30) days to cure. Failure to cure will result in suspension or cancellation of unpaid disbursements.

Reversion of Grant: Connect for Health Colorado may suspend or cancel unpaid disbursements if Grantee becomes unable to carry out the purposes of the Grant or ceases to be an appropriate means for accomplishing the purposes of the Grant based on, by way of non-exclusive example, the Grantee's insolvency, receivership, bankruptcy, assignment for the benefit of creditors, or cessation of business on a regular basis. In any such case, the Grantee shall, at a minimum, within thirty days after written request by C4HCO, repay the portions of the Grant received but not disbursed, and all portions of the Grant, which although disbursed, are within the Grantee's control.

7.5 Contractual Enforcement Language

C4HCO's various agreements, as described generally above, uniformly provide and define expected service levels, required performance and standards of enforcement. The use of appropriate contractual language is applied to all vendors and subject to review by legal staff at C4HCO, including the application of procurement requirements.

C4HCO maintains a common repository to track and maintain material agreements. The Vendor Contract Management System is managed by C4HCO's Controller and tracks, *inter alia*: (i) Legal Review; (ii) Vendor Identity; (iii) Agreement Identification; (iv) an internal "contract owner" responsible for the agreement; (v) Agreement Term; (vi) Agreement Pricing & Fees (vii) Applicability of Master Service Agreement Provisions; (viii) Board Review and Approval (as may be applicable under C4HCO policies); (ix) Execution

(signature) Tracking; (x) Internal Accounting System tracking and control (“Intacct”); and required documentation and information to aid oversight and compliance.