

## **FRAUD AND ABUSE COMPLIANCE POLICY**

It is the policy of LabPharm, LLC (hereinafter referred to in this policy as the “Company”), to consistently and fully make its services compliant with all laws and regulations pertaining to the delivery of and billing for services which apply to the participation in Medicare, Medicaid and other healthcare insurance programs.

This policy is intended to reflect the requirements of Comment 3.(k)(1), 3.(k)(2) and 3.(k)(5) to Section 8.A1 of the Federal Sentencing Guidelines.

### **I. INTRODUCTION**

LabPharm (“LabPharm”) is one of the nation’s leading ancillary service companies that offers clinical continuum of care with a focus on maximizing quality outcomes while lowering the overall cost of treatment. The LabPharm mission is to partner our ancillary services with physicians to provide higher quality of care, increase patient safety and lower the cost of treatment. LabPharm responds to the ever-changing needs of the medical community by remaining at the forefront of technological and scientific advancements.

At LabPharm, our executive team and staff have invested countless time and money to create the most stringent due diligence process and maintain the highest quality standards in an effort to ensure compliance with state and federal guidelines. It is this effort that has allowed LabPharm to become the gold standard in ancillary medical management services

In an effort to maintain our hard work and protect our good name that we have worked so hard to create, it is imperative that we follow a very strict set of protocols, which are never to be compromised. In order to better understand our concerns and what we will not tolerate from any marketer, independent contractor or partnership arrangements, the following compliance protocols must be followed to maintain any working relationship with LabPharm.

The Company has developed a fraud and abuse compliance program to be a comprehensive statement of the responsibilities and obligations of all independent contractors regarding submissions for reimbursement for services rendered by the Company and any of its subsidiaries, divisions and contractors. In addition, this policy is intended to apply to business arrangements with providers, vendors, facilities and other persons, which may be impacted by federal or state laws relating to fraud and abuse.

### **II. COMPLIANCE STANDARDS/MANUALS**

Compliance standards and manuals specific to affected areas of the Company shall be developed and kept current with applicable laws and regulations.

The compliance standards for each affected area shall contain a statement of compliance policy for that area and shall define and assign responsibility for the timely and comprehensive updating of both the compliance standards and the compliance manual, necessary training and education,

record keeping, and the completion of audit work plans as designated by the responsible compliance officer at the Company.

The compliance manual shall be a resource for the independent contractors of each affected area designed to enhance the ability of independent contractors to perform their responsibilities in compliance with the Company compliance policy and applicable laws and regulations. The designated manager in each affected area is responsible for ensuring that the compliance standards and manuals, as required by this program or as designated by the responsible Company Compliance Officer, are developed and maintained in accordance with this policy.

### **III. INDEPENDENT CONTRACTOR PARTICIPATION AND REPORTING**

It is the responsibility of every independent contractor in the organization to abide by applicable laws and regulations and support the Company compliance efforts.

All independent contractors are required to report their good faith belief of any violation of the compliance program or applicable law. The Company, at the request of the independent contractor, will provide such anonymity to the independent contractor(s) who report as is possible under the circumstances in the judgment of the Company, consistent with its obligations to investigate independent contractor concerns and take necessary corrective action. There shall be no retaliation in the terms and conditions of employment as a result of such reporting.

Independent contractors will report their good faith belief or violations of the compliance program or applicable laws (i) either orally or in writing to the Compliance Officer; (ii) by calling or (iii) by mailing their written concern to the President of the Company.

### **IV. RESPONSIBLE OFFICER**

The Company has designated \_\_\_\_\_, Compliance Officer, as the individual within the Company, responsible for overall implementation and operation of the compliance program. The Compliance Officer shall be responsible to ensure that:

1. Standards and manuals are reviewed and updated as necessary;
2. Independent contractor and vendor screening mechanisms are in place and are operating properly;
3. Independent contractors are receiving adequate education and training and that such education and training is documented;
4. Audit procedures are implemented in accordance with the Company audit policies;
5. Independent contractor complaints and other concerns regarding compliance are promptly investigated; and

6. Adequate steps are taken to correct any identified problems and prevent the reoccurrence of such problems.

## V. REPORT TO MANAGEMENT

The responsible Compliance Officer shall report in writing monthly to the Board of Managers on the status of compliance within the Company. This report shall include the results of any recommendations resulting from the audit work plans conducted during the prior year, and any other information requested by the Board of Managers.

## VI. SPECIFIC PROHIBITIONS

1. **Marketing Reps (Non-Medical Providers)** MUST enroll in and pass the compliance courses, which includes Fraud and Abuse, Patient communications and HIPAA for Business Associates.
2. **Marketing Materials, Scripts, Telemarketing Scripts** – MUST be approved by the LabPharm Compliance officer prior to use.
3. **ALL COMMUNICATIONS** – MUST be in writing to ensure proper protocols are being maintained.

I hereby certify that I have received, read, understand and shall abide by this Fraud and Abuse Compliance Policy.

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SIGNATURE

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PRINTED NAME

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DATE