



Delta Dental Plan of Arkansas, Inc.
Compliance Plan

Effective January 1, 2019

Table of Contents

I.	Introduction.....	1
II.	Overview and Implementation.....	2
III.	Policies and Procedures.....	3
IV.	Oversight.....	4
V.	Training and Education.....	7
VI.	Communication.....	7
VII.	Auditing, Monitoring and Risk Analysis.....	9
VIII.	Enforcement and Corrective Action.....	10

I. Introduction

Delta Dental Plan of Arkansas, Inc. (“Delta Dental”) is committed to providing our clients and subscribers with benefit plans that meet their needs. We strive to develop and maintain lasting relationships based on quality and value, and we have managed to exceed our own expectations. However, we recognize that these goals can never come at the cost of our most important attribute—our integrity. Through years of hard work, we have crafted a reputation for honesty, fairness, and ethical behavior. We believe our strength—both as a business and as a corporate citizen—rests on our dedication to these principles.

To evidence our commitment to maintaining these standards, Delta Dental has developed this Compliance Plan. The Compliance Plan is a roadmap for the company and its employees to our internal compliance policies, as well as the many laws that govern our business.

As the backbone of our policies, Delta Dental has incorporated guidance issued by relevant agencies, including The Centers for Medicare and Medicaid Services, the Department of Health and Human Services’ Office of Inspector General, and state Departments of Insurance. The Compliance Plan outlines the basic elements of an effective compliance program and best practices applicable to plan sponsors. An effective compliance program generally includes:

- Designation of a Compliance Officer and Compliance and Risk Committee;
- Implementation of written policies and procedures;
- Education and training programs;
- Development of the lines of communication between the Compliance Officer and Company Representatives;
- Internal monitoring and auditing;
- Enforcement of standards; and
- Prompt response to issues and corrective actions to ensure future compliance.

Delta Dental has taken these guiding principles and crafted a Compliance Plan tailored to our company and our business. We recognize that implementation of this Plan will not eliminate any duties imposed by law. However, as a first step, it is vital to maintaining our own high standards and to ensuring compliance in an ever-changing legal landscape. We intend this Compliance Plan to grow and change with our business and with the laws that govern us. The Plan includes the flexibility to do exactly that.

In short, Delta Dental strives to cultivate an ethical culture where compliance is expected. Such a culture starts with our employees.

II. Overview and Implementation

Purpose

The purpose of the Delta Dental Compliance Plan is to prevent and detect crime and to promote an ethical culture. The policies and procedures contained herein are to be used by our employees as a guide to ethical behavior. If at any time one of the policies—whether in this Compliance Plan or the Employee Policy Guide—creates an ethical dilemma or conflicts with existing law, please contact the Compliance Officer, whose information may be found in Section IV.

Scope

This Compliance Plan applies to all officers and employees of Delta Dental, including all officers and employees of subsidiaries of Delta Dental, as well as temporary employees working on behalf of Delta Dental (“Company Representatives”).

All Company Representatives are expected to adhere to this Compliance Plan and to report any suspected violations of this Compliance Plan to a supervisor or other member of management, Human Resources, the Compliance Officer, or anonymously to the Delta Dental Ethics Hotline.

It is the policy of Delta Dental for Company Representatives to comply with all applicable federal and state rules and regulations and Delta Dental Plans Association standards (“DDPA Standards”) at all times. However, the Delta Dental Compliance Program is focused on a smaller subset of issues that pose a high risk to Company Representatives, Delta Dental, and our members. The policies identified in Section III of this Compliance Plan help to define the scope of the Delta Dental Compliance Program.

Summary

This Compliance Plan outlines the policies and procedures that create a framework for an ethical, law-abiding culture.

This Compliance Plan shall be implemented with the guidance of the Compliance Officer and shall be enforced throughout the company. It provides the means for Company Representatives to communicate potential violations. Delta Dental promptly investigates all reports of allegations of noncompliance under the

Compliance Plan and takes appropriate corrective action in the event of a violation. Furthermore, reports made through the Delta Dental Ethics Hotline (discussed in Section V (“Communications”)) are reported to the Audit and Finance Committee of the Board of Directors. Appropriate action includes, but is not limited to, enhanced training, actions to mitigate risk, feedback to Company Representatives, and progressive disciplinary measures.

Delta Dental recognizes that employees may be discouraged from reporting concerns if they believe that retaliation, retribution, or harassment may result. Delta Dental will take appropriate disciplinary action up to and including termination for managers, supervisors or employees who engage in retaliation, retribution, or harassment of an employee who reports a compliance concern in good faith.

In short, this Compliance Plan:

- Establishes an administrative framework for maintaining an effective and diligent Compliance Plan, including development of necessary policies and procedures and designation of a Compliance Officer and creation of a Compliance and Risk Committee;
- Creates effective communication channels to deliver Delta Dental’s commitment to ethical business practices and receive feedback regarding adherence to these practices;
- Implements monitoring and auditing functions to measure the effectiveness of the Compliance Plan, address problems in an efficient and timely manner, and implement corrective actions to ensure ongoing compliance;
- Outlines enforcement and discipline components that ensure that all Company Representatives take their compliance responsibilities seriously;
- Develops a process to identify Delta Dental’s significant operating and legal risks and develops a plan to minimize those risks; and
- Reinforces the compliance and business ethics practices set forth in Delta Dental’s existing Employee Policy Guide and its standalone Code of Conduct, including training and education of staff.

III. Policies and Procedures

The Delta Dental Compliance and Risk Committee is responsible for reviewing compliance policies and procedures within the scope of the Compliance Program. Policies will be reviewed on an annual basis and revised as necessary. Approval of revisions to policies and procedures within the scope

of the Compliance Program will be conducted by the appropriate internal DDAR committee or the Board of Directors, as specified below.

Code of Conduct

The Code of Conduct is the bedrock of the Compliance Program. It establishes an ethical framework for Company Representatives. It contains guidance regarding many compliance-related issues such as the giving and receiving of gifts, relationships with customers and suppliers, compliance with Antitrust laws, and protection of Delta Dental assets and confidential information. The Code reinforces the expectation for ethical behavior within the company and requires employees to report violations of the Code and/or other improper activities. Upon receiving training on the Code of Conduct, all Company Representatives must sign an acknowledgement to indicate that they understand and will abide by the Code of Conduct. The Code of Conduct is reviewed by the Compliance and Risk Committee annually. Suggestions for revisions are referred to the Governance Committee of the Board of Directors for approval.

Employee Policy Guide

All Company Representatives are also expected to adhere to the Delta Dental Employee Policy Guide (“Employee Policy Guide”). The Employee Policy Guide is largely devoted to human resource policies, but also includes some compliance-related policies. For example, it prohibits retaliation against employees for raising concerns about violations of legal or ethical standards. It also reminds employees to safeguard personally identifiable information on plan members or fellow employees. The Employee Policy Guide is reviewed and approved by the Compliance and Risk Committee annually.

Program Integrity Plan

Delta Dental has developed a comprehensive Program Integrity Plan applicable to all of the plans that it administers. The Program Integrity Plan contains detailed information regarding processes and procedures employed by Delta Dental to detect and prevent fraud and abuse by Company Representatives, network providers, and members.

Non-retaliation Policy

Delta Dental prohibits retaliation against Company Representatives for raising compliance issues in good faith. This policy is stated in the Employee Policy Guide as well as the Code of Conduct. It is also mentioned in the False Claims Recovery Act Education Program policy.

False Claims Recovery Act Education Program

Delta Dental has implemented the False Claims Recovery Act Education Program policy to ensure compliance with the requirements of Section 6032 of the Deficit Reduction Act of 2005. This policy requires Company Representatives, contractors, and network providers to receive training on the federal False Claims Act, the Program Fraud Civil Remedies Act, and the Arkansas Medicaid Fraud False Claims Act. It also requires such individuals to be informed about protection provided to whistleblowers and Delta Dental's Compliance Program. The False Claims Recovery Act Education Program policy is reviewed and approved by the Compliance and Risk Committee annually.

Exclusion Database Checks

Compliance starts with our people, and Delta Dental is committed to hiring only those employees who meet all of the federal, state, and other regulatory agency requirements. Pre-employment screening includes checking information and verifying that an individual meets the educational and/or experience requirements for the position for which they have applied. Criminal background checks are required for all newly hired employees. And Delta Dental screens all employees, network providers, and contractors on a monthly basis to ensure that they have not been excluded from participating in federal health care programs. Results of Delta Dental's excluded provider, employee, and contractor checks are reviewed quarterly by the Compliance and Risk Committee.

Privacy and Security

Delta Dental is committed to protecting and safeguarding patient information. Delta Dental has implemented a series of policies and procedures to comply with the federal Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), as amended by the Health Information Technology for Economic and Clinical Health Act of the American Recovery and Reinvestment Act of 2009 ("HITECH"), as well as Arkansas laws relating to privacy and security. Delta Dental's HIPAA Privacy and Security policies are reviewed and approved by the Compliance and Risk Committee annually.

IV. Oversight

Compliance Officer

The Compliance Officer is responsible for directing and assuring the active functioning of Delta Dental's compliance efforts. The current contact information is as follows:

<p>Compliance Officer: Name: James W. Couch Email: jcouch@deltadentalar.com Phone: (501) 992-1662 Mail: 1513 Country Club Road Sherwood, Arkansas 72120</p>
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It is the Compliance Officer's duty to implement the Compliance Plan and work with the Compliance and Risk Committee to ensure that the Plan is meeting its intended purpose. The Compliance Officer reports to the CEO, however with respect to his/her responsibilities as the Compliance Officer s/he has the authority to report compliance issues directly to the Board of Directors and/or its Audit and Risk Committee, and s/he may delegate resources necessary to ensure the success of the Compliance Plan.

Any Company Representative may contact the Compliance Officer at any time to voice a compliance-related concern, or to request guidance on any company policies.

The Compliance Officer's general responsibilities include the following:

- Supervising implementation of the Compliance Plan and coordinating all compliance efforts;
- Collaborating with the Human Resources Department on proper distribution of the Employee Policy Guide which includes the Code of Conduct and Business Ethics, and, depending on an individual's particular job responsibilities, any other written compliance policies and guidelines that may be relevant;
- Establishing and chairing the Compliance and Risk Committee;
- Training and educating Compliance and Risk Committee members regarding their compliance responsibilities;
- Developing and approving compliance education and training materials and document attendance at or completion of required training;

- Collaborating with the Human Resources Department on securing annual employee attestations regarding commitment to compliance;
- Coordinating compliance personnel issues with Delta Dental's Human Resources department to ensure that compliance is an integral part of performance assessment;
- Confirm bi-annual email from Human Resources to all employees that encourages Company Representatives to report suspected improper or illegal conduct;
- Implementing and operating retaliation-free reporting channels, including an anonymous telephone hotline;
- Identifying and assessing areas of operations that present the greatest compliance risk and prioritizing resources to address those risk areas;
- Working with the Compliance and Risk Committee to develop compliance audits when risk areas are identified and an audit is determined to be warranted;
- Monitoring and evaluating the Compliance Plan's effectiveness;
- Documenting any potential compliance violations and overseeing investigations which must be conducted timely following receipt of information regarding a potential risk or noncompliance with this Compliance Policy;
- Keeping current with laws, regulations and policies, including DDPA Standards, applicable to compliance in order to provide the best possible advice and guidance;
- Ensuring that Delta Dental takes appropriate corrective action where Company Representatives do not adhere to the Employee Policy Guide; and
- Working with the Compliance and Risk Committee to periodically assess the adequacy of (i) Delta Dental's Code of Conduct and Business Ethics Policy (which is contained in the Employee Policy Guide), along with Delta Dental's standalone Code of Conduct, and, when deemed appropriate, recommend changes thereto, as well as (ii) Delta Dental's Compliance Plan and revising as necessary.

Compliance and Risk Committee

Delta Dental's Compliance and Risk Committee is responsible for supporting the Compliance Officer in developing, monitoring and assessing the effectiveness of the Compliance Plan. The Compliance and Risk Committee is composed of leaders throughout the company who have significant roles that touch on

compliance issues, such as operations, claims, legal, risk management, appeals and human resources. The Compliance and Risk Committee meets at least quarterly, or more frequently as necessary, and has the following duties and responsibilities:

- Continually analyzing the company's risk environment with respect to compliance issues and the legal requirements with which it must comply and specific risk areas;
- Assessing and revising existing compliance policies and procedures to assure compliance with state and federal laws and regulations;
- Evaluate overall compliance efforts with DDPA Standards, including, but not limited to, DDPA survey response efforts, implementation of any changes to the DDPA Standards, and the development and maintenance of appropriate policies and procedures to promote adherence to the DDPA Standards;
- Reviewing the results of investigations initiated by the Compliance and Risk Committee or the Fraud Investigation and Review Committee and resulting corrective action plans for operations departments, providers, or contractors;
- Assessing and revising policies and programs to promote compliance and encourage reporting of suspected fraud and other improprieties without fear of retaliation and ensuring proper responses to reports of noncompliance;
- Collaborating with the Human Resources Department on the company's compliance training efforts; and
- Maintaining the confidentiality of any sensitive or proprietary information learned by a member through the Compliance and Risk Committee process.

Board Oversight

Delta Dental's Board of Directors will have oversight of the Delta Dental Compliance Program. The Board, or an appropriate sub-committee of the Board, will receive a report from the Compliance Officer at least once per year on the effectiveness of the Compliance Program.

V. Training and Education

Delta Dental will ensure that Company Representatives, contractors (as appropriate), and network providers receive training and education on compliance-related topics and policies. The Compliance and Risk Committee will review and approve a Compliance Education Plan on an annual basis. The

plan will identify the individuals to be trained, the frequency, and the format of the training. The plan will also require more formal training to be recorded, and certificates of completion will be maintained by the Compliance Officer.

The Compliance Officer, managers and supervisors may provide supplemental training and education as deemed necessary, and may employ other mechanisms to reinforce the importance of compliance.

VI. Communication

General Process

Company Representatives, as well as individuals not affiliated with the company, are encouraged to report potential ethical violations and suspicions of misconduct. They are also encouraged to voluntarily self-report any potential instances of noncompliance.

Delta Dental provides guidance to all Company Representatives for reporting suspected improper activities, serious or substantial violations of company policy, and/or other improper activities. It is the responsibility of every Company Representative to ensure compliance with corporate policies and government regulations.

Persons reporting violations shall make reports based upon reasonable belief that an improper or unethical activity has occurred. The motivation of the person is irrelevant to the consideration of the validity of the allegations. In the event violations of corporate policy, government law, or other improper activity are identified, the appropriate department(s) will be informed and the incident will be fully investigated. Corrective action may be taken in accordance with the Employee Policy Guide and applicable company policies. Delta Dental has an Anti-Fraud Plan and a Program Integrity Plan which are designed to assist Company Representatives in detecting and preventing fraud and abuse that may be performed by providers and/or subscribers. Delta Dental reports instances of suspected fraud to any applicable state Department of Insurance or the Office of Medicaid Inspector general, as applicable, when required.

Managers and supervisors are required to respond timely, appropriately and honestly when possible wrongdoing is brought to their attention. It is their responsibility to relay reports of noncompliance to the Compliance Officer or the appropriate personnel to initiate an investigation. Because Delta Dental is committed to providing an effective reporting tool for employees, a manager or supervisor may decline to identify the employee who originally made the report as long as it is not required by law or otherwise place the company at risk.

Every effort is made to maintain, within the limits of the law, the confidentiality of the identity of any individual who reports possible misconduct. There will be

no retribution or discipline for anyone who reports a possible violation in good faith.

Departing employees are asked to submit to an exit interview. One of the purposes of the exit interview is to determine if the employee has knowledge of wrongdoing, unethical behavior or criminal misconduct. The interview may also be used to obtain information about unsafe or unsound business practices. The interview will further include requesting the departing employee to sign an acknowledgment of an ongoing obligation to maintain Delta Dental's proprietary information confidential.

Reporting Concerns by Company Representatives

Interested parties may report (or self-report) potential violations in a number of ways, whether Company Representatives or those not affiliated with Delta Dental.

Employees can log on to the Delta Dental Ethics Hotline found at <https://DeltaDental.alertline.com> or call: 800-457-6254. Issues reported on the Hotline may be done so anonymously. The Hotline is confidential, easy to use and always available.

Reports of concerns may also be made orally or in writing by Company Representatives to an appropriate supervisor. If a Company Representative is not comfortable reporting concerns to a supervisor, or is not satisfied with the response to his or her inquiries, the concerns should be directed to Delta Dental's Compliance Officer or to a Compliance and Risk Committee member.

Employees with questions regarding applicable fraud and abuse laws and anti-fraud policies are also directed to contact Delta Dental's Compliance Officer or the Chief Financial Officer.

Reporting Concerns by Plan Members

Delta Dental will promote open lines of communication with plan Members. Delta Dental will educate Members about identification and reporting of potential fraud, waste or abuse, and provide numbers to call to report any such concerns. The information may be disseminated in the form of flyers, letters, or pamphlets provided to Members. The information could also be contained in enrollment packages, Explanation of Benefits, or on Delta Dental's website.

Tracking Violations

The Compliance Officer maintains a tracking log of all concerns and complaints received, as well as the results and outcome of any investigations conducted. The Compliance Officer has access to Delta Dental's Board of Directors, and

may report any findings from investigations concerning compliance. Such reports may include a report on all allegations of wrongdoing, the results of any investigations conducted and any subsequent disciplinary or remedial action taken, recent training efforts or corrective action undertaken.

Non-Retaliation Policy

Delta Dental cannot retaliate against any Company Representative or plan Member, directly or indirectly, for disclosing or reporting suspicious activity. However, the intentional filing of a false report by a Company Representative, whether orally or in writing, is itself considered an improper activity which the company has the right to act upon. Any written complaint by a Company Representative or plan Member which alleges retaliation for having made a protected disclosure or for having refused an illegal order is to be reported to the Human Resources Department and the Compliance Officer.

VII. Auditing, Monitoring, and Risk Analysis

Risk Assessment

Delta Dental will conduct a formal compliance risk assessment process on an annual basis. The risk assessment will be conducted by the Compliance and Risk Committee. The risk assessment process will take into account data from a variety of sources to identify the organization's top compliance-related risks. The data could include reports from national government or commercial auditors, data mining of Delta Dental claims information to identify potentially erroneous claims, or interviews of senior leaders. The risk assessment process will culminate in the identification of at least three top vulnerabilities. Mitigation strategies will be developed to address the top vulnerabilities.

Audits

The Compliance and Risk Committee will approve an audit plan on an annual basis. The audit plan could include audits to address key vulnerabilities identified in the risk assessment process, and it could include more routine audits of claims submitted by network providers. The audit plan may specify the format for the audit as an on-site field audit, a desk audit, staff interviews, or trend analysis studies. The audit plan could address the scope of the audit, such as the number of claims to be reviewed or specific issues to be reviewed, or leave the scope to the discretion of the auditors.

Audits may be conducted in a number of ways, including by using outside resources such as legal counsel, auditors, or healthcare consultants or experts, through internal personnel, or through an internal audit function.

The results of such audits are presented to the Compliance and Risk Committee and the Fraud Investigation and Review Committee, which assess the results and review corrective measures taken to address the deficiencies. Such corrective measures may include repayment of a specified amount, additional auditing, monitoring, new policies, additional training, and education, or termination from the network. Audits that identify material noncompliance with plan rules, or federal or state law, may be disclosed to federal or state agencies with approval of the Compliance Officer.

Monitoring

Monitoring includes the internal review of claims or processes to improve compliance with legal standards or company policies. Monitoring may be required by the Compliance Officer as part of a mitigation plan, or to address deficiencies identified in an audit. But monitoring can also be implemented by supervisors and managers to address specific issues. Monitoring initiatives required by the Compliance Officer will be reported to the Compliance and Risk Committee.

Special Investigation Unit

A significant amount of the auditing and monitoring will be conducted by the Special Investigations Unit (SIU). Delta Dental contracts with Delta Dental of Michigan to provide SIU services. The Program Integrity Plan contains a significant discussion of the auditing and monitoring activities conducted by the SIU.

Compliance Program Effectiveness

To measure the effectiveness of the Compliance Program throughout the year, the Compliance Officer will complete a scorecard that measures the program's structure, process, and outcomes. The scorecard will be reported to the Compliance and Risk Committee on a quarterly basis.

Periodically the Compliance and Risk Committee or the Board of Directors will conduct a compliance program assessment. The assessment will be designed to ensure that Delta Dental has the appropriate structure and resources to operate an effective compliance program.

VIII. Enforcement and Corrective Action

Violations of compliance standards addressed in this Compliance Plan will not be tolerated and, in accordance with the company's At-Will Employment policy and applicable employment contracts, may result in progressive disciplinary measures pursuant to the Employee Policy Guide up to and including termination of employment, required reimbursement of losses or damages, or referral for criminal prosecution and/or civil action. Further, all employees are

expected to report compliance issues and provide any assistance to support its resolution.

The Compliance Officer may require employees, business units, contractors, or network providers to develop and implement corrective action plans to address identified deficiencies. Corrective action plans could include additional training, monitoring, or auditing. The Compliance Officer will report progress on corrective action plans to the Compliance and Risk Committee.

All allegations of misconduct will be timely and thoroughly investigated. Results of compliance-related investigations will be reported to the Compliance and Risk Committee.

IX. Affordable Care Act Products

Delta Dental acknowledges that pursuant to 45 CFR 156.715 Delta Dental as a Qualified Health Plan (QHP) under the Affordable Care Act (ACA) is subject to compliance reviews by the Department of Health and Human Services (HHS) to ensure Delta Dental's ongoing compliance with the ACA and applicable regulations and standards.

Pursuant to 45 CFR 156.715(b), in preparation for or in the course of a compliance review by HHS, Delta Dental must make available for HHS to review Delta Dental's records that pertain to its activities on the federally-facilitated Exchange (a/k/a the "Marketplace"). The records that are subject to review include, but are not limited to:

- Books and contracts, including policy manuals and other plan benefit information provided to enrollees;
- Policies and procedures, protocols, standard operating procedures, or other similar manuals related to Delta Dental's activities on the Exchange;
- Any other information reasonably necessary for HHS to: (i) Evaluate Delta Dental's compliance with QHP certification standards and other Exchange standards applicable to issuers offering QHPs, (ii) Evaluate Delta Dental's performance, including its adherence to an effective compliance plan, on the Exchange, (iii) Verify Delta Dental's has performed the duties attested to as part of the QHP certification process, and (iv) Assess the likelihood of fraud or abuse.

In connection with Delta Dental's efforts to comply with its obligations as a QHP under the ACA, the Compliance and Risk Committee will (i) evaluate and approve appropriate written policies and procedures to assist Delta Dental to

comply with ACA standards and (ii) monitor Delta Dental's ongoing compliance with such policies and procedures.