

MINUTES OF MEETING – MARCH 25, 2026
CENTRAL HEALTH
BOARD OF MANAGERS

On Wednesday, March 25, 2026, a meeting of the Central Health Board of Managers convened in open session at 4:09 p.m. remotely by toll-free videoconference and in person at the Central Health Administrative Offices. Clerk for the meeting was Valerie Guerra.

Board members present at Central Health: Chairperson Rodriguez, Vice Chairperson May, Treasurer Museitif (arrived at 4:10 p.m.), Secretary Martin, Manager Kitchen, Manager Jefferson, Manager Motwani (arrived at 4:10 p.m., departed 9:08), and Manager Valadez.

Board members present via video and audio: Manager Brinson (departed at 9:10 p.m.)

PUBLIC COMMUNICATION

Clerk's Notes: Public Communication began at 5:34 p.m. Yesenia Ramos introduced 2 speakers for Public Communication.

Members of the Board heard from:

- Shannon Taylor
- Yesenia Ramos from Central Health

CONSENT AGENDA

- C1. Approve the minutes of the Board of Managers February 25, 2026 meeting.**
- C2. Receive and ratify Central Health investments for February 2026.**
- C3. Approve a resolution authorizing Central Health to join the Equalis Group Purchasing Program.**
- C4. Approve the Annual Joint Staff Planning and Budgeting Methodology Pertaining to Health Center Program Funding.**
- C5. Approve the President & CEO's goals for Fiscal Year 2026 as recommended by the Executive Committee.**
- C6. Approve outside counsel for human resources legal services as recommended by the Executive Committee.**

Manager Valadez moved that the Board approve Consent Agenda Items C1 through C4 and C6. Agenda Item C5 was moved to regular agenda.

Manager Jefferson seconded the motion.

Chairperson Geronimo Rodriguez	For
Vice Chairperson Eliza May	For
Treasurer Maram Museitif	For
Secretary Manuel Martin	For
Manager Cynthia Brinson	For
Manager Sedora Jefferson	For
Manager Ann Kitchen	For
Manager Amit Motwani	For

Manager Cynthia Valadez

For

REGULAR AGENDA

C5. Approve the President & CEO's goals for Fiscal Year 2026 as recommended by the Executive Committee.

Clerks Notes: Discussion on this item began at 6:25 p.m. The Board held a brief discussion regarding the President & CEO's goals for Fiscal Year 2026.

Manager Kitchen moved to ratify and approve the President & CEO's goals for Fiscal Year 2026 as recommended by the Executive Committee and requested that it be put in backup.

Manager Valadez seconded the motion.

Without objection, the motion was tabled.

1. **Receive and discuss a report from the Board Chair including:**
 - a. **Board meeting mechanics and governance updates.**
 - b. **Update on a contract with outside counsel for human resources and governance legal services.**

Clerk's Notes: Discussion on this item began at 4:11 p.m. Chair Rodriguez gave updates on the items listed above.

2. **Receive and discuss a report from the President & CEO including:**
 - a. **Strategic Board Alignment;**
 - b. **Clinical Excellence;**
 - c. **Financial Sustainability; and**
 - d. **People and Community.**

Clerk's Notes: Discussion on this item began at 4:16 p.m. Dr. Pat Lee, President and CEO, and Tara Trower, CUC Deputy CEO, provided updates on Clinical Facilities, Workforce and Organizational Culture, Shareholder and Community Engagement, and Access Improvement.

3. **Receive, discuss, and take appropriate action on proposed driving forces impacting the Fiscal Year 2027 strategic initiatives.**

Clerk's Notes: Discussion on this item began at 4:34 p.m. Dr. Pat Lee, President and CEO, and Monica Crowley, Chief Strategy Officer, shared a summary of the Driving Forces for Fiscal Year (FY) 2027, FY27 Budget Timeline, FY27 SWOT Analysis, and provided the Driving Forces for the prior year.

Manager Kitchen moved that the Board approve the Fiscal Year 2027 driving forces as amended by the Board and as written in the packet on pg. 94.

ManagerMay seconded the motion.

Chairperson Geronimo Rodriguez	For
Vice Chairperson Eliza May	For
Treasurer Maram Museitif	For
Secretary Manuel Martin	For
Manager Cynthia Brinson	For
Manager Sedora Jefferson	For
Manager Ann Kitchen	For
Manager Amit Motwani	For
Manager Cynthia Valadez	For

4. Receive and discuss a Central Health System integration progress update.

Clerk's Notes: Discussion on this item began at 5:05 p.m. Dr. Nick Yagoda, CommUnityCare CEO, and Dr. Pat Lee, President and CEO, presented achievements from the past year and explained their current ongoing work and plans to advance system integration.

5. Review, discuss and take appropriate action on the compliance plan as recommended by the Chief Compliance Officer.

Clerk's Notes: Discussion on this item began at 5:59 p.m. Nakia Smith, Chief Compliance Officer, shared updates to the compliance plan after implementing edits received from the Board.

Manager Jefferson moved to adopt the compliance plan as modified during discussion, incorporating revisions by Managers Kitchen and Jefferson.

Manager Museitif seconded the motion.

Chairperson Geronimo Rodriguez	For
Vice Chairperson Eliza May	For
Treasurer Maram Museitif	For
Secretary Manuel Martin	For
Manager Cynthia Brinson	For
Manager Sedora Jefferson	For
Manager Ann Kitchen	For
Manager Amit Motwani	For
Manager Cynthia Valadez	Abstain

6. Receive a presentation on, review, and take appropriate action on the Central Health Fiscal Year 2025 financial audit and receive a presentation on the audit results of Central Health's component units (Central Texas Community Health Centers dba CommUnityCare and Sendero Health Plans Inc.).

Clerk's Notes: Discussion on this item began at 9:06 p.m.

Manager Museitif moved that the Board accept the Central Health Fiscal Year 2025 financial audit.

Manager Valadez seconded the motion.

Chairperson Geronimo Rodriguez	For
Vice Chairperson Eliza May	For
Treasurer Maram Museitif	For
Secretary Manuel Martin	For
Manager Cynthia Brinson	Absent
Manager Sedora Jefferson	For
Manager Ann Kitchen	For
Manager Amit Motwani	For
Manager Cynthia Valadez	For

7. Discuss and take appropriate action on the required documentation of closed sessions of Central Health Board of Managers and committee meetings.

Clerk's Notes: Discussion on this item began at 6:34 p.m.

At 6:34 p.m. Chairperson Rodriguez announced that the Board was convening in closed session to discuss agenda item 7 under Texas Government Code §551.071 (Consultation with Attorney).

At 9:05 p.m. the Board returned to open session.

Manager Kitchen moved that the Board approve the policy on the recording of Central Health closed sessions as presented by staff and as recommended by the Ad Hoc Policy and Bylaws Committee with the edit that the policy owner is the Chief Compliance Officer.

Manager Valadez seconded the motion.

Chairperson Geronimo Rodriguez	For
Vice Chairperson Eliza May	For
Treasurer Maram Museitif	Against
Secretary Manuel Martin	Against
Manager Cynthia Brinson	Against
Manager Sedora Jefferson	For
Manager Ann Kitchen	For
Manager Amit Motwani	Against
Manager Cynthia Valadez	For

8. **Receive and discuss a briefing regarding *Birch, et al. v. Travis County Healthcare District d/b/a Central Health and Dr. Patrick Lee*, Cause No. D-1-GN-17-005824 in the 345th District Court of Travis County and services provided by faculty and residents of The University of Texas at Austin Dell Medical School in support of Central Health's mission.**

Clerk's Notes: Item not was presented.

9. **Receive and discuss a briefing regarding *Travis County Healthcare District d/b/a Central Health v. Ascension Texas f/k/a Seton Healthcare Family*, Cause No. D-1-GN-23-000398.**

Clerk's Notes: Discussion on this item began at 6:34p.m.

At 6:34 p.m. Chairperson Kitchen announced that the Board was convening in closed session to discuss agenda item 9 under Texas Government Code §551.071 (Consultation with Attorney).

At 9:05 p.m. the Board returned to open session.

10. **Deliberation and possible action on the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of one or more Central Health employees.**

Clerk's Notes: Item not was presented.

11. **Confirm the next regular Board meeting date, time, and location.**

Manager Museitif moved that the meeting adjourn.

Manager Martin seconded the motion.

Chairperson Geronimo Rodriguez	For
Vice Chairperson Eliza May	For
Treasurer Maram Museitif	For
Secretary Manuel Martin	For
Manager Cynthia Brinson	Absent
Manager Sedora Jefferson	For
Manager Ann Kitchen	For
Manager Amit Motwani	Absent
Manager Cynthia Valadez	For

The meeting was adjourned at 9:28 p.m.

ATTESTED TO BY:

Geronimo Rodriguez, Chairperson
Central Health Board of Managers

Manuel Martin, Secretary
Central Health Board of Managers

Pat's Top Goals - FY26 (proposed)

GOAL – (Threshold / Target / Stretch) – % weight for CEO eval

1. **Board / CEO relationship** – 40%
2. **Strategic Board Alignment** – (3 / 4 / 5) – 15%
 - a. System Transformation Resolution (*Board approval*)
 - b. System Benchmarks for Access, Quality, & Equity (*Board approval*)
 - c. Comprehensive Facilities Plan (*Board approval – Downtown & Northview*)
 - d. Updated Strategic Plan (build on HCEP & 2026 joint CHNA) (*on track – FY27 Q1*)
 - e. Co-Applicant Agreement (*Board approval*)
 - f. “Policy of policies” (Board / CEO linkage) (*Board approval*)
3. **Clinical Excellence** – (4 / 5 / 6) – 15%
 - a. Significant improvement in appointment wait times < 2 weeks (*>50% improvement*)
 - b. Substantially resolve litigation (*on track – FY26/27 milestones*)
 - c. Hancock 2.0 (*on track – David Powell FY26 Q3; All others FY27 Q2*)
 - d. Improve access through facility acquisition & expansion (*close on Northview, Prom. Point*)
 - e. Increase unique patients with coverage across CH system (*net increase FY26*)
 - f. Increase diversity and depth of specialty and post-acute services (*>80% FY26 budget*)
 - g. Increase complex life-saving care (CHAP) through leveraged financing (*net increase FY26*)
4. **Financial Sustainability** – (3 / 4 / 5) – 15%
 - a. Manage system resources through “Year of Access” within approved budget limits while maintaining reserve levels within projected range (*FY26 budget & reserve policy*)
 - b. Maintain bond rating (*AA+ / Aa2*)
 - c. Resolve 10 areas of system duplication (*# areas resolved*)
 - d. Execute Medicare, Medicaid and ACA payer contracts (*# contracts executed*)
 - e. Develop philanthropic structure to increase non-tax revenue (*Board approval*)
 - f. Develop and implement unified system budget approach (*integrate Sendero view FY27*)
5. **People & Community** – (3 / 4 / 5) – 15%
 - a. Lead & demonstrate GUIDE with Love cultural transformation through measurable actions, leadership behaviors, and system-wide integration (*>75% participation, GUIDE scorecard*)
 - b. Operationalize lean management system that strengthens leadership effectiveness, accountability, collaboration, and system-wide performance (*>75% OKR participation*)
 - c. Drive measurable improvement in team member engagement and organizational health across the system (*>5 data-driven departmental improvement plans*)
 - d. Build measurable public trust in the CH system (e.g. awareness, favorability, annual brand perception study) (*net improvement in awareness & favorability FY26 vs FY25*)
 - e. Convert community engagement into visible public support (e.g. community events, CEO roundtables, leadership networks (e.g., AARO), and donor-related activities) (*net increase*)
 - f. Ensure stakeholder and civic confidence in CH system (e.g., maintain strong support from TCCC, Austin Mayor, key city council members) (*FY27 budget – 4 or more ‘yes’ votes*)

FY27 Driving Forces

Central Health Mission: By caring for those who need it most, Central Health improves the health of the entire community

Board Approved on: 3/25/26

ADVANTAGES

VULNERABILITIES

INTERNAL FACTORS

Includes Organizational Capabilities, Culture, and Current Infrastructure

STRENGTHS

1. Initial Board direction and internal alignment (system transformation resolution)
 2. Mission-driven workforce
 3. Healthy financial position
- FQHC at center, integrated ambulatory care continuum, providing "#1 favorability" primary and specialty services
 - Relationships with community, CBOs, partners, Commissioners
 - Unified brand demonstrating value to community
 - "Promises kept" re Healthcare Equity Plan (33 new services lines established), serving 1 in 6 Travis County residents
 - Strong early results in complex care populations (e.g. TOC, homeless, jail/mental health)
 - Progress on system unification (OKRs; major areas de-duplicated)
 - Footprint that can support future growth, pending Comprehensive Facilities and organizational growth plans
 - Uniquely differentiated as a local payer-provider public system
 - Emerging Data-Capabilities to support Board-Approved system KPIs

WEAKNESSES

1. Organizational growth outpacing system maturity
 2. Fragmented data systems, and data reporting dashboards across the system
 3. Change management strategies and communication on system transformation
- Lack of Formal Organizational and Workforce Growth Plan
 - Absence of Finalized Comprehensive Facilities Plan and Updated Enterprise Strategic Plan
 - Delineation of Board governance policies vs operational procedures not established
 - Benchmarking for infrastructure and support functions
 - Capacity strain on internal resources system expansion
 - Competing priorities impacts focus, efficiency and effectiveness
 - Underleveraging funding sources (e.g. 340B and IGT Programs)
 - Misalignment on perceived community needs and timing of planning
 - Gaps in clinical services and unmet needs remain (e.g. cancer, post acute, GI, Derm)
 - Limited capacity in other clinical areas (e.g. lab, diagnostics)
 - Strategic governance alignment across CH system

EXTERNAL FACTORS

Includes Community Need, Policy, Funding, Workforce, and Market Conditions

OPPORTUNITIES

1. Maturing partnerships in diversion, mental health, SUD, homelessness services
 2. Maximizing community value and taxpayer savings through optimal leveraging of state and federal funds, including affordable coverage
 3. Emerging coalition for mental health continuum
- Community supports healthcare as a right
 - Integrate planning assessments to align data, capacity, resources and gain efficiencies
 - Enhance affordable coverage and access
 - Federal funding for high-impact clinical services (e.g. cancer care)
 - Proactive positioning in state and federal policy environments
 - Bridge remaining gaps in care/learning continuum (e.g., Pedi, GME, OB, cancer care)
 - Innovative approaches to care delivery models, potentially using AI
 - Strengthen healthcare workforce pipeline through higher ed partnerships (e.g. ACC, UT, St. E's, Huston-Tillotson, Concordia and Central Texas Healthcare Partnership)
 - Connect students at an early age to diverse healthcare career pathways
 - Preparedness for public health emergencies
 - Maximizing FQHC partnership model
 - Clarify and strengthen Central Health's collaborative role in mental health services in Travis County
 - Utilize appropriate AI to enhance clinical services and patient experience

THREATS

1. Local, state and federal funding volatility (public/grants/legislature)
 2. Workforce competition and retention
 3. Funding and capacity impact on mental health continuum
- Local marketplace dynamics
 - Taxpayer burden, property cost pressures, healthcare, and food
 - Funding for CBOs, pressure to fund activities outside of CH scope and mission
 - Health equity and DEI scrutiny
 - Medicaid and ACA contractions
 - Immigration policies and other state/federal services for safety net-population
 - Reduced public support for social services
 - Need for clearer communication of value and outcomes to taxpayers

Note: The top three items reflect prioritization, remaining items are not rank ordered

Note: This is the THIRD YEAR using Driving Forces to guide the annual budget process.



COMPLIANCE PLAN

TABLE OF CONTENTS

I.	COMPLIANCE PLAN OVERVIEW.....	4
II.	APPLICATION.....	5
	a. Mission and Guiding Principle.....	5
	b. Code of Conduct.....	5
	c. Specific Laws and Regulations.....	6
	d. Distribution of the Compliance Plan and Compliance Requirements.....	7
	e. Adherence to the Compliance Plan and Compliance Requirements.....	7
III.	RESPONSIBILITIES AND OVERSIGHT.....	7
	a. Board of Managers Oversight.....	7
	b. Chief Compliance Officer.....	7
	c. Responsibilities.....	8
	d. Compliance Governance and Reporting.....	9
	e. Compliance Committee.....	9
IV.	COMPLIANCE REQUIREMENTS.....	10
	a. Risk Assessment, Auditing, and Monitoring.....	10
	b. Reporting.....	11
	c. Incident / Noncompliance Investigation.....	12
	d. Corrective Action.....	12
	e. Enforcement and Discipline.....	13
V.	TRAINING, AWARENESS AND COMPETENCE.....	14
	a. New Employees and Annual Trainings.....	14
	b. Periodic Training.....	15
	c. Specialized Training.....	15
VI.	POLICY AND PROCEDURES.....	15
VII.	ACCOUNTABILITY, RESPONSIBILITY AND SCREENING PROGRAM.....	15
VIII.	PLAN MODIFICATION.....	16
IX.	OVERVIEW OF RELEVANT LAWS.....	16
X.	REPORTING.....	16
XI.	SUMMARY.....	17

EXHIBITS

EXHIBIT A

RESOLUTION OF THE TRAVIS COUNTY HEALTHCARE DISTRICT D/B/A CENTRAL HEALTH BOARD OF MANAGERS REGARDING THE COMPLIANCE PROGRAM.....	20
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EXHIBIT B

ACKNOWLEDGMENT ATTESTATION.....	21
---------------------------------	----

EXHIBIT C

HEALTHCARE FRAUD AND ABUSE.....	22
---------------------------------	----

EXHIBIT D

COMPLIANCE POLICY AND PROCEDURES.....	25
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EXHIBIT E

CODE OF CONDUCT.....	26
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THE COMPLIANCE PLAN OF CENTRAL HEALTH

I. COMPLIANCE PLAN OVERVIEW

This document sets forth the Compliance Plan of Central Health. The purpose of this Compliance Plan is to define Central Health's policy and commitment to conducting its operations in accordance with applicable federal, state, and local regulatory requirements, as well as to uphold the highest standards of legal and ethical conduct. The Compliance Plan supports the detection, prevention, and correction of potential violations of law, regulation, or internal standards, and fosters a culture of compliance and accountability throughout Central Health.

Central Health is subject to legal, regulatory, and ethical requirements and considerations. It is the policy of Central Health that all its business and other practices be conducted at all times in compliance with all applicable laws and regulations of the United States, the State of Texas, all other applicable laws and ordinances, and the ethical standards/practices of the industry. In alignment with guidance from the U.S. Department of Health and Human Services Office of Inspector General (OIG), Central Health adopted a Compliance Plan that incorporates the OIG's Seven Elements of an effective Compliance Program. The seven core elements include: (1) compliance oversight, including the designation of a compliance officer and compliance committee; (2) implementing written policies and standards of conduct; (3) conducting effective training and education; (4) developing effective lines of communication; (5) conducting internal monitoring and auditing; (6) publicizing disciplinary guidelines, and (7) responding promptly to detected offenses and undertaking corrective action (***Policy Reference - Compliance Program (CMP-001P) Policy***).

This document serves as a guide to help implement a policy of compliance with all applicable standards. The Compliance Plan's focus is on promoting a culture of compliance including detecting, correcting, and preventing non-compliance, fraud, waste, and abuse, and Code of Conduct violations, and incorporating principles of continuous quality improvement into our methods.

Central Health is committed to conducting its business ethically and maintaining and promoting a system wide culture that emphasizes integrity; individual and institutional acceptance of responsibility; effective self-policing; and transparency in the relationships between Central Health and its key stakeholders, including government officials and agencies.

The Compliance Plan governs all activities conducted by Central Health. As the Hospital District for Travis County, Central Health is responsible for providing medical and hospital services to eligible people in Travis County including delivering direct healthcare services, working through our affiliates CommUnityCare and Sendero Health Plans and through

administering the Medical Assistance Program (MAP) and MAP Basic programs. The Compliance Plan is holistically applicable across all departments, functions, and service lines of Central Health. To ensure effective oversight, annual Compliance Work Plans are developed based on identified risk areas and outline targeted auditing and monitoring strategies tailored to specific operational and programmatic needs.

The Board of Managers will approve the Compliance Plan. By adopting this Compliance Plan, Central Health seeks to promote a working environment that fosters and expands these standards. All team members, contractors, and agents of Central Health are expected to comply with all laws and regulations, report non-compliance, cooperate in compliance investigations and implement corrective actions in accordance with the highest standards of ethical and professional conduct.

Central Health embraces the benefits associated with the implementation of this Compliance Plan to promote the following goals:

- Improve quality of health care services;
- Reduce the overall cost of health care services;
- Enhance health care operations;
- Demonstrate Central Health’s commitment to honest and responsible corporate conduct;
- Prevent fraud, waste and abuse;
- Increase the likelihood of preventing, identifying, and correcting unlawful and unethical behavior at an early stage;
- Encourage employees to report potential problems to allow for appropriate internal inquiry and corrective actions; and
- Through early detection and reporting, minimize financial loss to Central Health.

II. APPLICATION

A. Mission and Guiding Principle

The mission of Central Health is “by caring for those who need it most, Central Health improves the health of our community.” Central Health, Travis County's hospital district, is building a comprehensive, high-functioning healthcare system for residents with low incomes who need it most.

B. Code of Conduct

Central Health maintains and annually updates a written Code of Conduct that articulates its commitment to ethical behavior. The Code of Conduct is a key element of the Compliance Program and details the fundamental principles, values, and framework that guide everyday practice (**EXHIBIT E** *Code of Conduct and Ethics for Employees and Code*

of Conduct and Ethics for Board of Managers).

The Code of Conduct establishes the ethical standards team members must uphold in critical areas and aspects of Central Health's operations. The Code of Conduct explains our commitment to ethical standards and sets expectations for all employees in achieving and maintaining these standards.

The Code of Conduct applies to all business operations and all team members of Central Health. Representatives that are not directly employed by, but represent Central Health, such as contractors, consultants, and students, are directed to conduct themselves in a manner consistent with this Code of Conduct when they are acting on behalf of Central Health.

Central Health team members are trained on the Code of Conduct within 45 days of hire and, at a minimum, annually thereafter. Training includes a review of the Code of Conduct and the Compliance Plan. At the conclusion of training, team members are required to attest that they read and understand the Code of Conduct, agree to abide by its principles, and to report any suspected or possible violations.

Compliance with the Code of Conduct and all applicable policies and procedures is a condition of employment and an element in evaluating the performance of all team members, contractors, consultants, and students **(Policy Reference - Standards of Conduct (HR2-008P) Policy)**. Due to the nature of Central Health's business, and responsibility for the appropriate use of taxpayer funds, conduct relating to billing, reimbursement, referrals, and the provision of health care services is of particular importance.

The following examples are brief descriptions of **prohibited conduct**:

- No Central Health team member or contractor shall knowingly submit any claims based on the provision of a health care provider's services when the person providing the service is not properly licensed.
- No Central Health team member or contractor shall submit any claims for services that the individual has reason to believe were not medically necessary, not properly documented or not payable by the program or payor to which the claim is submitted.
- No Central Health team member or contractor shall pay or offer to pay for referrals of items or services.
- No Central Health team member or contractor shall receive or solicit any payment for referrals of items or services.
- No Central Health team member or contractor shall knowingly make any false statement on behalf of Central Health in any claim or application for benefits for a patient.
- No Central Health team member shall retain funds from any governmental agency or other payor on behalf of Central Health, which the employee believes were not properly due to Central Health.

In addition to the above, the Central Health policy relating to health care fraud, waste, and abuse and related issues may be found in Central Health's online policy manager (***Policy Reference - Compliance with Fraud, Waste, and Abuse Laws and Regulations (FWA - 001P) Policy***).

C. Specific Laws and Regulations

Central Health's team members, physicians, officers, directors, and contractors shall act with the highest level of integrity in all Central Health activities and comply with applicable laws and standards. Such representatives are expected to learn about, understand and follow Central Health's policies and Federal and State laws and regulations that govern their activities.

Central Health's team members, physicians, officers, directors and contractors are not expected to have expert knowledge of all legal and regulatory requirements that may apply to their responsibilities. However, it is expected that the Central Health Board of Managers and team members will be sensitive to legal and ethical issues, and the goal of this Compliance Plan is to give them the foundation to know enough to ask questions if they are uncertain about any given situation and the method of seeking advice.

Team members are expected to consult the Chief Compliance Officer (CCO) regarding potential compliance issues and the applicability of legal and regulatory requirements.

D. Distribution of the Compliance Plan and Compliance Requirements

Central Health will provide a copy of this Compliance Plan to all Board Members, team members, and independent contractors to inform them of Central Health's policy and their obligations for complying with the Compliance Plan. The term "contractor" means an individual who works within the Central Health's environment or who is contracted to provide clinical, billing, or administrative services for Central Health.

As part of the new team member onboarding process, all new Central Health employees will receive information for reporting compliance concerns.

E. Adherence to the Compliance Plan and Compliance Requirements

Central Health is committed to compliance with the law. Compliance with the law is desirable for its own sake to fulfill Central Health's role as a special purpose taxing district that upholds the highest standards and meets our obligations laid out in the Constitution and laws and regulations of Texas and the people of Travis County. Compliance is also important to avoid legal penalties, imprisonment of individuals, fines and/or exclusion of both individuals and Central Health from participation in government health care programs. *Any person who violates these laws will be subject to disciplinary action, up to and including immediate termination of their employment or affiliation with Central Health.*

III. RESPONSIBILITIES AND OVERSIGHT

A. Board of Managers Oversight

The Board of Managers is responsible for oversight of Central Health's Compliance Program to ensure that the organization conducts its operations in compliance with applicable federal, state, and local laws and regulations, and in accordance with the highest standards of ethical conduct.

The Board fulfills its oversight responsibilities through approval of the Compliance Plan; review of Compliance Program effectiveness, adoption of policies; and receipt of regular compliance reporting regarding identified risks, investigations, corrective actions, and program performance. The Board's role is one of oversight and accountability and does not include day-to-day management or operational execution of compliance activities.

The Board of Managers has appointed a CCO to design, implement, and oversee Central Health's Compliance Program. The CCO serves as the Board's primary resource and advisor on compliance, ethics, and regulatory risk matters. The authority, responsibilities, reporting relationships, and independence of the CCO are set forth in Section B of this Compliance Plan.

Consistent with the District's Bylaws and Board approved policies, the CCO maintains direct, regular, and unrestricted access to the Board of Managers. The CCO will ~~may~~ report regularly and directly to the Board in accordance with the Compliance Governance and Reporting structure outlined in Section III.D of this Compliance Plan.

By resolution, the Board of Managers empowers the CCO to carry out the responsibilities described in this Compliance Plan and to support the Board in fulfilling its compliance oversight obligations. The Board Resolution Regarding the Compliance Program is attached as *Exhibit A*.

B. Chief Compliance Officer

This Compliance Plan shall be implemented under the guidance and supervision of Central Health's CCO.

It is the duty of the CCO to oversee the implementation of this Compliance Plan; measure and assess its effectiveness; assure that team members and contractors are notified of compliance standards; coordinate education and training of employees; ensure a method for reporting issues of noncompliance; review and respond to reports of compliance issues;

coordinate internal investigations; and report, as applicable and consistent with the approved compliance reporting policy, to the Board on the status Central Health's compliance efforts.

The CCO reports to the President and Chief Executive Officer to ensure access to executive leadership and effective integration of the Compliance Program across the organization.

The CCO is a member of the Executive Leadership Team, which supports direct engagement with senior leadership and integration of compliance oversight across Central Health.

This reporting relationship does not limit the CCO's independence or authority. The CCO maintains direct and unrestricted access to the Board of Managers. The CCO will report to the Board in accordance with the Compliance Governance and Reporting structure outlined in Section III.D of this Compliance Plan.

The CCO shall carry out duties independently of operational management and without interference, delay, or retaliation.

All questions and concerns regarding compliance with the standards set forth in this Compliance Plan shall be directed to the CCO. All Board Members and Central Health team members must cooperate fully and assist the CCO as required in the exercise of their duties. If a Board Member or team member is uncertain whether specified conduct is prohibited, they must contact the CCO for guidance prior to engaging in such conduct.

C. Responsibilities

The President and CEO, and Board of Managers are responsible for:

- i. Exemplifying a culture of compliance and ethics throughout Central Health.
- ii. Setting the expectation for compliance and ethics as a core responsibility for all team members.
- iii. Ensuring that the CCO and Compliance Department have sufficient staffing, resources, and financial support to perform their responsibilities.
- iv. Consulting with the CCO on compliance matters and supporting the effective operation of a robust and dynamic Compliance Program.
- v. Coordinating with the CCO and Compliance Department to periodically evaluate the Compliance Program to ensure that it (i) functions as intended, (ii) serves the purposes for which it has been designed, and (iii) enables Central Health to meet its high standards and commitment to compliance and ethics.
- vi. Promoting and maintaining a work environment where concerns can be raised, openly discussed, and reported without fear of retaliation, and
- vii. Complying with all the requirements set forth in the Compliance Plan and Compliance policies and procedures as organizational leaders.

The Compliance Officer is responsible for:

- i. Designing, implementing, and overseeing an effective Compliance Program that meets the expectations set forth in United States Sentencing Guidelines and Office of Inspector General's Compliance Program Guidance.
- ii. Staffing and leading a Compliance Department responsible for ensuring performance of the Compliance Program components described herein.
- iii. Keeping informed of developments and trends in healthcare compliance and using such information to enhance the Compliance Program.
- iv. Keeping the CEO, the members of the Central Health Compliance Committee and the Board regularly informed of Compliance Program developments, as well as industry best practices and government enforcement actions related to the Compliance Program; and
- v. Periodically assessing the effectiveness of the Compliance Program to determine that it (i) functions as intended; (ii) serves the purposes for which it has been designed; (iii) is reflective of current laws, developments, and industry best practices; and (iv) enables Central Health to meet its high standards and commitment to compliance.

Team members are responsible for:

- i. Acting in compliance with the performance of their duties and in their conduct.
- ii. Supporting the Compliance Program (leaders have a heightened responsibility to do so).
- iii. Reading, understanding, and complying with the Code of Conduct and all other compliance and privacy policies and procedures.
- iv. Completing all required compliance and ethics training in a timely manner.
- v. Reporting potential compliance issues to their leader, another member of the management team, the People Department, the CCO, or the Compliance and Ethics Hotline; and
- vi. Cooperating with the Compliance Department in the performance of compliance investigations and auditing and monitoring activities.

Leaders have additional responsibilities to:

- i. Demonstrate and emphasize the importance of compliance and ethics.
- ii. Model behaviors in support of compliance and ethics.
- iii. Assess compliance and ethics as part of performance measurement for all team members.
- iv. Maintain an environment where individuals can comfortably ask questions or raise compliance concerns without fear of retaliation.
- v. Provide appropriate and timely responses to questions or concerns, in consultation with the Compliance Department, as needed.
- vi. Maintain communication with the Compliance Department about potential compliance and ethics concerns.
- vii. Shall set an example of a strong commitment to compliance; and
- viii. Shall encourage open communication among team members concerning compliance matters.

D. Compliance Governance and Reporting

Central Health has appointed a CCO responsible for overseeing and monitoring the Compliance Program. The CCO reports directly to the Chief Executive Officer and maintains direct, independent and unrestricted access to the Board of Managers. The CCO will report directly to the Board of Managers on a regular basis and as needed regarding significant compliance risks, regulatory matters, and issues involving senior leadership.

The CCO is a member of the Central Health Executive Leadership Team and maintains direct line of communication with Compliance Leadership for CommUnityCare and Sendero Health Plans, and the Central Health Chief Legal Officer. This enables the CCO to learn and know about areas of needed collaboration, best practices and current fraud trends from across the country. The CCO regularly informs the Chief Executive Officer, the Compliance Committee, the Executive Committee of the Board, and the Board of Managers of material compliance risks, program updates, investigations, or issues requiring governance attention.

The CCO has the authority to access information and records relevant to compliance oversight, including, but not limited to policies, contracts, billing and claims data, documentation, workforce records, and records related to arrangements with vendors, contractors, suppliers, agents, and physicians, consistent with applicable law. The CCO is authorized to review contracts and financial arrangements that may implicate referral, payment, or inducement risks and to seek the advice of legal counsel where appropriate.

E. Compliance Committee

Central Health maintains a Compliance Committee composed of executive-level leadership, including the President and Chief Executive Officer. The CCO serves as Chair of the Compliance Committee. A formal Compliance Committee Charter outlining the Committee's purpose, authority, and responsibilities is submitted to the Board of Managers for approval. The Compliance Committee documents its decisions and action items and ensures timely follow-up on recommendations to support the effectiveness of the Compliance Program. The Compliance Committee reports to the Chief Executive Officer and provides regular compliance reporting to the Executive Committee of the Board, consistent with the Board's bylaws. The Executive Committee reviews compliance activities, compliance program documentation, and matters requiring escalation and makes recommendations to the Board of Managers, as appropriate.

The Compliance Plan and Compliance Work Plan are reviewed and updated at least annually by the Compliance Committee and presented to the Executive Committee and Board of Managers, as appropriate. The Compliance Committee receives regular reporting on progress against the Compliance Work Plan.

Compliance Committee Responsibilities

The Compliance Committee's functions related to the Compliance Plan include:

- i. Analyzing Central Health's legal, regulatory, and contractual compliance requirements and evaluating associated risk areas
- ii. Assessing existing policies and procedures addressing identified risk areas for alignment with the Compliance Plan
- iii. Recommending and overseeing, in coordination with department leadership, the effectiveness of internal controls, auditing, and monitoring activities designed to support compliance with applicable standards, policies, and procedures
- iv. Determining strategies to promote adherence to the Compliance Plan and to support the detection and reporting of potential violations
- v. Defining and reviewing compliance performance metrics, including issues reviewed, audit follow-up completion, training compliance rates, and reporting activity
- vi. Addressing other functions where compliance impacts operating structure and daily routine of Central Health's delivery of services.
- vii. Establishing sub-committees, as appropriate to support the effective implementation of the Compliance Program..

The Compliance Committee shall meet on a quarterly basis. All Compliance Committee discussions, findings, decisions, etc. shall be documented via the formal minutes taken at each Compliance Committee meeting.

IV. COMPLIANCE REQUIREMENTS

A. Risk Assessment, Auditing, and Monitoring

Central Health maintains an organization-wide, risk-based compliance program designed to prevent, detect, and correct noncompliance across all operational and service areas. A formal compliance risk assessment is conducted to identify and prioritize compliance risks and to inform the development of the annual Compliance Work Plan, auditing, and monitoring activities. The compliance risk assessment includes:

- Identification of key compliance risk areas including but not limited to billing, coding, environment of care, privacy and security, and referral arrangements.
- Integration of input from leadership employees, and prior audit and monitoring results, regulatory guidance, and enforcement trends.
- Documentation of risk prioritization decisions mitigation plans, and corrective action plans.
- Reporting of Risk Assessment findings and mitigation strategies to the Compliance Committee, Executive Committee and the Board of Managers, as appropriate.

Work Plans will be developed for operational and service areas based on risk and will differentiate the monitoring and auditing efforts, respectively.

Annually thereafter, a compliance risk assessment will be completed to evaluate the ongoing compliance-related risks that have the potential for legal, financial, and/or operational implications and appropriate mitigation strategies will be implemented as warranted.

Auditing and monitoring activities will be calibrated based on the results of the annual compliance risk assessment, previous auditing and monitoring activities, and compliance investigations. Auditing may be conducted by Central Health team members or by third party contractors. When activities are conducted outside of the Compliance Department, Compliance maintains oversight responsibility to ensure independence, consistency, and appropriate escalation of findings.

The CCO and the Compliance Department will oversee the compliance audits of various business areas within Central Health in a manner consistent with applicable audit standards. Audits may be conducted by Central Health team members or through contracted third parties. As examples, these audits may be used to determine whether:

- i. The policies and procedures mentioned in this Compliance Plan are current and complete.
- ii. Bills are accurately coded and accurately reflect the services provided (as documented in the medical record).
- iii. Documentation is being completed correctly and timely (***Documentation in the Medical Health Record SOP HCD-ADM-002SOP***).
- iv. Services or items provided are reasonable and necessary.
- v. Any incentives for unnecessary services exist.
- vi. Privacy and security standards are being met.

As vendors and third parties can pose significant compliance risks to Central Health, Central Health will implement a comprehensive oversight program that aligns with best practices and guidance from the Office of Inspector General Compliance Program Guidance (GCPG). Central Health will enhance its oversight of external parties by implementing structured onboarding and compliance training requirements, requiring documented attestations of policy adherence, and expanding screening procedures beyond basic exclusion checks. Additionally, high-risk vendors—particularly those involved in billing, referrals, or access to protected health information—should be subject to ongoing monitoring and performance audits. Contracts should include clear compliance obligations, audit rights, and provisions for corrective actions. These enhancements will strengthen accountability, mitigate regulatory risk, and reinforce Central Health’s commitment to ethical and lawful business practices.

Results of compliance audits and monitoring activities are reviewed by the Compliance Committee and escalated to the Executive Committee and the Board of Managers when findings present material risk, require governance action, or involve senior leadership.

B. Reporting

Central Health maintains open and effective lines of communication to encourage the reporting of potential compliance concerns. All team members shall promptly report any information regarding noncompliance with or any other known or suspected violation of applicable laws, regulations, ethical standards or Central Health policy. Failure to report a known compliance issue is a violation of Central Health policy and will subject a team member to disciplinary action, including termination.

Reporting issues of noncompliance may be accomplished in a variety of ways. The team member may report the incident directly to the CCO either verbally or in writing. If reporting through the Compliance and Ethics Hotline, the team member may choose to identify themselves or to remain anonymous. The CCO will strive to shield the identity of reporting individuals wanting to remain anonymous. However, it is recognized that there may be situations in which the investigation may lead to the disclosure of the reporter's identity. Anonymity is not guaranteed.

Team members may also utilize the following mechanisms to report compliance issues in accordance with Central Health policies:

- Compliance Department's email at CHCompliance@centralhealth.net
- Hotline Website: www.lighthouse-services.com/centralhealth
- Toll-Free Telephone: (833) 770-0080 (English)
- Toll-Free Telephone: (800) 216-1288 (Spanish)
- Email to Hotline Vendor: reports@lighthouse-services.com (must reference Central Health with the report)
- Fax: (215) 689-3885 (must reference Central Health with the report)

No team member who reports a compliance issue in good faith will be subject to disciplinary action or punished in any way for making a report. However, submission of a report by a team member that the team member knows is false or misleading will subject the team member to disciplinary action, including termination.

An individual whose report of misconduct contains admissions of personal wrongdoing will not be guaranteed protection from disciplinary action simply because they made the report. In determining what disciplinary action may be taken against a reporting individual, Central Health may consider an individual's own admissions of wrongdoing, provided, however, that their involvement was not previously known to Central Health, its discovery was not imminent, and the admission was complete and truthful. The weight to be given the self-reporting will depend on all the facts known at the time Central Health makes its disciplinary decision (***Policy Reference - Reporting and Non-Retaliation (CMP-006P) Policy***).

C. Incident / Noncompliance Investigation

Upon receipt of a report, other information suggesting a possible compliance issue or finding from audit results, the CCO will conduct a brief review of the issue to determine if the report constitutes a potential compliance violation. If it is determined that the report

constitutes a potential or actual violation, the CCO will make a record of the information and confer with the Chief Legal Officer. The CCO, along with the Chief Legal Officer and/or outside hired legal counsel, may decide who should conduct the investigation: the CCO alone or with the assistance of other team members, legal counsel, or an outside expert retained by legal counsel. In matters involving the Chief Executive Officer, members of the Board, or other senior leadership, the CCO will consult with the Board Chair to ensure appropriate oversight and independence of the investigation. Investigations will commence as soon as reasonably possible following the receipt of information suggesting a possible compliance issue. Investigation activities may include, but are not limited to, the following:

- Interviews of the complainant and others.
- A review of relevant documents.
- A review of applicable laws/regulations.

Team members are expected to cooperate fully with any investigation conducted in response to a report concerning compliance issues.

D. Corrective Action

If, upon conclusion of an investigation, it appears there is a substantiated compliance concern, the CCO shall ensure a corrective action plan is formulated and implemented. The CCO may obtain the advice and guidance of legal counsel, and others as appropriate in ensuring a corrective action plan is formulated and implemented. The corrective action plan will be designed to ensure the specific issue is addressed and, to the extent possible, similar problems do not occur in other departments or areas. Examples of corrective actions include but are not limited to: 1) adopting new policies and procedures to prevent recurrence of the problem, 2) imposing restrictions on duties certain individuals are allowed to perform, 3) specific education and training for the team member, 4) education and training for all team members, 5) discipline of the employee, and/or 6) disclosure to appropriate oversight authorities.

If the investigation reveals possible non-compliant conduct, Central Health shall proceed as follows:

- If the problem relates to billing, cease any questioned billing until the problem is corrected or clarified.
- Initiate appropriate disciplinary action if needed in accordance with the Corrective Discipline Policy.
- If determined necessary after consultation with the Chief Legal Officer, notify appropriate State or Federal officials.
- Repay improper payments received and provide education on appropriate billing procedure. The CCO, the CEO, and the Chief Legal Officer, as necessary, shall determine at what level any necessary repayment will be made, and whether any particular disclosures should be made.

Due to the importance of monitoring efforts, any issue for which a corrective action plan is implemented may be targeted for future monitoring. These issues shall be tracked by the CCO. All pertinent information learned during investigations will be incorporated into Board

Members and Central Health team members' education and training to prevent recurrence of the non-compliant activity.

On a periodic basis, the CCO will report to the Compliance Committee any investigation undertaken and the results of that investigation. The Compliance Committee may report this information to the Central Health Board of Managers as determined by the Chair of the Compliance Committee, the CCO (***Policy Reference - Compliance Investigations (CMP-008P) Policy***).

E. Enforcement and Discipline

A team member's commitment to compliance and ethical conduct may be noted for purposes of the team member's performance evaluation.

Disciplinary action against any team member involved in dishonest conduct, including, but not limited to, suspension or termination, may be taken under any of the following circumstances (these circumstances do not constitute an exhaustive list):

- If the team member authorizes or participates in any action which constitutes a violation of applicable laws, regulations, or ethical standards/policies of Central Health
- If the team member fails to promptly report a known or suspected violation of applicable laws, regulations, or ethical standards/policies of Central Health, or if the team member withholds information from the CCO concerning a violation about which they are aware.
- If the team member attempts to retaliate or participate in retaliation against a team member who reports a compliance issue in good faith.
- If the team member makes a report of a compliance issue which the team member knows to be false or misleading, or
- If the team member interferes or fails to cooperate fully with Central Health's efforts to investigate or address any compliance report.

Central Health intends to be consistent in its enforcement of compliance; however, Central Health reserves the right to exercise discretion in penalizing those who violate these standards including team members, contractors and vendors. Disciplinary actions may extend to individuals responsible for the failure to prevent, detect, or report an offense.

All disciplinary actions will be consistent with Central Health's applicable policies and procedures. All disciplinary actions and all documentation will be sent to the People Department for proper filing. Department leaders are expected to keep the appropriate copy of the disciplinary actions for their records in a secure location (***Policy Reference - Standards of Conduct (HR2-008P) Policy***).

V. TRAINING, AWARENESS AND COMPETENCE

Within three (3) months after the Compliance Plan is adopted by Central Health, all Central Health team members shall be required to acknowledge the Compliance Plan within the Central Health Learning Management System and must attend an introductory training session regarding the contents of this Compliance Plan. Some team members may receive additional specialized training appropriate to the areas in which they work, such as claims development and billing practices and procedures training. New Central Health team members will be educated regarding the contents of the Compliance Plan during their onboarding.

At the time a team member is educated about the Compliance Plan, the team member must sign the acknowledgment attached to this Compliance Plan as **Exhibit B** and saved within the team member's Learning Management System profile. Reading this Compliance Plan and signing the acknowledgment will be a condition to employment with Central Health.

A. New Employee and Annual Trainings

All new Central Health team members are required to complete the new team member Compliance training within 45 days of employment and then again annually during the designated annual training (**Policy Reference - Orientation, Annual Training, & Department Onboarding Policy HR2-007P**).

B. Periodic Training

All Central Health team members are required to receive periodic training on the Central Health's Compliance Plan and pertinent policies and topics.

C. Specialized Training

Specific Central Health team members may receive specialized training because of the areas in which they work. This specialized training may focus on complex or high-risk operational areas. As new developments or concerns arise, the CCO may require additional training sessions for some or all Central Health team members. Such training shall utilize in-house subject-matter experts whenever possible. However, if deemed necessary, the services of outside experts may be enlisted to conduct specialized or highly technical training.

The CCO or a designee will also be available to create and deliver location and department specific compliance, contractual and plan integrity training.

The CCO or a designee will ensure there is a record of attendance at each session or documentation of completion of each course is retained.

VI. POLICY AND PROCEDURES

Central Health maintains policies and procedures that reflect its commitment to compliance and effectively address applicable legal, regulatory, and ethical obligations. These policies and procedures account for specific areas of compliance and ethics risks

relevant to healthcare organizations. The Central Health Board approves policies as outlined in the Bylaws.

These policies and procedures ensure that officers, directors, and team members understand what is required to maintain high standards of ethical conduct in business and operational practices. Policies and procedures are reviewed at least annually, and more frequently as needed based on regulatory changes, operational risk, or identified compliance issues, and are made accessible to employees to guide operational processes and compliance related activities.

Policies supporting the Compliance Program address, at a minimum, the following areas:

- Compliance Program governance and oversight
- Reporting mechanisms and non-retaliation
- Fraud, waste, and abuse prevention
- Privacy and security of protected health information
- Compliance training and education
- Conflict of interest
- Audit, monitoring, and corrective action
- Anonymous compliance reporting

A current inventory of Compliance Program policies is maintained by the Compliance Office and is included as **Exhibit D** Compliance Policy Inventory to this Plan.

VII. ACCOUNTABILITY, RESPONSIBILITY, AND SCREENING PROGRAM

Central Health will not contract with, employ, or bill for services rendered by an individual or entity that (A) is or has been sanctioned, excluded or ineligible to participate in state or Federal government health care programs; (B) is suspended or debarred from state or Federal government health care contracts; or (C) has been convicted of a criminal offense related to the provision of health care items or services.

Central Health shall have appropriate procedures in place to ensure it does not employ or utilize Board Members, Central Health team members, agents, vendors or contractors whom the organization knew, or should have known, to have engaged in illegal activities or other conduct inconsistent with the Compliance Plan.

VIII. PLAN MODIFICATION

The Compliance Plan is the foundation for a dynamic program that provides a flexible framework for adapting to the changing healthcare environment in which Central Health operates within. It is reviewed at least annually by the CCO, and the Central Health Compliance Committee to ensure that it functions as intended, serves the purpose for which it has been designed, and enables Central Health to meet its high standards and commitment to compliance.

Maintaining organizational compliance is something that is not done once, nor is the effort complete once the program has been implemented. Central Health's leadership, and the CCO, with the Board's assurance, will continually strive to improve the Compliance Plan and ensure it is tailored to issues relevant to Central Health's operations and the needs of Central Health's patients. When violations of Central Health's standards occur, they will be evaluated to determine how they could be prevented in the future and, if needed, the Compliance Plan and related policies and procedures will be modified accordingly. Central Health's team members will be educated as needed regarding any changes in the Compliance Plan or policies.

The CCO is responsible for assessing the overall effectiveness of Central Health's Compliance Program. To strengthen this process and align with guidance from the Office of Inspector General (OIG) and the Department of Justice (DOJ), the Compliance Plan tracks metrics including training completion rates and comprehension scores, analyzes hotline usage and the nature of reported concerns, monitors the timeliness of investigations and corrective actions, and administers employee surveys to assess awareness and culture of compliance. In addition, Central Health will consider periodic benchmarking against peer organizations and industry standards and engage external evaluators periodically for independent assessment.

IX. OVERVIEW OF RELEVANT LAWS

There are many federal and state laws that govern Central Health. A general overview of some of the healthcare fraud and abuse laws that might apply is attached as **Exhibit C**. This overview is accurate as of the time this Compliance Plan was adopted. There may be changes to these laws periodically which are not reflected in Exhibit C. The reader should seek further guidance as necessary from the CCO.

X. REPORTING

The following contact information shall be used to report fraud, waste and abuse:

Chief Compliance & Risk Officer

Central Health

Austin, TX 78702

Email: CHCompliance@centralhealth.net

Compliance Department

Email: CHCompliance@centralhealth.net

Compliance and Ethics Hotline (Anonymous Reporting option)

Hotline Website: www.lighthouse-services.com/centralhealth

Toll-Free Telephone: (833) 770-0080 (English)

Toll-Free Telephone: (800) 216-1288 (Spanish)

Email: reports@lighthouse-services.com*

Fax: (215) 689-3885*

*Must reference Central Health with the report

XI. SUMMARY

The Central Health Compliance Plan confirms the establishment of a Compliance Officer, a Compliance Committee, and a program for effective training and education; auditing and monitoring; and the prevention, detection and resolution of fraud, waste and abuse. Effective and clear lines of communication have been established and internal investigation and disciplinary processes developed. Specific controls have been set in place to prevent and detect compliance issues, and procedures are in place for the reporting of non-compliance with applicable healthcare laws and regulations.

Central Health has established a clear commitment to compliance and program integrity.

EXHIBIT A

RESOLUTION OF THE TRAVIS COUNTY HEALTHCARE DISTRICT D/B/A CENTRAL HEALTH BOARD OF MANAGERS REGARDING THE COMPLIANCE PROGRAM

WHEREAS, the policy of Central Health has been always to conduct its business in compliance with applicable federal, state and local laws and regulations, and to adhere to the highest ethical standards; and

WHEREAS, Central Health recognizes that even unknowing violations of laws and regulations by Central Health employees, contractors and agents can subject the organization to civil and criminal penalties, tarnish its reputation for professionalism, and lead to unfavorable publicity; and

WHEREAS, Central Health recognizes that the federal agencies responsible for enforcement of laws and regulations applicable to healthcare providers have encouraged the development and implementation of formal compliance programs by healthcare providers; and

WHEREAS, Central Health believes that the development and implementation of a formal compliance program is consistent with the organization's efforts to improve quality and performance, and further reflects the organization's long-standing commitment to conduct its business in compliance with applicable Federal laws and regulations and applicable State laws and regulations and the highest ethical standards; and

WHEREAS, Central Health wishes to ensure that the Compliance Program is effective in identifying and correcting practices and policies that are not in compliance with applicable laws and regulations, including, where necessary, by providing for disciplinary action against those employees, contractors and agents that fail to comply with such laws and regulations; and

WHEREAS, Central Health further wishes the Compliance Program to formalize, and reflect specific standards of conduct and policies for educating and training employees, contractors and agents with respect to those standards, review and continually enhance internal controls and monitoring systems, and foster effective communication and responsiveness to address compliance issues.

NOW, THEREFORE, BE IT RESOLVED that the Board of Managers of this organization adopts the attached Compliance Plan. The Board of Managers shall receive periodic progress reports on the development, implementation, and ongoing operation of this Compliance Program.

ADOPTED this __ day of _____, 2026 by the Central Health Board of Managers.

Chairperson
Central Health Board of Managers

EXHIBIT B

ACKNOWLEDGMENT ATTESTATION

I, _____ the undersigned team member, contractor or agent of Central Health, do hereby acknowledge that I have read and reviewed Central Health's Compliance Plan.

I understand the content of the Compliance Plan and am fully aware that I must comply with these standards or face disciplinary measures.

I will cooperate fully with the CCO in the ongoing implementation of the Compliance Plan.

In addition, I will fully offer the CCO my assistance during all auditing, monitoring, and investigational activities related to my position at Central Health.

Signature

Date

Print/Type Name

Position

Note: This acknowledgement form will be signed and stored electronically as a part of the onboarding process, annually, and as needed periodically.

EXHIBIT C

HEALTH CARE FRAUD AND ABUSE LAWS

Federal False Claims Act

The federal False Claims Act (31 U.S.C. § 3729-3733) is a federal law that imposes penalties on any person or organization that knowingly makes a false record or files a false claim regarding any federal health care program, which includes any plan or program that provides health benefits, whether directly, through insurance, or otherwise, which is funded directly,

in whole or in part, by the United States Government or any state health care program. “Knowingly” includes having actual knowledge that a claim is false or acting with “reckless disregard” as to whether a claim is false. Examples of potential false claims include knowingly billing Medicare for services that were not provided, submitting inaccurate or misleading claims for actual services provided, or making false statements to obtain payment for services.

The federal False Claims Act contains provisions that allow private parties, also known as “qui tam relators,” with original information concerning fraud involving government health care programs to file a lawsuit on behalf of the government and, if the lawsuit is successful, to receive a portion of recoveries received by the government. The federal False Claims Act protects anyone who files a lawsuit under the Act from being fired, demoted, threatened or harassed by his or her employer as a result of filing a False Claims Act lawsuit. Remedies for retaliation include reinstatement with comparable seniority as the qui tam relator would have had but for the discrimination, two times the amount of any back pay, interest on any back pay and compensation for any special damages sustained as a result of the discrimination, including litigation costs and reasonable attorney fees.

There are significant penalties for violating the federal False Claims Act. Financial penalties to an organization that submits a false claim can total as much as three times the amount of the claim plus fines. In addition to fines and penalties, the courts can impose criminal penalties against individuals and organizations for willful violations of the False Claims Act.

Program Fraud Civil Remedies Act

In addition to the remedies available under the False Claims Act, the Program Fraud Civil Remedies Act (“PFCRA”) (31 U.S.C. § 3801 - 3812) provides an administrative remedy for false claims or statements submitted to certain federal agencies, including the U.S. Department of Health and Human Services. Generally, the PFCRA imposes civil monetary penalties on any person who makes, presents, or submits, or causes to be made, presented, or submitted, claims or statements that the person knows or has reason to know are false, fictitious or fraudulent. Persons violating the PFCRA are subject to civil monetary penalties of up to \$5,500 per false claim or statement and up to twice the amount claimed in lieu of damages. The PFCRA is generally limited to claims amounting to \$150,000 or less.

Federal Anti-Kickback Statute

The federal Anti-Kickback Statute (42 U.S.C. § 1320a-7b(b)) makes it a criminal offense to knowingly and willfully offer, pay, solicit, or receive any remuneration to induce or reward referrals of items or services reimbursable by a federal health care program. Remuneration includes the transfer of anything of value, directly or indirectly, overtly or covertly, in cash or in kind.

If a transaction falls within a statutory exception or a regulatory “safe harbor” to the Anti-Kickback Statute, it is not treated as a violation. The safe harbor regulations were enacted to cover practices unlikely to result in fraud or abuse. For a safe harbor to apply, each and every requirement set forth in the regulation must be satisfied. However, even where a transaction does not fall within a safe harbor, it does not necessarily mean it is illegal; the

transaction will be subject to scrutiny, and the more safe harbor conditions satisfied, the more likely it will be found not to violate the Anti-Kickback Statute.

Penalties for violation of the federal Anti-Kickback Statute include:

- Fines up to \$25,000;
- Imprisonment for up to five years;
- Exclusion from participation, regardless of whether a criminal conviction is obtained; and/or
- Civil monetary penalty equal to triple the amount of damages to the government, plus \$50,000 for each violation.

Federal Physician Self-Referral Law (“Stark Law”)

The federal Stark Law (42 U.S.C. § 1395nn) prohibits physicians from referring patients who participate in Medicare for certain “designated health services” to an entity in which the physician (or an immediate family member) has a financial relationship, unless an exception is met. The statute also prohibits an entity furnishing the services pursuant to a prohibited referral from presenting a claim or bill to Medicare. Allegations of Stark Law violations are often coupled with federal False Claims Act allegations.

A financial relationship includes an ownership or investment interest in the entity providing the service, or an ownership or investment interest in a separate entity which holds an ownership or investment interest in the entity providing the service. It also includes a compensation arrangement between the physician (or an immediate family member) and the entity.

“Designated health services” covered by the Stark Law includes the following:

- Clinical laboratory services;
- Physical therapy services;
- Occupational therapy services;
- Radiology services, including magnetic resonance imaging, computerized axial tomography scans, and ultrasound services;
- Radiation therapy services and supplies;
- Durable medical equipment and supplies;
- Parenteral and enteral nutrients, equipment, and supplies;
- Prosthetics, orthotics, and prosthetic devices and supplies;
- Home health services;
- Outpatient prescription drugs;
- Inpatient and outpatient hospital services; and
- Outpatient speech-language pathology services.

If a physician or entity violates this statute, significant civil sanctions may be imposed, including:

- Mandatory denial of payment;
- Recoupment of amounts collected in violation of the statute;
- Exclusion from participation in Federal health care programs;
- Civil monetary penalty of up to \$15,000 for each bill or claim the person knew or should have known was for a service for which payment may not be made, plus treble damages; and/or
- Civil monetary penalty of up to \$100,000 for each arrangement or scheme which the physician or entity knew or should have known has a principal purpose of assuring referrals which would be in violation of the Stark Law.

The Stark Law also requires that any entity providing designated health services report to the government information concerning the entity's ownership, investment, and compensation arrangements. Failure to meet this reporting requirement would subject the entity to a civil monetary penalty of up to \$10,000 for each day the reporting requirement was to have been met.

Numerous exceptions apply to the Stark Law. However, unlike the safe harbors for the Anti-Kickback statute, if one of these exceptions is not satisfied, the relationship is automatically illegal, and the physician and entity are subject to sanctions.

EXHIBIT D

COMPLIANCE POLICY AND PROCEDURES

Compliance Policy	Reference Code
Compliance Plan	
Compliance Committee Charter	
Code of Conduct and Ethics for Board Members	CMP-010P
Code of Conduct and Ethics for Employees	CMP-002P
Compliance Investigations	CMP-008P
Compliance Program	CMP-001P
Compliance Training and Education	CMP-012P
Duality and Conflict of Interest	CMP-009P
Fraud, Waste, and Abuse	CMP-015P
Policies and Standard Operating Procedure Management	CMP-011P
Prohibition of Patient Inducement	CMP-014P
Reporting and Non-Retaliation	CMP-006P

**Additional compliance-related policies and procedures may be developed or updated as part of the Compliance Program's ongoing maturation and risk-based work plan.*

EXHIBIT E

**CODE OF CONDUCT AND ETHICS FOR EMPLOYEES
CODE OF CONDUCT AND ETHICS FOR BOARD MEMBERS**

Policy Title: Recording of Central Health Board Closed Sessions
Policy #: BD-XXXX
Effective Date: March 25, 2026
Revision Dates: N/A
Board Last Approval Date: March 25, 2026
Policy Owner: Chief Compliance Officer
Executive Sponsor: Chief Compliance Officer
Attachments:

I. PURPOSE

This policy sets out the Central Health Board’s direction on keeping a record of closed sessions in a manner consistent with the Texas Open Meetings Act.

II. SCOPE

This policy applies to Central Health Board Managers and staff supporting Board meetings.

III. DEFINITIONS

IV. POLICY

The Central Health Board directs staff to develop procedures as needed and to implement this policy to digitally record closed sessions of the Central Health Board of Managers and Committees formed by the Board. The policy and procedures must comply with the Texas Open Meetings Act.

The procedures will be attached to this policy and will go into effect after providing written notice to the board of managers.

Attorney-client executive sessions under Texas Government Code §551.071 matters will not be recorded. Unlike other closed session exceptions, a certified agenda or recording is not required for closed sessions, or portions thereof, under Texas Government Code §551.071.

Access to the digital recordings shall be available only to currently-serving board managers in person by contacting Central Health’s Board Governance staff to coordinate a time to listen to the digital recordings. No other person shall have access to the recordings. A Board-designated custodian will maintain the sealed recordings in a secure location.

Central Health staff will maintain recordings under this policy for two (2) years and then destroy such recordings in accordance with the Open Meetings Act and Central Health records retention policy (RM-001P).

The board of managers may waive this policy.

V. RELEVANT STATUTES, REGULATIONS OR GUIDANCE

Texas Government Code §§551.103 (Certified Agenda or Recording Required), 551.104 (Certified Agenda or Recording; Preservation; Disclosure).

Texas Health & Safety Code §§281.026 (Administrator; Duties); 281.047 (Management, Control, Administration).

Central Health Bylaws Section 8.14 (Record of Meetings).

VI. RELATED POLICIES AND PROCEDURES

N/A

VII. PROCESS

This policy will be reviewed biennially as required by the Policy on Policies (CMP-011P).