


**COMPLIANCE
PROGRAM-
HEALTHCARE
SERVICES**

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<p>FIRST TRANSIT COMPLIANCE PROGRAM – HEALTHCARE SERVICES</p> <p>VERSION 1.0</p>	
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FIRST TRANSIT COMPLIANCE PROGRAM FOR HEALTHCARE SERVICES

I. GENERAL

First Transit, Inc. (“First Transit”) Compliance Program (the “Program”) is designed to be an integral part of First Transit’s ongoing efforts to maintain compliance with federal and state laws associated with First Transit’s Healthcare Services. As part of its services, some First Transit’s operations provide Non-Emergency Medical Transportation (“NEMT”) services to and receive payment from federal and/or state health care programs. Hereinafter, these operations shall be referred to as “Healthcare Locations.” First Transit operates in a complex, dynamic, highly competitive and regulated environment, especially with regard to the services provided to its Healthcare Locations. Although compliance within Group as a whole is incorporated in several Business Units and Initiatives, there is a distinct and separate need for a Compliance Program relative to the healthcare related services performed by First Transit. In recognition of the risks that arise out of this environment, First Transit established this Program covering its Healthcare Locations. The Program promotes compliance with the laws, contractual obligations and Company policies, as well as ethical business practices.

The Program is aimed at detecting and preventing fraud, waste, and abuse in government health plans and promoting ethical business practices across First Transit’s healthcare related business line. All employees should remember that compliance starts with you. Making the right decision every time will help to assure that First Transit remains compliant. Compliance is not just about complying with the laws but also about making ethical decisions.

This Program, along with other relevant policies adopted by First Transit, FirstGroup America, Inc. and/or FirstGroup plc (collectively the “Group”), seeks to ensure that eligible services for which First Transit bills government health plans and its other healthcare customers are properly documented and accurately billed. The Program further establishes systematic checks and balances to detect and prevent inaccurate billings and other inappropriate practices. In furtherance of this Program, First Transit shall maintain an internal system of reporting potential fraud, waste or abuse that encourages its employees, agents and contractors to come forward with their concerns to allow First Transit to address any noncompliance proactively and, if necessary, implement corrective action.

First Transit already has certain policies and procedures in place governing the operation of its business (including, for example, a Code of Business Conduct, Anti-Bribery Policy and Anti-Fraud Policy). This Compliance Program is not intended to displace or replace pre-existing policies and procedures that already promote First Transit’s compliance with applicable federal, state and local laws. To the contrary, such pre-existing policies and procedures that are consistent with current legal standards should be considered incorporated into this Program. To the extent that any pre-existing policies and procedures contradict the ones contained in this Program, however, the policies and procedures set forth in this Program shall govern.

First Transit has zero tolerance for the commission or concealment of acts of fraud, waste or abuse, and such acts will not be tolerated by First Transit or the Group.

II. Fundamental Components of the Compliance Program

It is First Transit's policy to provide the best possible transportation related services to its healthcare customers. We are committed to providing our customers with services they need, in the safest, most efficient, courteous and cost-effective manner possible. First Transit strives to provide such transportation services that are medically reasonable, necessary and appropriate, as based on the customer's documented eligibility and unique transportation needs.

In support of these goals and in following industry practice in organizing the Program around the seven (7) elements of an effective compliance program, First Transit has identified the following key components to its Program:

- Assure there are written policies and procedures that describe compliance expectations as embodied in First Transit's Fraud, Waste and Abuse Policy, as well as the Group's Anti-Fraud Policy and Code of Business Conduct, implement the operation of the Compliance Program, provide guidance to employees and others on dealing with potential compliance issues, identify how to communicate compliance issues to appropriate compliance personnel and describe how potential compliance problems are investigated and resolved;
- Designate an employee as the Compliance Officer who is vested with responsibility for the day-to-day operation of the Compliance Program, and designate a Compliance Committee that will be advisory to the Compliance Officer;
- Develop and implement general compliance training for all relevant employees and require it on an annual basis, assure that all new employees receive compliance education within 90 days of employment, design specific education for affected employees when there are new laws, regulations, policies, etc.;
- Develop communication lines to the Compliance Officer that are accessible to all employees and other persons associated with First Transit to allow compliance issues to be reported;
- Establish policies that will (i) encourage good faith participation in the Compliance Program by all affected individuals and (ii) enforce the standards of conduct expected by this Compliance Program;
- Develop a system for routine identification of compliance risk areas specific to First Transit, for self-evaluation of such risk areas, including audits, and for evaluation of potential or actual noncompliance as a result of such self-evaluations and audits;
- Establish a system for responding to compliance issues as they are raised; for investigating potential compliance problems; responding to compliance problems as identified in the course of self-evaluations and audits; correcting such problems promptly and thoroughly and implementing procedures, policies and systems as necessary to reduce the potential for recurrence; identifying and reporting compliance issues to relevant supervisors, the Compliance Officer or to relevant appropriate government agencies when appropriate; and refunding overpayments;

- Uphold the policy of non-intimidation and non-retaliation for good faith participation in the Compliance Program, including but not limited to reporting potential issues, investigating issues, participating in self-evaluations, audits and remedial actions, and reporting to the appropriate official instances of perceived non-compliance.
- Uphold the policy for all Healthcare Locations whereby First Transit will not employ, contract with, or do business with any individual or organization who has been convicted of a criminal offense related to health care or who are listed by a State or Federal agency as debarred, excluded or otherwise ineligible for participation in any state or federally funded health care program.
- Establish policies and procedures that will assure that all billings for healthcare related services rendered to eligible individuals are appropriate and consistent with all state and federal laws, rules and regulations.

III. THE COMPLIANCE PROGRAM

A. Written Policies and Procedures and the Code

1. The Compliance Program

In addition to any other applicable standard of conduct for its employees, First Transit hereby establishes this Compliance Program, along with other applicable policies and procedures, including its Fraud, Waste and Abuse Policy, Anti-Bribery Policy, Anti-Fraud Policy, and Code of Business Conduct. These and other Group policies shall apply to all employees providing services to Healthcare Locations to reinforce their dedication to quality services as well as compliance with federal and state law.

Every relevant First Transit employee will be advised of the obligation to review this Compliance Program and act accordingly. The Compliance Program shall be made available to all relevant employees. As new employees are hired, they will also be advised of the obligation to review a copy of the Compliance Program and other relevant policies and procedures or standards of conduct. In addition, all contractors, vendors and agents of First Transit who are involved in the provision of services to beneficiaries of government health plans will be advised of the existence of this Compliance Program and their obligation to comply with its requirements.

2. Review of the Program

This Program will be reviewed at least annually by the Compliance Officer. Revisions, if any, shall be recommended to First Transit for review and approval as necessary. Further, the Compliance Officer shall notify his or her superiors of any newly identified risk that is revealed as a result of any internal or external risk analysis and shall recommend appropriate actions that may include, without limitation, the dissemination of new policies and procedures or revisions of old ones as well as action plans, where necessary, to address those risks.

3. Communication to Employees

Compliance policies and procedures will be made available to all relevant employees in either in writing or electronically. Methods for accomplishing this may include administrative notification, posting of policies and procedures, inclusion in documents such as staff handbooks, position descriptions, performance evaluations, newsletters, as well as through training.

4. Code of Business Conduct

The Code of Business Conduct shall be reviewed by relevant employees on an annual basis. Each employee will be required to sign an attestation each year.

B. Appointment of Compliance Officer

In accordance with this Program, First Transit shall vest an employee of suitable experience and qualifications with responsibility to conduct the day to day operation of the Program (the "Compliance Officer"). The Compliance Officer shall report to the President for the full implementation of the Program as outlined herein.

The duties of the Compliance Officer shall include, but not necessarily be limited to the following, which may be delegated to appropriate personnel:

- overseeing and monitoring compliance activities;
- reporting regularly to superiors within First Transit and the Group;
- establishing procedures to improve efficiency and to reduce vulnerability to fraud, waste and abuse;
- ensuring that the Compliance Program is implemented and evaluated periodically;
- developing, coordinating, and participating in a multifaceted educational and training program that focuses on elements of the Program, and seeks to ensure that all appropriate employees and service providers, are knowledgeable of, and compliant with, pertinent federal and State requirements;
- education and training programs shall occur regularly and shall be made a part of the orientation for any new employee or service provider;
- coordinating internal and external auditing of compliance requirements on a periodic basis;
- participating in administering a reporting system that is available to report any suspected illegal conduct or other conduct that violates applicable law or regulation;
- developing and publishing notices that encourage the reporting of all suspected fraud, waste or abuse and other improprieties without fear of retaliation;

- participating in the investigation or directing the investigation of any report or allegation concerning possible fraud, waste or abuse or other improper business practices and monitoring subsequent action and compliance;
- monitoring fraud alerts issued by government health plans; and
- monitoring government health plans and enforcement agencies for any compliance guidance, fraud alerts or changes in laws or regulations.

A Compliance Oversight Committee (“Committee”) will be appointed. The Committee will act as advisors to the Compliance Officer. The Committee will meet at least on a quarterly basis.

C. Education and Training

Compliance education, training, and communication is critical to the effectiveness of the Compliance Program. First Transit’s Compliance Program requires compliance training for all impacted employees and service providers. This training will emphasize First Transit’s commitment to compliance with all federal and State laws. This training will be conducted on a regular basis to ensure all such employees and service providers are advised of Program requirements.

Training will include, among other things, compliance, detection and prevention of fraud, waste and abuse, whistleblower protections and ethical standards. All relevant employees shall attend an initial training session following hire and participate in ongoing, routine training sessions thereafter as required. As new developments or concerns arise, the Compliance Officer may require additional training sessions.

Compliance training will be documented. The Compliance Officer shall direct the maintenance of all such documentation, which may include the signature of those attending any training session. All affected employees shall sign a form acknowledging their training, and thereafter when any updates of those documents are received.

Education and training will cover this Compliance Program, and will reinforce the requirement that strict compliance with the Compliance Program is a condition of employment. Employees will be informed that failure to comply with the Compliance Program may result in disciplinary action up to and including termination.

In addition to compliance training, the need for periodic continuing education may be required by applicable law or regulations. If required, First Transit will post in common work areas and other prominent places a notice reminding all affected individuals of First Transit’s commitment to compliance with all federal and State laws and regulations.

D. Communication and access to the Compliance Officer

An open line of communication with the Compliance Officer is critical to the successful implementation and operation of the Compliance Program. This framework increases our ability to identify and respond to compliance problems and reduces the potential for fraud, abuse and waste. As a general practice, affected persons will be directed to address questions about compliance and operational issues to the

supervisor responsible for that area. However, affected persons also may report to the Compliance Officer any activity they believe to be inconsistent with policies or legal requirements. They may contact the Compliance Officer by phone, email, in person or in writing, or may report suspected compliance issues through the confidential compliance and ethics line. The Compliance Officer will coordinate with Internal Audit, Group Security, Legal, and Human Resources regarding relevant reports.

While the Compliance Officer will strive to maintain confidentiality of the reporter's identity, he or she cannot guarantee this confidentiality. All information received or discovered will be treated as confidential, and the results of investigations will be discussed only with persons having a legitimate reason to receive the information (*e.g.*, state and federal authorities, the corporate law department, market directors or company senior management).

Reports that suggest violations relevant to HealthCare Locations of the Compliance Program will be maintained by the Compliance Officer in a log and will be investigated promptly, with coordination of the Compliance Officer, to determine their validity. The Compliance Officer will report the findings to his or her supervisor for further investigation of and possible corrective action regarding each compliance issue.

First Transit will not penalize, discriminate, or retaliate against anyone who in good faith discloses a practice that he/she in good faith believes violates any law, regulation, or guideline, initiates, cooperates or participates in an investigation, or objects to or refuses to participate in any activity, policy or practice that violates any law, regulation, or guideline. First Transit will promote its anti-retaliation and anti-intimidation policies in order to promote good faith reporting.

E. Enforce Standards Contained in the Program

Any employee who violates any of the policies set forth herein, including laws applicable to fraud, waste and abuse, will be subject to disciplinary action. The appropriate discipline will depend on the nature, severity and frequency of the violation and may result in any or all of the following actions: oral warnings; written warnings; probation; suspension; termination from employment; financial restitution.

In addition, the consequences of noncompliance will be consistently and equitably enforced. We expect all employees to comply with the highest ethical standards and sanctions may be imposed for any of the following examples of noncompliance: failing to report suspected problems or non-compliance behavior; participating in non-compliant behavior; encouraging, directing, facilitating, or permitting non-compliant behavior; failing to perform any obligation or duty required relating to compliance with applicable laws or regulations; failure of supervisory or management staff to detect non-compliance with applicable policies where reasonable diligence would have led to the discovery of any violations or report such non-compliance to the Compliance Officer.

Employees should be aware that anyone who violates federal or state laws, rules or regulations pertaining to government health plans may also be subject to criminal prosecution including fines, prison terms and civil damages.

F. Auditing and Monitoring

The Compliance Program requires thorough monitoring of its implementation. Audits (both internal, and as appropriate, external) will be performed in accordance to ensure compliance with, relevant policies and applicable federal and State laws and regulations.

The Compliance Program is based upon First Transit's zero-tolerance policy relating to fraud, waste and abuse. In attempting to ensure this policy, Group Security, Internal Audit, Legal, Human Resources, and other relevant Business Units may work with the Compliance Officer to conduct compliance audits that may include:

- internal reviews;
- interviews with personnel involved in the provision of services and claims, management, operations, billing, and other related activities; and
- review of written materials and documentation utilized in the provision of services and claims;
- identification of compliance risk areas specific to the services provided, self-evaluation of such risk areas, mandatory reporting, governance and quality of care of government health plan beneficiaries.

When formal audits are performed, audit reports relevant to Healthcare Locations will be prepared by and/or submitted to the Compliance Officer to ensure that First Transit is aware of the results and can take appropriate steps to correct problems and prevent them from recurring. The audit reports will specifically attempt to identify areas where corrective action is needed. Where appropriate, subsequent audits, monitoring or studies will be used to ensure that the recommended corrective actions have been effectively implemented.

G. Responding to Violations and Implementing Corrective Action Plans

First Transit strives to ensure that all issues reported of suspected noncompliance relevant to Healthcare Locations are promptly and thoroughly investigated. Such investigations shall be conducted by or in coordination with the Compliance Officer. The goals of an internal investigation include:

- Discovering facts and circumstances related to allegations of noncompliance;
- Assessing the significance of the facts discovered to determine whether the conduct was in violation of this Compliance Program or any other Group policies; and
- Recommending both disciplinary actions and corrective actions.

If the investigation ultimately reveals that criminal or civil violations have occurred, the Compliance Officer, in consultation with Legal and Group Security and outside counsel if deemed necessary, may notify the appropriate federal and state officials. First Transit will respond promptly and appropriately to the discovery of possible criminal activity as well as the discovery of other non-compliant activity.

If the results of an investigation indicate that corrective action is required, the Compliance Officer may work closely with the appropriate business leaders to decide the necessary steps to take. Corrective action plans will be designed by management to ensure not only to correct the specific issue, but also to

prevent the issue from re-occurring. The corrective action plan may require designation of additional staff or other resources, training, reassignment of duties or functions, personnel action, terminating contractual relationships, repayment, revision or creation of policies and procedures, restitution or disclosure to outside agencies.

H. Non-Retaliation and Non-Intimidation Policy

It is the policy of First Transit that no employee, supervisor or management official shall engage in or threaten to engage in a “retaliatory personnel action” against any other employee for good faith participation in this Compliance Program. Additionally, First Transit strictly forbids any intimidation meant to deter or prohibit good faith participation. Good faith participation in the program may include but is not limited to:

- disclosing, or threatening to disclose to a supervisor or to a public body an activity, policy or practice of the employer that is in violation of law, rule or regulation which violation creates and presents a substantial and specific danger to the public health or safety, or which constitutes health care fraud;
- providing information to, or testifying before, any public body or officer conducting an investigation, hearing or inquiry into any such violation of a law, rule or regulation by such employer; or
- objecting to, or refusing to participate in any such activity, policy or practice in violation of a law, rule or regulation.

For purposes of this policy, “retaliatory personnel action” means the discharge, suspension or demotion of an employee, or other adverse action taken against an individual in the terms and conditions of his or her association with First Transit. To further assure that all relevant employees are fully aware of their rights and protections available under the law, we direct employees to review the First Transit’s Healthcare Fraud Waste and Abuse Policy.

I. Non-Employment or Non-Retention of Sanctioned Individuals

All candidates for employment shall undergo a reasonable and prudent background investigation in accordance with Group policies. Due care will be used in the recruitment and hiring process to prevent the appointment to positions with substantial discretionary authority, persons whose record (professional licensure, credentials, prior employment, any criminal record) gives reasonable cause to believe the individual has a propensity to fail to adhere to applicable standards of conduct.

Sanctions checks (“Exclusion Screening”) are specialized searches that include a number of government sanction databases that identify individuals who are prohibited from certain activities or industries. Group’s Central Background Checking Unit (“CBCU”) shall conduct a monthly Exclusion Screening on all employees and First Transit will conduct at least an annual sanction check of all vendors. If matches are identified, then the Compliance Officer will work with CBCU, Human Resources and the location to investigate.

Individuals who have been convicted of a criminal offense related to health care that resulted in a debarment, exclusion or other ineligibility for participation, or who are listed by a Federal agency as debarred, excluded or otherwise ineligible for participation, in any federally funded health care program will not be employed or have another relationship with First Transit relative to the provision of healthcare services. In addition, individuals who are excluded from participation in the State Medicaid program will not be employed or have another relationship with First Transit relative to the provision of healthcare services within the state of the exclusion.

Current employees who are charged with criminal offenses related to health care or proposed for exclusion or debarment from a federally or state funded health care program should be removed from direct responsibility for or involvement in any federally or state funded health care program until resolution of such criminal charges or proposed debarment or exclusion. If the resolution results in conviction that results in the debarment or exclusion of the individual, First Transit will terminate its employment of or other association with that individual relative to the provision of healthcare services.

J. Billing

First Transit is committed to prompt, complete and accurate billing of all services provided to each of its customers and paid for by the customer, government agencies, private insurance companies, and/or other third-party payors. Billing shall be made for services provided, adhering to all terms and conditions specified by the government or private payer and consistent with industry practice. No false or misleading entries shall be made or submitted on any bills or claim forms, and no individual associated with First Transit shall engage in any arrangement, or participate in such an arrangement at the direction of another individual associated with First Transit that results in such prohibited acts. Any false statement on any bill shall subject the individual to disciplinary action, including possible termination of the individual's relationship and possible referral to the appropriate authorities. First Transit is committed to billings which are accurate, reliable, timely and valid.

False claims and billing fraud may take a variety of forms, including, but not limited to, false statements supporting claims for payments, misrepresentations of material facts, concealment of material facts, or theft of benefits or payments from the party who is entitled to receive it. Accordingly, First Transit has established the following policies and procedures that it will strive to follow regarding billing operations:

- First Transit shall not knowingly and/or willfully improperly bill/charge a customer (or his/her representative) for any item or service not requested;
- First Transit shall strive to only bill for services actually provided, pursuant to the terms and conditions specified by the government or other payors and consistent with industry practice;
- Neither First Transit nor its employees shall knowingly and/or willfully improperly partake in upcoding the level of services provided;
- First Transit shall strive to have an accurate system and procedure for tracking and logging mileage as it relates to mileage reimbursement;
- Neither First Transit nor its employees shall knowingly and/or willfully improperly make or submit any false or misleading entries on any bills or claim forms;

- First Transit shall not knowingly and/or willfully improperly fail to identify and refund credit balances to healthcare customers or overpayment to health care programs;
- First Transit shall not knowingly and/or willfully improperly alter documentation or forge a signature on documents used to verify that services were eligible for reimbursement;
- First Transit shall not knowingly and/or willfully improperly bill for the same item or service more than once (double or duplicate billing);
- First Transit shall not knowingly and/or willfully improperly provide inaccurate or misleading information regarding the reason for any particular wheelchair, ambulance or other non-emergency medical transport;
- First Transit shall not knowingly and/or willfully improperly pay or receive anything of financial benefit in exchange for referrals (such as receiving medical supplies at no charge in exchange for referring patients to a particular health care provider);
- First Transit shall not knowingly and/or willfully improperly charge any federal health care program for services provided by an excluded individual or an individual who has not been properly licensed or certified to provide such services.

If there is any question as to appropriate billing, the Compliance Officer should be consulted. Further information about federal and state laws regulating false claims and false statements can be found in the First Transit Fraud, Waste and Abuse Policy.

K. Record Keeping and Document Retention

First Transit knows that accurate and complete record-keeping and documentation are important to virtually every aspect of its operations. As such, it is First Transit's policy that all documentation be timely, accurate and consistent with all applicable professional and legal guidelines and standards. This includes all aspects of First Transit's operations, from dispatch to transport to billing.

Falsification of records is strictly prohibited, including backdating of records, with the exception of appropriate late entries duly noted and under applicable professional and legal standards. First Transit shall strive to retain reasonably appropriate medical, transportation and financial records supporting the services provided to federal or state healthcare programs or other healthcare clients for a time period consistent with applicable rules and current standards of practice. In general, First Transit shall strive to retain records for at least six (6) years from the date of receipt of payment based upon those records or until any initiated audit is completed, whichever is later.

First Transit shall also work to maintain records necessary to demonstrate the integrity of the compliance process and to confirm the effectiveness of its Compliance Program, including employee certifications regarding training, copies of compliance training materials, correspondence with health care programs, and compliance complaint documentation (logs, investigation documentation, outcomes, etc.).

To ensure the integrity of documents, First Transit shall strive to maintain the documents in a safe place and limit their access to avoid accidental or intentional fabrication or destruction. To ensure confidentiality, it is First Transit's policy to have purged documents shredded and destroyed.

L. Document History & Change Control

This document will be reviewed by the Business Owner within twelve months after the issue date and at least once every twelve months thereafter. It will be reviewed at other times as dictated by operational needs and changes to the underlying legal and regulatory position.

Requests for changes to this document must be sent to the Business Owner. All requests must provide details of the suggested changes and the reasons for the changes being requested. All adopted changes will be noted in the table below by the Business Owner.

Material changes will be subject to the approval of the First Transit, Inc. Board of Directors prior to implementation.

The Business Owner will update the table in Annex A to show the dates of any reviews and/or changes to this document.

Annex A – Table showing reviews and changes to the policy

Version	Reason for change	Date
1.0	Created Approved by First Transit Board	December 2016