

Compliance Letter

Greetings,

I wanted to introduce myself and communicate with you some activities Clover has engaged to ensure we all experience a successful AEP. With cooperation and partnership, we are confident that it will drive positive results for both you and our members.

I joined Clover in March of 2016 as the Chief Compliance Officer. I have been in the Medicare Advantage industry for 27 years in the Compliance Officer role. An important part of what I do is to ensure Compliance is a partner with everyone impacting the business. We all know the Medicare Advantage industry is regulated by CMS. The agency's primary expectations is that we always focus on member protection.

Keeping that in mind we have put some processes in place to ensure we are aligned with CMS rules and regulation; protect the member and ensure positive outcomes for you and Clover.

We have developed a weekly Sales Oversight Committee comprised of individuals in Sales, Sales Operations, Legal, Compliance, Member Services, and Enrollment. The purpose of the committee is to ensure we conduct oversight practices consistent across all brokers and monitor opportunities for improvement. Some details around how we are doing that include:

- Secret Shopper program
- Rapid Disenrollment Evaluation
- Complaint Analysis – Agent Engagement

We have engaged an experienced external entity to do Secret Shops. They will conduct a secret shops of agents to provide us with an independent perspective aligning with how CMS conducts secret shops. The assessment measures ethical behavior and compliant presentations. You will be compensated if you are secret shopped.

We will also monitor rapid disenrollment's. No agent should have a trend of members disenrolling within the first three months of enrollment. That is a sign of the member not understanding what he/she signed up for.

Lastly, we will investigate CTMs (complaints from CMS related to Sales Misrepresentation). These investigations will involve your participation. We will seek feedback specific to a member allegation. Specific feedback includes: proof or documentation that supports your position, interview with the member to get their perspective of what took place, Scope of Appointment, signed application, and a written response to any questions from the Clover team. We have created a Clover Sales Presentation to support agents in addressing all required components of the sales process. One Complaint from CMS is not good for you or Clover so we want to be sure we do everything possible to ensure that the beneficiary (member) knows what they are signing up for.

We appreciate your cooperation and support. Please don't hesitate to let us know if you have questions. We are there to support a successful sales experience.

Sincerely,

Wendy Richey

Chief Compliance Officer