

## **QUALITY AND COMPLIANCE COMMITTEE CHARTER**

### **Purpose**

The Quality and Compliance Committee is appointed by the Board to assist the Board in carrying out its oversight responsibility with respect to quality and compliance issues and attendant risks and to oversee management's efforts to adopt and implement policies and procedures that require the Company and its employees to deliver high quality services, to act in compliance with high ethical and legal standards, and to be compliant with applicable operational, health, safety, quality, and regulatory requirements and best practices (see Audit Committee Charter regarding financial control, audit, and accounting matters).

### **Committee Membership and Meetings**

The Quality and Compliance Committee shall consist of no fewer than three members of the Board.

The members of the Quality and Compliance Committee shall be appointed by the Board on the recommendation of the Nominating and Corporate Governance Committee. Quality and Compliance Committee members may be removed and replaced by the Board.

The Quality and Compliance Committee shall meet as often as necessary to carry out its responsibilities under this Charter, but no less than three times annually.

The members of the Quality and Compliance Committee shall appoint one of their number as Chairman. The Chairman shall be responsible for the leadership of the Quality and Compliance Committee, including preparing agendas, presiding over meetings, and reporting for the Quality and Compliance Committee to the Board at the Board's next regularly scheduled meeting following a meeting of the Quality and Compliance Committee.

### **Committee Powers, Authority, Duties and Responsibilities**

1. The Quality and Compliance Committee shall have the authority to engage and obtain advice and assistance from internal or outside legal, accounting or other advisors and the Company shall provide appropriate funding therefore as determined by the Quality and Compliance Committee.
2. The Quality and Compliance Committee shall be responsible for reviewing the Company's processes intended to assure excellent performance and meet scientific, medical and regulatory quality performance benchmarks.
3. The Quality and Compliance Committee shall be responsible for overseeing management of risks relating to quality and compliance matters, including compliance with applicable legal, regulatory, operational, health and safety requirements as well as high ethical standards.
4. In furtherance of the foregoing, the Quality and Compliance Committee shall annually review the Company's programs and practices related to scientific, medical and regulatory quality and compliance, including a periodic reassessment of the adequacy of:
  - The Company's Annual Compliance Audit Plans for monitoring quality and compliance risk areas;
  - Quality and compliance policy development;
  - Quality and compliance reporting/tracking systems;
  - Investigation and remediation practices for quality and compliance issues;
  - Education and training of Company personnel on quality and compliance; and
  - Quality and compliance function responsibilities, staffing and budget.

Based on its annual review, the Committee may make recommendations to the Board for consideration and may also make recommendations directly to management.

5. The Quality and Compliance Committee shall annually receive a copy of the most current OIG Practical Guidance for Health Care Governing Boards on Compliance Oversight.
6. The Quality and Compliance Committee shall receive notice of complaints and allegations relating to the Company's operations relating to quality or compliance matters received by the Company, through its anonymous complaint procedure or otherwise, that are deemed to be material by the Chief Compliance Officer, Chief Medical Officer or the Chairperson of the Committee, and management shall consult with members of the Quality and Compliance Committee regarding the resolution of all such material complaints and allegations. The Quality and Compliance Committee will not deal with any complaints regarding accounting or auditing matters which are material matters that the Audit Committee shall be responsible for.
7. The Quality and Compliance Committee shall meet regularly (meaning, at least annually) with each of the Chief Medical Officer and Chief Compliance Officer and, as necessary, members of Corporate Compliance and the heads of the Company's quality functions, regarding the implementation and effectiveness of the Company's scientific, medical and regulatory compliance program, and shall receive and review periodic reports regarding, among other things: (a) compliance-related activities and on on-going compliance training programs; (b) the quality assurance activities conducted by the quality functions; (c) compliance auditing; (d) the results of internal quality audits; (e) the results of inspections by regulatory authorities; (f) any significant deviations observed by the Company's quality functions; and (g) the status of any corrective and preventative action plans initiated by those functions.
8. The Quality and Compliance Committee may form and delegate authority to subcommittees if determined to be necessary or advisable, provided that any subcommittee shall report any actions taken by it to the whole Quality and Compliance Committee at its next regularly scheduled meeting.
9. The Quality and Compliance Committee shall make reports to the Board at its next regularly scheduled meeting following the meeting of the Quality and Compliance Committee accompanied by any recommendation to the Board.
10. The Quality and Compliance Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.
11. The Quality and Compliance Committee shall annually review its own performance.
12. The Quality and Compliance Committee's responsibility shall be one of oversight. It is the responsibility of the Company's management to conduct its business in accordance with applicable laws and regulations. Each member of the Committee shall be entitled to rely, to the fullest extent permitted by law, on the integrity of those persons and organizations within and outside the Company from whom he or she receives information, and the accuracy of the information provided to the Committee by such persons or organizations.
13. The Quality and Compliance Committee shall have such other authority and responsibilities as may be assigned to it from time to time by the Board.