Spark

Spark Agency Compliance Monitoring Program

CONFIDENTIAL AND PROPRIETARY

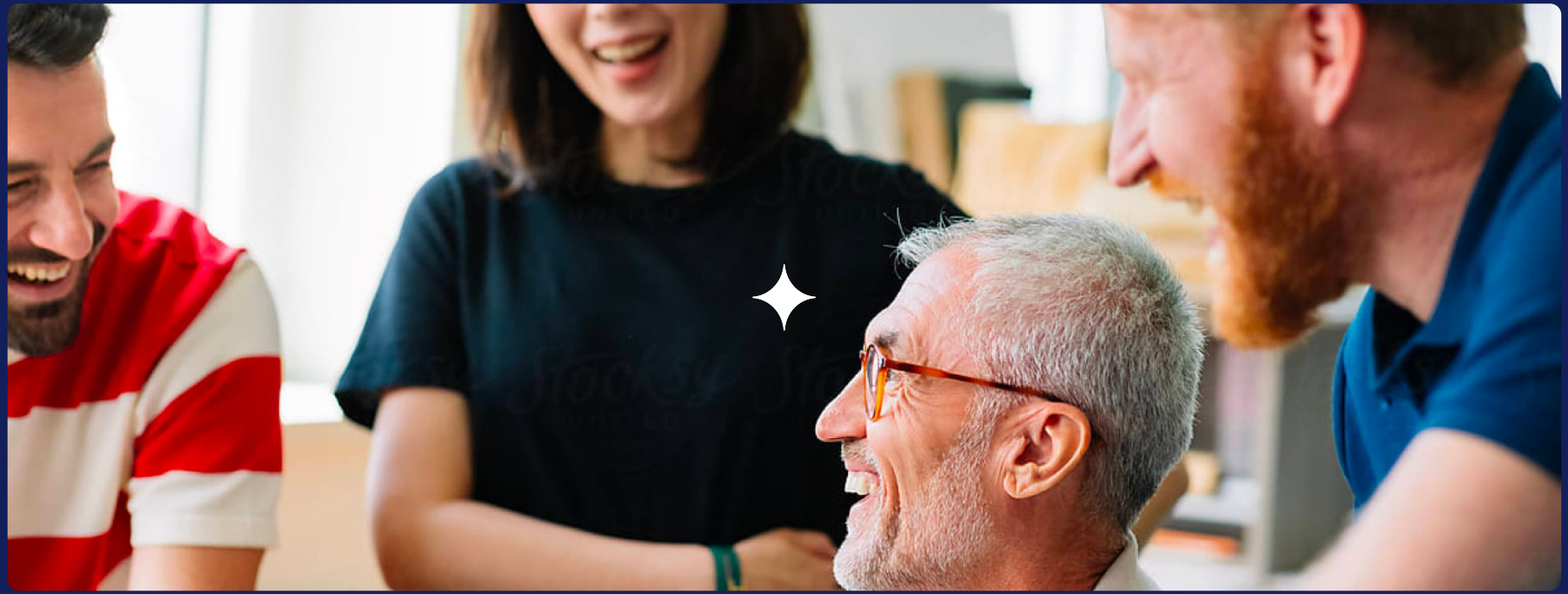
Program Overview: Supporting Your Success

Our Purpose

Spark's Agency Compliance Monitoring Program drives agency success through proactive monitoring, tailored resources, and committed partnership.

Partnership Approach

We focus on collaboration — providing tools and support you need to serve clients exceptionally.



Program Introduction & Overview

Understanding your role, benefits, and pathway to success

Program Overview:
What This Means for Your Agency



Clear Performance Expectations

Transparent standards and regular feedback



Fair & Transparent Process

Objective assessments



Dedicated Support Resources

Account Managers, training, and technical assistance



Recognition for Excellence

Celebrating high performance and improvement

Performance Standards: What We Measure

Primary Performance Metric

CTM/Allegations Rate

Complaints and allegations per 1,000 members over a rolling 30 days.

Calculation Formula

(CTM + Allegations) ÷ Total Active Policies × 1,000

Sample Calculation

25	+	5	=	30 Total Issues
CTM		Allegations		

30 ÷ 10,000 active policies × 1,000 =

3.0 Rate

Three-Tier System: Your Agency's Journey

Tier 1: Compliant | Meeting Expectations

Criteria

- < 2 CTM/Allegation Rate
- Quarterly reviews
- Standard support
- Full program participation

Implications

If a Tier 2 agency, passes 3 of the last 4 assessments they can move back into Tier 1.

- Bi-weekly assessments would persist until < 2 CTM rate achieved
- Corrective Action Plan (CAP) remains required to map improvements

Three-Tier System: Your Agency's Journey

Tier 2: Monitored | Needs Attention

Criteria

Trigger: > 2 CTM/Allegation Rate

Implications

- Bi-weekly compliance assessments
- Corrective Action Plan required
- Enhanced compliance monitoring
- Additional support resources

Three-Tier System: Your Agency's Journey

Tier 3: Remediation | Immediate Action

Criteria

Trigger: Failed 3 of the last 4 assessments

Implications

- Weekly compliance assessments
- Corrective Action Plan still required
- Intensive support and guidance
- Potential operational restrictions

Operational Restrictions (Tier 3)

Duration in Tier 3 & Consequences

Agencies in **Tier 3 – Remediation Tier -** face **escalating consequences** based on how long they remain in this status. These measures are designed to ensure **urgent improvement and accountability.**

Weeks in Tier 3	Action
≤ 4 weeks	❌ Loss of co-op accrual
5 weeks	🚫 Loss of carrier upgrades & contracting privileges
5+ weeks	⚠ Consideration for termination

Assessment Process

How We Evaluate Progress

01 Corrective Action Plan (CAP)

Improvement plan created and compliance approves

1 point: CAP in place with Compliance signature

02 Recurring Touchpoint

Regular scheduled meetings with compliance staff

1 point: Touchpoint established and active

03 CAP Adherence

Progress towards agreed-upon improvement goals

2 points: Full adherence to plan

1 point: Partial adherence

04 Call Audits Pass Rate

Quality standards for telephonic enrollment agencies

1 point: Passing audit results

Assessment Process

Continued

Scoring Thresholds

Telephonic Agencies

Pass: 4-5 out of 5 points

Fail: 0-3 out of 5 points

Non-Telephonic Agencies

Pass: 3-4 out of 4 points

Fail: 0-2 out of 4 points

What This Means

- **Passing scores:** Continue current support level
- **Failing scores:** Additional intervention and support
- **Frequency:** Weekly assessments in enhanced monitoring
- **Objective:** Consistent, fair evaluation criteria

Corrective Action Plan (CAP)

Required in Tier 2 and Tier 3

Purpose

A CAP is a structured, measurable improvement plan developed when an agency enters Tier 2 status.

Timeline & Responsibility

- Create CAP within 5–10 business days after entering Tier 2 to implement a CAP.
- Initiated by the Agency Principal
- Must be agreed upon by Compliance

Key Elements

- Clear identification of issues
- Measurable and time-bound goals
- Root cause analysis
- Assigned responsibilities
- Metrics to track success

Compliance Role

- Reviews and approves the CAP
- May request revisions
- Monitors implementation and progress

Improvement Process: Your Path to Success

Structured Path to Excellence

Step-by-step process for identifying issues and implementing sustainable solutions.

Stage 1

Threshold Exceeded - Enhanced Monitoring Begins

Your agency's CTM/Allegations Rate exceeds the threshold, triggering enhanced monitoring.

What happens: Notification from the Spark Compliance Team • Moved to Tier 2 • Transition to bi-weekly assessments

Stage 2

Corrective Action Plan (CAP) Development

Create a tailored improvement plan with the Compliance Team

CAP includes: Problem analysis • Specific goals • Action steps • Timeline • Success measures

Improvement Process: Your Path to Success

Stage 3

Regular Touchpoints & Implementation

Establish regular meetings with the Compliance Team to discuss progress, challenges, and receive ongoing support.

Touchpoints provide: Progress review • Problem-solving support • Resource coordination • Feedback and guidance

Stage 4

Assessment & Progress Tracking

Show improvement through the 4-indicator assessment, demonstrating steady progress toward goals.

Success factors: CAP adherence • Active touchpoint participation • Quality improvements • Sustained progress



Support & Resources

Your Success is Our Priority: We provide comprehensive support and resources to help your agency excel and deliver outstanding member service.

Support & Resources

Account Manager Support

Your dedicated relationship manager

- Program guidance and interpretation
- Improvement planning assistance
- Best practice sharing
- Escalation and advocacy

Resources & Tools

Skill building and knowledge enhancement

- Policy guides and documentation
- Templates and checklists
- Performance dashboards and reports
- Communication and training materials

Support & Resources

Compliance Team Support

Expert consultation and guidance

- Expert consultation and guidance
- Oversight of Corrective Action Plans (CAPs)
- Monitoring and analysis of CTMs and Allegations
- Regulatory education and performance coaching
- Support during elevated monitoring periods
- Compliance process clarification and documentation review

Training & Development

Skill building and knowledge enhancement

- Staff training programs and workshops
- Quality improvement resources
- Regulatory compliance updates
- Technology and system training



Real-World Scenarios

From Monitoring to Success

Successful Recovery: BrightPath Insurance

Initial Situation

- CTM/Allegation Rate: 2.8 (exceeded Tier 1 threshold of 2.0)
- Moved to Tier 2 – Monitored status
- Required bi-weekly compliance assessments
- Corrective Action Plan (CAP) required
- Enhanced compliance monitoring

Response & Actions

- Comprehensive CAP created within 7 business days
- Clear root cause analysis conducted
- Specific, measurable goals established
- Recurring touchpoint meetings with compliance officer
- Passed 3 of 4 bi-weekly assessments (4-5 points each)
- Implemented quality improvements and staff training

Outcome

- Demonstrated significant operational improvements
- Passed assessment benchmarks
- Moved back to Tier 1 – Compliant status
- Regained standard support
- Restored full program participation

Successfully Returned To Tier 1 Status

7 days	75%	2 months
CAP Creation Time	Assessment Pass Rate	Recovery Time

Inconsistent Progress: CareFirst Enrollment

Initial Situation

- CTM/Allegation Rate: 2.5 (exceeded Tier 1 threshold)
- Moved to Tier 2 – Monitored status
- Required bi-weekly compliance assessments
- Corrective Action Plan (CAP) required
- Enhanced compliance monitoring

Response & Actions

- CAP created but implementation was only partial
- Touchpoints established but attendance was inconsistent
- Failed 2 of 4 bi-weekly assessments
- Missed audit targets and unaddressed compliance gaps
- Some planned actions in CAP were delayed or deprioritized

Outcome

- Did not pass 3 of the last 4 assessments
- Showed only partial CAP adherence
- Remained in Tier 2 status
- Bi-weekly assessments continued
- Additional coaching and more intensive support introduced
- Further progress needed before eligibility to return to Tier 1

Remained In Tier 2 Status

50%	Partial	Ongoing
Assessment Pass Rate	CAP Implementation	Recovery Status

Getting Started:
Next Steps and Contact Information

Meet the Compliance Team

Connect with your Compliance representative for personalized guidance and support.

Action: Schedule a meeting to review the program and your agency's CTM/Allegations Rate.

Review Key Metrics

Familiarize yourself with the program structure, expectations, and resources.

Action: Read the Agency Compliance Monitoring Program Guide and review all training materials.

Understand & Monitor Performance

Know where you stand and what to track moving forward.

Action: Start monitoring your CTM/Allegations Rate using Spark's performance metrics.

Remember: We're Partners in Your Success



This program is designed to support you. Every question, concern, or suggestion helps us better understand how to help your agency thrive. There are no wrong questions only opportunities to build a stronger partnership.

Thank You

CONTACT

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