

# QUALITY AND COMPLIANCE COMMITTEE CHARTER

## Purpose

The purpose of the Quality and Compliance Committee (the “QCC”) of the Board of Directors (the “Board”) of Life Care Centers of America, Inc. (“Life Care” or the “Company”) is to assist the Board in fulfilling its fiduciary responsibilities relating to the delivery of quality healthcare services, regulatory compliance, and cyber security risk and management activities.

Specifically, the QCC shall be primarily responsible for:

- Oversight of matters concerning or relating to patient safety and the quality of health care provided to Company patients;
- Overseeing, monitoring, and evaluating the Company’s compliance with all regulatory obligations of the Company (federal, state, and local) except for obligations relating to compliance with tax-related laws, rules, and regulations; and
- Cyber security management.

## Committee Membership

The QCC shall consist of no fewer than three Board members. The Board shall appoint members of the QCC and by majority vote may remove and replace QCC members. The members of the QCC shall appoint one of their number as Chairperson. The Chairperson shall be responsible for the leadership of the QCC, including preparing agendas, presiding over meetings, and reporting for the QCC to the Board at the Board’s next regularly scheduled meeting following a meeting of the QCC.

## Meetings

The QCC shall meet as often as necessary to fulfill its responsibilities under this Charter, but no less than each calendar quarter.

## Authority, Duties, and Responsibilities

The QCC 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

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he or she receives information, and the accuracy of the information provided to the Committee by such persons or organizations.

The QCC shall have the authority to:

- Engage and obtain advice and assistance from internal or outside legal, accounting, or other advisors for which the Company shall provide appropriate funding as determined by the QCC;
- Conduct or authorize investigations or studies of matters within its scope of responsibilities;
- Have sole authority, in consultation with Chief Executive Officer, to hire or terminate the Chief Compliance Officer (“CCO”); and
- Perform all acts necessary or appropriate to fulfill its responsibilities and achieve its objectives under this Charter, provided such acts are not in violation of, or in conflict with:
  - Company bylaws or certificate of incorporation;
  - This Charter;
  - Any Corporate Integrity Agreement (“CIA”) or similar arrangement with the Office of Inspector General for the U.S. Department of Health and Human Services (“DHHS-OIG”) or any other federal or state government agency;
  - Life Care’s Compliance & Ethics (“C&E”) Program or its Code of Conduct; or
  - Any laws or regulations applicable to the Company.

The primary duties and responsibilities of the QCC are to:

1. Ensure the establishment and maintenance of an effective regulatory compliance program to prevent and detect violations of laws and regulations.
2. Review and approve an annual C&E Program Work Plan developed by the CCO in coordination with Life Care’s Compliance Advisory Board (“CAB”), which serves as the Company’s Compliance Committee.
3. Monitor and ensure the Company’s compliance with any CIA or similar undertaking with the DHHS-OIG or any other government agency.

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4. Receive and review periodic reports from the CCO summarizing the operation of the Company's C&E Program and related activities including, but not limited to, compliance with any CIA or similar arrangement, its disclosure program, the results of material internal and external audits and investigations, and related education programs.
5. Assist and oversee the CCO and CAB in the accomplishment of their duties;
6. Receive and review periodic reports from a designated representative from Information Security Department regarding the Company's efforts to advance cyber security management.
7. Perform an annual evaluation of the performance of the CCO and the CAB.
8. Receive and review periodic reports on Company's programs and practices related to patient safety and quality of care from the Chief Nursing Officer.
9. Review the Company's processes for assuring excellent performance and meeting quality performance benchmarks.
10. Make reports to the Board at its next regularly scheduled meeting following the meeting of the QCC accompanied by any recommendation to the Board.
11. Review and reassess the adequacy of this Charter annually and recommend any material proposed changes to the Board for its approval.
12. The QCC shall have such other authority and responsibilities as may be assigned to it from time to time by the Board.

### **Disclosure of This Charter**

A copy of this Charter shall be made available on the Company's internet and intranet sites.

### **Date of Adoption**

The Charter was adopted by the Board effective November 8, 2017, with non-material revisions made and approved by the QCC on June 21, 2021, and June 1, 2022.

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