

Corporate Compliance Plan

NYSARC, INC. – SUFFOLK CHAPTER

To Report Suspected Fraud & Abuse

Anonymous Ethics Help Line: 631-585-0100 Ext. # 772

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INTRODUCTION:

Mission Statement

AHRC Suffolk's mission is to support and advocate for individuals of all ages with unique abilities and challenges. Our commitment is to provide individualized, high quality services, utilizing person-centered approaches to discover and define their quality of life.

(Revised 05/21/14)

Statement of Non-Discrimination

The Agency is committed to providing an equal opportunity work environment which fosters the diversity of employees and in which everyone is treated fairly. Federal law prohibits discrimination in recruitment, employment, promotion, termination, or regarding any other term or condition of employment based upon a person's race, color, creed, religion, age, handicap, national origin, ancestry, or marital status or any other characteristic protected by the law. The Agency will comply with this law and further, is committed to making reasonable accommodations to the known physical or mental limitations of otherwise qualified individuals with disabilities. As a requirement of employment, individuals must submit to a criminal background check.

OVERVIEW of Corporate Compliance

NYSARC, Inc. – Suffolk Chapter is committed to providing quality services and conducting business with integrity. The Agency has a long legacy of a strong culture in the areas of governance, ethics, and compliance with laws and regulations. A Corporate Compliance Plan has been developed to enhance the culture within the Agency. Employees are expected to maintain the Agency's reputation for integrity through their work actions, decisions, and through their respect for the regulations and laws which govern the Agency.

The Compliance Plan is intended to provide guidelines for appropriate workplace conduct but cannot address every situation that may be encountered. It is meant as a supplement to other policies and procedures established by the Agency, such as those noted in the AHRC Personnel Manual.

Values

NYSARC, Inc. – Suffolk Chapter bases its Corporate Compliance on the following values:

- ❖ Commitment to providing quality services and supports.
- ❖ Commitment to treating every individual with dignity, respect, courtesy, and compassion.
- ❖ Commitment to service recipients and families.
- ❖ Integrity in conducting all relationships.
- ❖ Commitment to establishing and maintaining ethical standards of business practice.
- ❖ Commitment to pursuing opportunities resulting in fiscally sound, flexible and innovative services.
- ❖ Commitment to being an equal opportunity employer.
- ❖ Commitment to Stewardship; to manage resources responsibly.
- ❖ Commitment to the community.

THE PLAN

Components of Compliance Plan

The Agency has established a Corporate Compliance Plan which promotes the prevention and detection of misconduct and reinforcing the Agency's dedication to compliance with federal and state laws. The following elements comprise the structure of the plan:

1. Code of Conduct
2. Assignment of Responsibilities
3. Training and Education
4. Detecting, Reporting, and Interventions
5. Ethical Standards
6. Monitoring and Auditing

Code of Conduct Overview

The Code of Conduct articulates the Agency's commitment to ethical behavior and standards as they apply to the individuals and families served. The code details the fundamental principles, values, and framework for action within the Agency. The standards of the code define the culture of the Agency and inform employees of their legal and ethical obligations.

Supervisory and administrative staff are responsible for ensuring that employees are aware of applicable laws, and regulations governing the Agency as well as policy and procedures which assure compliance. Employees are expected to exercise personal integrity and good judgment in carrying out their duties. When an employee is in doubt as to how a specific situation regarding ethics or applicable laws or regulations is to be handled, the employee is to seek assistance. He/She is encouraged to first bring the situation to the attention of his/her immediate supervisor or the next supervisory level(s). The employee may choose to contact the Corporate Compliance Officer (CCO) directly, if not satisfied.

Employees who become aware of any conduct violation or believe that they have been directed to engage in illegal or unethical conduct are encouraged to report the problem to a supervisor, administrator, CCO or anonymously to the Ethics Help Line.

Violation of or interference with Agency standards of conduct are not permitted and may result in disciplinary action up to and including termination. Legal action will be taken as circumstances warrant.

The Agency has established and maintains a high standard of accuracy and completeness in all financial records. These records serve as the basis for managing finances and for fulfilling obligations to individuals served, employees, independent contractors, and suppliers.

The records also serve to ensure compliance with tax and financial reporting requirements.

Program records contain the documentation of the services rendered to individuals served by the Agency. These records are used to support billing.

Code of Conduct Overview - continued

The Agency's Compliance Program has been developed to meet the requirements imposed by the following governmental entities:

- ❖ Centers for Medicaid and Medicare Services (CMS)
- ❖ Office of Inspector General (OIG)
- ❖ NYS Department of Health (NYSDOH)
- ❖ NYS Education Department (NYSED)
- ❖ NYS Office for People with Developmental Disabilities (OPWDD)
- ❖ Internal Revenue Service (IRS)
- ❖ NYS Department of Taxation and Finance (NYSDTF)
- ❖ NYS Office of the Medicaid Inspector General (OMIG)
- ❖ NYS Office of the State Comptroller (NYSOSC)

The Agency Code of Conduct defines for individuals, families, employees, third party payors, regulators and suppliers the values that are to be adhered to:

- ❖ To work cooperatively and respectfully with all Agency employees, Board Members and agents to provide the highest quality of services;
- ❖ To place the interests of the people we serve and their family members first and foremost in all aspects of what we do;
- ❖ To represent the Agency positively in the community-at-large;
- ❖ To conduct all activities in a fiscally responsible manner;
- ❖ To work in accordance with applicable laws, regulations and Agency policies;
- ❖ To seek training and assistance in areas that would strengthen the ability to fulfill responsibilities to participants and the Agency;
- ❖ To avoid conflicts of interest, including the acceptance and giving of gifts;
- ❖ To conserve resources of the Agency by not engaging in wasteful behavior;
- ❖ To treat confidentially information related to the Agency and its participants and to respect the privacy of participants and fellow Agency employees;
- ❖ To complete tasks in a timely manner and meet expectations for the quality of work that the Agency strives to achieve;
- ❖ To bill individuals and third party payors accurately;
- ❖ To report to a supervisor or to the Ethics Help Line any perceived violation of applicable laws, regulations and policies, including the Corporate Compliance Plan (CCP);
- ❖ To respect the role of the Board and management and to fully implement their decisions; and
- ❖ To consult Agency leadership when questions arise as to the conduct permitted under applicable laws, regulations and policies, including the CCP.

Code of Conduct Overview - continued

Illustrations of actions that are in violation of federal, state, or regulatory statutes are:

- ❖ Billing for items or services not actually rendered.
- ❖ Duplicate billing.
- ❖ False cost reports.
- ❖ Billing for services with inadequate documentation.
- ❖ Not maintaining confidentiality of records and information.
- ❖ Falsification of documentation.
- ❖ Conflicts of interest.

Assignment of Responsibilities

Oversight Authority/Background Check

The Board of Directors and the Chief Executive Officer are the oversight authority for the Agency. The obligation of the C.E.O. is to exercise the proper amount of care in the decision-making process while overseeing the day-to-day business operations of the Agency. That is, decisions are to be made in good faith and in the best interest of the Agency.

Due care is to be taken in delegating positions of substantial discretionary authority. Adherence to a more detailed hiring process for employees in positions of authority is to be ensured. On an ongoing basis, evaluation of the individuals, assigned to specified positions of authority, is to be completed.

All individuals who are deemed to have substantial discretionary authority, as documented in their job description, are to have the following inquiries into their backgrounds prior to holding Agency positions:

- ❖ Completion of mandatory Agency requirements for hire, which includes criminal background checks.
- ❖ Confirmation in writing of all college degrees; any licenses/certifications (if pertinent to the position).
- ❖ Past employment, dating back seven (7) years.
- ❖ Disclosure of any past name changes.

Agency Employees

It is the policy of the Agency to complete a review of all candidates prior to employment, licenses as applicable, which includes a criminal background check. The Agency will not allow any employee to work without valid, current licenses or credentials.

Licensing and Certification of Independent Contractors

All independent contractors hired by the Agency must meet professional licensure, certification, or other credentialing requirements. The Agency will not allow an independent contractor to perform services without proper licensure or credentialing. To ensure compliance, evidence of current licensure or credentials will be required.

POLICIES AND PROCEDURES - Element 2

Corporate Compliance Officer

The Corporate Compliance Officer (CCO) is appointed by the Chief Executive Officer to oversee and monitor the Corporate Compliance Plan (CCP). The CCO reports to the CEO, the Corporate Compliance Oversight Committee (CCC), and the Board of Directors. The CCO has access to legal counsel. Other functions include monitoring regulatory changes, ensuring policy revisions, and overseeing the provision of training in corporate compliance. Although direct communication to immediate supervisors is encouraged for working toward solutions to identified issues regarding business misconduct or billing issues, questions may be called into the Ethics Help Line. The Help Line is a direct line to the CCO. Information reported is held in confidence and may be reported anonymously. The CCO ensures that compliance issues are communicated to the CCC and ensures that they are addressed in a timely manner in accordance with established policies and procedures. The CCO is responsible for investigating issues as required and ensuring that corrective actions are taken.

Corporate Compliance Oversight Committee

The CCP is administered by the CCO and is continually reviewed and monitored by the CCC.

The CCC is comprised of the Chief Executive Officer, the Chief Operating Officer, two Board representatives, the CCO, and the Chief Financial Officer . The CCO will maintain ongoing communication with CCC members on significant issues which arise between scheduled meetings.

The CCC, as part of its oversight responsibilities, may have access to confidential information of a sensitive nature that is not known to the staff or public. The CCC is charged with the responsibility of maintaining all Committee information as confidential. The information may include, but is not limited to, financial information, technical information, information related to contracts, information concerning identified program participants, staff and vendors.

The CCC will periodically review and update existing policies/guidelines. New policies or guidelines developed will be incorporated into the CCP. The CCO will ensure any changes or updates to the CCP are disseminated to staff. The CCO will also ensure that all programs and departments implement the CCP.

The CCC will meet no less than on a semi-annual basis or more frequently as needed to ensure compliance efforts are in keeping with established standards. Minutes of the meeting will be maintained.

POLICIES AND PROCEDURES - Element 2

Corporate Compliance Oversight Committee - continued

The CCC will receive reports regarding the various programs or departments that include information on Quality Assurance, complaints received by the Help Line, internal audits, and disciplinary actions as they pertain to Corporate Compliance. The CCC will review the reports and take action as necessary. Any issues which arise that would be of a sensitive nature to the Agency would be communicated to the CEO and/or the CCC by the CCO as they occur.

Committee Responsibilities

- ❖ Analyzing Audits
- ❖ Reviewing Related Policy and Procedures as applicable
- ❖ Reviewing allegations of alleged fraud and other practices

The CCO will ensure and maintain minutes of all proceedings.

POLICIES AND PROCEDURES - Element 3

Education and Training

The Board of Directors will be provided with training annually regarding the purpose of a Corporate Compliance Plan (CCP), and their need to exercise due diligence in establishing and promoting an organizational culture that encourages ethical practices, conduct, and compliance with the law.

Board Members

Each new Board Member will receive orientation within the first three months of joining the Board on the Code of Conduct and will sign an acknowledgement of the Code of Conduct at that time, indicating his/her understanding and commitment to following the Code of Conduct.

The Code of Conduct and CCP will be reviewed with each Board member upon renewal of his/her Board position. Documentation of the review will be maintained.

Agency staff, independent contractors, and volunteers will also receive training in Corporate Compliance and Code of Conduct upon hire and annually thereafter. Documentation of completed training will be maintained.

For Agency staff, independent contractors, and volunteers, training will include a review of the CCP and Agency standards of conduct, protocols to follow if potential problems are detected, and use of the Ethics Help Line. Subsequent to all CCP training sessions, a pre-test will be administered to all new employees; and upon conclusion, a post-test will be administered to confirm that each employee and contract staff understands the CCP.

New employees, independent contractors, and volunteers will receive training within the first three months of employment.

The Corporate Compliance Officer (CCO) will be responsible for overseeing and ensuring training. As new policies/guidelines are developed, the information will be incorporated into the training at the direction of the CCO.

Each annual training will include job specific content on:

- ❖ Policies and Procedures of each program
- ❖ Compliance audits and monitoring methods specific to the program
- ❖ Examples of job specific practices that are considered fraud, abuse and inappropriate activities
- ❖ Methods of reporting potential fraud, abuse and inappropriate activities

All Code of Conduct training records will be kept by the Training Department and a copy of the acknowledgement receipt will be forwarded to the personnel file.

Detecting, Reporting, and Intervention - *Element 4*

Ethics Help Line

A critical aspect of the Corporate Compliance Plan (CCP) is the establishment of a culture that promotes open communication, prevention, detection, and resolution of instances of conduct that does not conform to federal and state regulations and business practices. To promote this culture, a problem solving /resolution process and a strict non-retaliation policy is to be adhered to.

All employees are to seek assistance for any matter of concern to them or to report any violations of the law or standards of conduct. They are encouraged to first bring the situation to the attention of their immediate supervisor or to the next supervisory level(s). They may choose to contact the Corporate Compliance Officer directly, if not satisfied. However, when concerns about possible misconduct related to billing or other types of non-compliance occurs, the CCP offers the Ethics Help Line as an additional option. While direct communication with supervisors or administrators or the CCO is encouraged in working toward a solution to an identified problem, questions may also be called into the Ethics Help Line anonymously. As a matter of practice and policy, all information and/or messages received through any of the reporting mechanisms will remain in the strictest confidence to the extent possible. The Ethics Help Line is monitored by the CCO. Any personnel-related calls will be forwarded to the Director of Human Resources.

Retaliation against a staff person who reports a perceived problem or concern in good faith is strictly prohibited. Employees who commit or condone retaliation against an individual having made a report in good faith are subject to disciplinary action up to and including termination.

Employees are not exempt from the consequences of their own misconduct by reporting an issue, although self-reporting may be taken into account in determining the course of action to be taken.

Documentation of calls received will be maintained as well as records indicating actions taken.

The documentation will be reviewed by the Corporate Compliance Committee (CCC).

Detecting, Reporting, and Intervention - *Element 4*

Investigation Policy & Procedure

Reporting Alleged Inappropriate Activity, Fraud & Abuse:

Retaliation/False Reporting

All employees of the Agency are strictly prohibited from engaging in any act, conduct or behavior which results in, or is intended to result in, retaliation or retribution against any employee for reporting his or her concerns. Possible concerns could include but are not limited to violations of: The Agency's Corporate Compliance Plan, Code of Conduct, its Compliance Policies or any of the laws, rules or regulations by which the Agency is governed.

Reporting Complaints of Retaliation

If the Agency employee believes in good faith that he or she has been retaliated against for initiating a report or complaint or for participating in any investigation related to such report or complaint, then the employee should seek assistance. He/She is encouraged to first bring this situation to the attention of his/her immediate supervisor or to the next supervisory level(s). The employee may choose to contact the Corporate Compliance Officer directly or the Agency's Ethics Help Line if not satisfied.

In the event an employee makes a frivolous, malicious or knowingly false report or complaint under this Policy, the employee will be subject to appropriate discipline, up to and including termination.

Reporting a believed violation may be communicated:

- ❖ By calling the Corporate Compliance Officer directly
- ❖ By writing a confidential letter to the Corporate Compliance Officer
@ 2900 Veterans Memorial Highway, Bohemia, NY 11716
- ❖ By meeting with the Corporate Compliance Officer
- ❖ By sending an e-mail to sseidenberg@suffahrc.org
- ❖ By calling the Ethics Help Line @ **631 – 585 – 0100 ext. 772**

All of the above communications are confidential to the extent legally possible. Additionally, the above communications will be documented and, if appropriate, investigated and summarized for the Corporate Compliance Committee.

Detecting, Reporting, and Intervention - *Element 4*

Investigating Alleged Violations

A log will be maintained of all alleged violation reports. The Corporate Compliance Officer will utilize the "Initial Contact Form" to document all initial reports, create a plan of investigation and issue a case # for future reference.

The Corporate Compliance Officer will utilize the "Corporate Compliance Acknowledgement" form to document his/her assessment of the issue including the urgency of the case, the category of compliance violation and the level of the confidentiality requested by the reporting party.

Upon the reporting of an alleged violation, the Corporate Compliance Officer will promptly initiate an investigation of the alleged compliance issue. A determination as to whether a violation has occurred will be made after review of the Investigation Summary by the Corporate Compliance Committee.

The Investigation Summary report will include documentation of the issue as appropriate, a description of the investigation process, copies of interview notes, statements from all parties involved, written key documents and a log of the witnesses interviewed. Based on the determination of the Corporate Compliance Committee, a disciplinary action/corrective action to prevent recurrence will be recommended.

A completed "Investigation Summary" form with necessary documentation will be reviewed with the Corporate Compliance Committee.

Any alleged violation involving the Corporate Compliance Officer or members of the Corporate Compliance Committee will be forwarded to the CEO for an independent investigation.

At the conclusion of the investigation and after review by the Corporate Compliance Committee, the Corporate Compliance Officer as directed by the CCC, will report as necessary the misconduct violated and will forward the outcome of the investigation to the appropriate governmental agencies within 60 days.

Disciplinary Process

The disciplinary process is delineated in the AHRC Personnel Manual. The purpose of the rules established is not to restrict the rights of an employee, but to define the rights and to ensure cooperation. Any conduct that is disruptive, violates any work rule, or is otherwise deemed to be a basis for corrective action will result in disciplinary action, ranging from reprimand to immediate discharge, depending on the seriousness or the frequency of the offense in the judgment of the supervisor.

Detecting, Reporting, and Intervention - *Element 4*

Disciplinary Process - continued

Failure of an employee or independent contractor to comply with the Agency standards of conduct may result in disciplinary action. Fraudulent activities are subject to immediate termination.

The degrees of disciplinary action may range from counseling, oral warnings, written warnings, re-assignment, or termination of employment or a contract. Retraining of staff will occur if misconduct is based on a lack of awareness or understanding of regulatory requirements, policy, or guidelines.

Enforcement of discipline is under the authority of the administration and program directors. Reasons for disciplinary action may include, but are not limited to, the following:

- ❖ Discipline of individuals who engage in unethical practices.
- ❖ Discipline of individuals who knowingly fail to report unethical practices.
- ❖ Discipline of supervisors where the misconduct reflects poor supervision or lack of diligence.
- ❖ Discipline of individuals who intentionally make false statements.
- ❖ Discipline of individuals who retaliate against individuals who have reported unethical practices.
- ❖ Discipline of individuals who file false cost reports.
- ❖ Discipline of individuals who bill for services not supported by adequate documentation.
- ❖ Discipline of individuals for the falsification of documentation.
- ❖ Discipline of individuals who bill for units which did not occur to increase revenue.

Code of Conduct Ethical Practices/Standards Review

Financial Records

The Agency conducts business in accordance with the provisions of the Sarbanes – Oxley Act of 2002. Accurate and complete financial records are essential for the operation of Agency business. Each employee must assist in ensuring the accuracy and integrity of these records. If an employee has a reason to believe that any of the Agency’s books and records are not being maintained in an accurate or complete manner, the employee is expected to report this immediately to his or her supervisor, the Corporate Compliance Officer (CCO), or the Ethics Help Line.

The Agency conducts regular internal auditing and monitoring procedures in order to identify and to promptly rectify any potential non-compliance issues. Furthermore, the Agency has established an audit committee which is directly responsible for the appointment, compensation, and oversight of independent auditors.

Accuracy of Agency Records

All information recorded or reported by staff on behalf of the Agency must be done accurately and honestly. All of our Agency records, including accounts and financial statements, must be maintained in reasonable and appropriate detail, must be completed in a timely fashion, and must appropriately reflect all transactions.

Falsifying records or keeping unrecorded funds and assets is a severe offense and may result in prosecution and loss of employment. When a payment is made, it can only be used for the purpose spelled out in the supporting document.

Information derived from Agency records is provided to various government entities including the New York State Office for People with Developmental Disabilities (OPWDD), New York State Education Department (NYSED), and the Internal Revenue Service (IRS). Thus, accounting records must conform not only to internal control and disclosure procedures but also to generally accepted accounting principles and other laws and regulations, such as those of the IRS and Medicaid. The public communications and the reports filed with the State and other government agencies must contain information that is full, accurate, timely, and understandable in light of the circumstances surrounding disclosure.

The internal and external auditing functions help ensure that financial books, records, and accounts are accurate. Therefore, lines of communication with the Audit Committee, accountants, and auditors are encouraged. It is unlawful to fraudulently influence, induce, coerce, manipulate, or mislead independent public accounts for the purpose of making financial statements misleading.

POLICIES AND PROCEDURES - Element 5

Accuracy of Agency Records - continued

Questions regarding accounting treatment of a transaction or transactions that have been improperly recorded, or any concern or complaint regarding an accounting matter, internal accounting controls, or an audit matter, are to be directed to the CFO, CCO, or the Ethics Help Line.

Loans

Unlawful extension of credit by the Agency in the form of personal loans to members of the Board of Directors and executive staff is prohibited.

Fair Dealing

The Agency has built a reputation as a trustworthy and ethical member of the community and the industry. We are committed to maintaining the highest levels of integrity and fairness within the organization. Failure to negotiate, perform, or market in good faith may seriously damage the reputation of the Agency. Business must be honestly and fairly conducted. Unfair advantage taken of anyone through any misrepresentation of material facts, manipulation, concealment, abuse of privileged information, fraud, or other unfair business practice is unacceptable.

Billing Arrangements

Agency staff will comply with all laws governing the submission and review of its bills, and will deal with any billing inquiries in a forthright manner. Requests for information will be answered with complete and accurate information and with full cooperation to payor requests.

Documentation

Agency staff will take great care to ensure that all of its billings to Medicaid and other payors are truthful, accurate, and complete. Information submitted to third parties is to be sufficient to support billing. Information provided is also to be truthful, accurate, complete, and in keeping with all laws governing the documentation, the retention of records supporting billings, and claims for payment.

Civil Monetary Penalties

The Agency will not knowingly file any false or fraudulent claims. The Agency will comply with state laws that are similar to those governing the submission of claims to governmental and private payors.

Federal law imposes civil monetary penalties against any person or entity that knowingly submits or files a claim that the person knows or should know is false or fraudulent; a claim for an item or service that the person knows or should know was not provided as claimed; a claim for services that the person knows or should know was furnished by someone not properly authorized or excluded under the program

POLICIES AND PROCEDURES - Element 5

Civil Monetary Penalties - continued

under which the claim was made; or request for payment in violation of the terms of certain agreements with state and federal authorities.

Excluded Parties

The federal government may impose civil monetary penalties against health care providers and entities that employ or enter into contracts with individuals who have been excluded from participation in federal or state health care programs or who have been convicted of a crime. Therefore, the Agency will not knowingly employ or contract with individuals or entities that fall into either of these categories. All individuals applying for employment with the Agency are required to disclose any criminal conviction or exclusion action and undergo a criminal background check. Moreover, including members of the Agency's Board of Directors, individuals or entities for exclusion will be screened before entering into employment or contractual relationships. Screening may be accomplished by consulting the Office of Inspector General (OIG) List of Excluded Individuals/Entities located on the OIG web site, one of many exclusion lists to be consulted.

Any investigation of an Agency employee, volunteer, intern, member of the Board, vendor, or contractor by any government agency should be reported immediately to the CCO. Any individual who is indicted, convicted, or excluded by a government agency while employed or under contract with NYSARC, Inc. – Suffolk Chapter will be terminated in accordance with the employment policy or contract.

Consumer Credit Balances

If a credit balance remains in a consumer's account, the Agency is committed to accurately tracking, reporting, and refunding the balance. The Agency will maintain an information system that allows for accurate tracking of such balances and designate a person to supervise the system.

Political Activity

The Agency will fully comply with all political contribution laws. Funds may not be used for contributions of any kind to any political party or committee or to any candidate or holder of any government position.

It is against Agency policy for a staff member to lobby other employees on behalf of a political candidate during the work day. It is also against Agency policy to reimburse an employee for any political contributions or expenditures. Outside normal office hours, employees are free to participate in political campaigns on behalf of candidates or issues of their choosing, as well as make personal political contributions.

POLICIES AND PROCEDURES - Element 5

Quality Care

The Agency is committed to the provision of high quality of care and services. Only qualified personnel with proper licensure or certification are permitted to make clinical assessments. It is the ethical responsibility of staff to provide services as ordered. In consultation with consumers, their family, care givers, or advocates, individual service plans are developed. The Agency ensures quality through internal and external audits and through feedback received from consumers and their families.

Consumer Information

In order to provide and maintain quality services, the Agency collects information regarding consumers' personal information and medical history. The Agency is committed to maintaining the confidentiality of this information as prescribed by state and federal laws. Staff is prohibited from disclosing confidential information without permission of the consumer or their family. Consumer-specific information will be released only to persons authorized by law or by the written consent in accordance with HIPAA regulation.

Recently enacted federal law will regulate the protection of all electronically stored or transmitted individually identifiable health information. These federal requirements are broad and dictate that such information may be used, in general, only with the consent of the consumer. The regulations further dictate that security standards be maintained to ensure no unauthorized access to electronically stored health information. Necessary electronic security to ensure the confidentiality and integrity of this information will be maintained.

Consumer Rights

The Agency strives to provide quality care to all program participants. All individuals are to be treated with respect and dignity. Only services that are both necessary and appropriate will be provided. The Agency makes no distinctions based upon race, color, religion, or national origin, age, sex, marital status, citizenship, disability or any other characteristic protected by law.

Offering Inducements to Consumers

Federal law prohibits the Agency from offering anything of value (other than items such as program literature) to a Medicaid recipient or their family member to influence their selection of a Medicaid service provider. In its efforts to comply with this law and to help ensure that consumers choose Agency programs based upon the quality of care rendered, any prohibited benefits to program participants to induce them to utilize Agency services will not be offered. Any questions regarding whether an item or service is an appropriate recipient benefit should be directed to the CCO or the Ethics Help Line.

POLICIES AND PROCEDURES - Element 5

Responding to Inquiries from the Press and Others

Only the President of the Board of Directors or the Chief Executive Officer may make or approve public releases on behalf of the Agency. All inquiries from outsiders regarding financial or other information about the organization's business practices should be referred to the CCO.

Gift-Giving Between Employees

In any organization, there are day-to-day situations which arise relating to the ways that people deal with each other in the workplace. Many of these situations must be evaluated on an individual basis and cannot be addressed in this document. Some, however, arise routinely. One of those is gift-giving between employees. Generally, no one should feel compelled to give a gift to anyone, and any gift should be appropriate to the circumstances. An overly expensive or lavish gift to a supervisor, however, is against Agency policy. For additional guidance in this area, please contact the CCO.

Business Courtesies

It is against the Agency's policy to engage in any form of commercial bribery, including the offer or acceptance of any improper payment, gratuity, or gift to obtain business, secure services, or influence governmental decisions.

While employees of the Agency are not encouraged to receive or extend business courtesies, at times, employees may be in the position to do so. The following provides employee guidance with regard to our Agency's policies on the receipt and giving of business courtesies. Employees are to contact the CCO if there are questions regarding business courtesies that are not addressed in this policy.

Accepting Business Courtesies (Social Events/Entertainment)

Invitations to a social event may be accepted from a current or potential business associate in order to further develop a business relationship. Attendance at any such social event must be approved in advance by the employee's appropriate or immediate supervisor. These events must not include expenses paid for any travel costs (other than in a vehicle owned privately or by the host company), or overnight lodging. The cost associated with such an event must be reasonable and appropriate. As a general rule, this will mean that the cost will not exceed \$100.00 per person. Such social events with respect to any particular individual must be infrequent, which as a general rule means not more than quarterly.

POLICIES AND PROCEDURES - Element 5

Accepting Business Courtesies (Training/Education)

Attendance at a vendor-sponsored workshop, seminar, or training session is permitted with a supervisor's approval. Arrangements that include travel and overnight accommodations at no cost to the employee or the Agency must be approved in advance by the Program Director and Chief Executive Officer.

Accepting Gifts

While not encouraged as a general rule by the Agency, employees may accept a gift with a total value of \$100.00 or less in any one year from any individual vendor or organization which has a business relationship with our organization. Perishable or consumable gifts given to a group are acceptable.

Extending Business Courtesies to Potential Sources of Business Referrals

Reasonable and appropriate meals may be offered in conjunction with a business event. Provided that such events are in furtherance of our Agency's legitimate business purposes, transportation and lodging provided to attendees are reimbursable by the Agency. Any entertainment (business or social) or gifts involving persons who are in a position to refer customers to the Agency must be approved by the employee's appropriate or immediate supervisor.

Business Courtesies with Government Employees

Federal and state governments have strict rules and laws regarding business courtesies for their employees. The Agency will not provide any gifts, entertainment, or anything else of value to any employee of the federal or state government. Modest meals and refreshments in connection with business discussions may be provided free of charge in those jurisdictions or with those agencies where government rules permit this practice.

Personal Use of Agency Resources

The Agency's employees must preserve Agency assets, including time materials, supplies, equipment, and information. As a general rule, the personal use of Agency assets without prior approval of the Chief Executive Officer is prohibited. The occasional use of items such as minimal use of copying facilities or local telephone calls, where the cost to the Agency is minimal, is permissible. However, use of Agency resources for personal financial gain is strictly prohibited.

POLICIES AND PROCEDURES - Element 5

Conflict of Interest

The Agency requires Board Members and employees to remain free from any conflict of interest that may hinder their ability to objectively, effectively, or fairly perform their job responsibilities.

A conflict of interest exists when an employee, supervisor, or board member gains personally, through money or other advantage, at the expense of their employer or organization. Any time a person makes a business agreement or takes a personal action at work which benefits them personally, the potential for a conflict exists. For example, a conflict of interest may occur if:

The employee's outside activities influence or appears to influence the employee's ability to make objective decisions in the course of his or her job responsibilities.

The demands of an outside activity hinder or distract the employee from the performance of his or her job responsibilities.

The demands of an outside activity cause the employee to use Agency resources for personal purposes.

An employee or close relative can personally profit from a transaction involving the Agency and the employee or a third party.

The employee places or influences Agency business with him or herself, a privately held enterprise in which the employee, a close relative or his or her family has a financial interest, or a publicly held enterprise in which the employee or close relative has a major financial interest.

Issue Reporting and Non-Retaliation

The Agency prohibits any director or employee from retaliating or taking adverse action against anyone for raising suspected conduct violations or helping to resolve a conduct concern. Any individual who has been found to have engaged in retaliation against an Agency employee will be subject to disciplinary action up to and including termination. If an individual believes that they are the subject of such retaliation, they are encouraged to report the situation as soon as possible.

POLICIES AND PROCEDURES - Element 5

Harassment and Workplace Violence

The Agency employees must work closely with one another in their daily activities. Such close working relationships can sometimes create opportunities for unwanted or hostile interactions. This Agency strictly prohibits any such interactions in whatever form, including degrading or humiliating jokes, physical or verbal intimidation, slurs, or any other harassing conduct.

Sexual harassment is also strictly prohibited. Sexual harassment can include both overt sexual conduct, such as requests for sexual favors in return for promotions or other benefits, and less obvious conduct, such as frequent sexual comments that create an intimidating or hostile work environment. Employees must remain sensitive, and must at all times avoid conduct which might harass others. No form of sexual harassment will be tolerated.

Workplace violence also constitutes harassment. Workplace violence includes robbery, assault, stalking, violence directed at an employer, terrorism, and hate crimes. This Agency prohibits employees from possessing firearms, other weapons, explosive devices, or other dangerous materials on Agency premises.

Employees who observe or experience any form of harassment should report their concern to their supervisor, the CCO, or Human Resources Director, or they may call the Ethics Help Line.

Health and Safety

The health and safety of Agency employees is a top priority. Federal law heavily regulates safety in the workplace. Our employees must familiarize themselves with and comply with both federal safety laws and our Agency's safety policies and procedures. If any safety question arises, employees should seek advice from a supervisor. Further, employees must report to a supervisor any workplace injury or any dangerous situation so that timely corrective action may be taken. It is the policy of the Agency to require all employees, independent contractors, volunteers who have reasonable anticipated service recipient contact, and service recipients to complete tuberculosis testing, based on regulations promulgated by the Office for People with Developmental Disabilities (OPWDD).

Substance Abuse and Mental Alertness

The Agency is an alcohol and drug-free workplace. Reporting to work under the influence of alcohol or any illegal drug or possessing or selling illegal drugs while on premises may result in immediate termination. Drug testing may be utilized to enforce this policy.

POLICIES AND PROCEDURES - Element 5

Substance Abuse and Mental Alertness (continued)

Prescription and over-the-counter drugs might also affect job performance. Employees should consult with their physicians if they have questions regarding the effects of such medication.

Environmental

The Agency's provision of services may in some instances produce waste that is subject to federal, state, and local environmental laws. Our Agency is committed to complying with all such laws and regulations and will follow the proper procedures with respect to handling and disposing of hazardous waste, including medical waste. Employees must adhere to all requirements for the proper handling of hazardous materials and immediately alert a supervisor regarding any potential environmental damage.

Controlled Substances

The Agency's employees may have access to prescription drugs, controlled substances, and other medical supplies. These substances are subject to strict government regulation and may require a physician's order. Unauthorized use of such drugs may subject an individual to criminal charges. Therefore, these substances must be properly handled by authorized individuals. The Agency will not tolerate unauthorized handling or other improper uses of these substances. Agency employees should report any such conduct immediately.

Anti-trust

The Agency is committed to fair and open competition. Therefore, this Agency seeks to comply with all federal anti-trust laws and with the competition laws in every state in which this Agency conducts business. Federal anti-trust law prohibits:

- Competitors from entering into discussions, formal agreements, or informal understandings concerning prices or fees, market share, service market territory, choice of customers, products and services to be offered, sales strategy, customer allocation, and territory allocation.
- An entity from refusing to provide a customer pursuant to an agreement with another person or company, whether formal or informal.
- In some circumstances, tying arrangements, the practice of requiring an individual to purchase one product or service in order to obtain another product or service.
- In some circumstances, restrictions on a customer's ability to purchase products or services from competitors, known as exclusive dealing arrangements.

POLICIES AND PROCEDURES - Element 5

Anti-trust – continued

- Arrangements with suppliers that require the supplier to purchase the buyer's products as a condition to doing business with the buyer or unreasonably restrict the supplier's ability to do business with the buyer's competitors.
- Selling the same product at different prices or with different terms, services, or allowances to different customers who compete or whose customers compete in the sale of a seller's product.
- Predatory pricing activities, such as pricing below cost, when a company is dominant or potentially dominant in a market.
- Mergers and acquisitions if their effect is to substantially reduce present or future competition or create a monopoly.

In particular, Agency employees should be careful regarding discussions that may arise at trade association meetings in relation to one of the prohibited subjects. If another agency raises a prohibited subject, the employee should end the conversation immediately. If possible, the employee should request that the refusal to participate in the conversation be documented in the minutes of the meeting. The employee should also notify the CCO.

Gathering Information

Information regarding the Agency's competitors must be obtained from publicly available sources. The Agency will not obtain proprietary or confidential information about another organization in a manner which is illegal or would result in a breach of confidentiality agreement.

Marketing and Advertising

All promotions, advertising and marketing materials must be submitted to the Chief Executive Officer for approval. These materials must conform to all applicable state and federal laws and regulations. All advertising should be truthful and not misleading. If an Agency employee or representative has concerns about unethical or unlawful advertising or marketing practices, the employee or representative should contact the CCO.

Anti-Kickback Statute

No employee of the Agency or other person acting on this Agency's behalf may solicit or receive anything of value, directly or indirectly, in exchange for the referral of consumers to a vendor, supplier, or health care provider. When making referrals, NYSARC, Inc. - Suffolk Chapter and its employees or agents should not take into account the volume or value of referrals that the vendor or supplier may receive from the Agency.

POLICIES AND PROCEDURES - Element 5

Anti-Kickback Statute (continued)

To promote compliance with this provision, any financial or business relationship with a person or entity that the Chapter refers or might potentially refer to must be in writing. The Agency will review all contracts and arrangements with vendors and suppliers for compliance with the anti-kickback law.

Selection of Subcontractors and Vendors

The Agency will comply with all laws governing its relationships with subcontractors and vendors. Our Agency approaches its relationships with vendors and subcontractors in a fair and reasonable manner. We believe that it is in our best interest and our consumers' best interest to promote competitive procurement whenever possible. Our relationships with our vendors will be made on the basis of quality, technical excellence, service, and maintenance of supply sources, price, and other objective criteria. We will protect pricing information unless release is authorized by our suppliers.

Ethical Standards and Practices

Business Information

The Agency's confidential business information must remain confidential. Such information, which includes personnel, medical, financial, and other business-related information must be used only for job-related purposes and may not be disclosed to individuals outside the organization.

The Agency is committed to the integrity and accuracy of its documents and records. No Agency employee may alter or falsify information on any record or document. Consumer files, attendance records, and business documents are retained in accordance with law and Agency record retention policy. Employees may not tamper with, remove, or destroy records or documents except according to our record retention policy.

Removal of Corporate Documents

Any documents created by or provided to the Agency are the property of the Agency. No employee is authorized to remove a document, whether an original or a copy, from any Agency facility. If an employee must take a document home to work on weekends or evenings, he or she must have permission to do so in advance from a supervisor and may do so only if necessary to complete an ongoing project. Documents temporarily removed from the Agency premises may not be disclosed to non-Agency employees, nor copied, and must be promptly returned the next business day.

POLICIES AND PROCEDURES - Element 5

Information Systems

Information systems, such as communications systems, electronic mail, Internet access, and voice mail are the property of the Agency and are primarily to be used for business purposes. Limited, reasonable use of our communication systems will be allowed, however, employees should be aware that personal use of Agency systems is discouraged, and they should assume that such communications are not private. Our organization reserves the right to periodically access, monitor, and disclose the contents of communications systems.

Employees or agents of the Agency may not use communications systems or access to the Internet at work to post, store, transmit, download, or distribute any threatening, knowingly or recklessly or maliciously false, or obscene materials, including anything constituting or encouraging a criminal offense, giving rise to civil liability, or otherwise violating any law. Nor may employees use these means to send chain letters, personal messages, or copyrighted documents not authorized for reproduction. Employees may not use such means to conduct a job search or open misaddressed mail. The Agency may revoke access to communications systems or take disciplinary action against employees who abuse the system or use them excessively for non-business purposes.

Government Inquiries

The Agency intends to comply fully with law enforcement representatives and government investigations, while also protecting the legal rights of the Agency and of its personnel. Employees should notify the CCO if they receive an inquiry, a subpoena, or other legal document from any individual or governmental agency regarding the Agency. If an individual is contacted at home by a governmental agency concerning our organization, he or she has the right to speak to the government official or to decline to be interviewed. If the employee wishes to consult a lawyer about this request, the Agency will arrange for legal counsel to advise the employee and accompany him or her to any interview with a government representative.

If an employee is aware of an imminent or ongoing investigation, audit or examination initiated by the Agency or any government agency, the employee should retain all documents (including computer records) in his or her custody or control relating to the matter under review. The destruction or falsification of a document in order to impede a governmental investigation, audit, or examination may lead to prosecution for obstruction of justice. Any questions regarding whether a document can be destroyed should be addressed to a supervisor or the CCO.

POLICIES AND PROCEDURES - Element 5

Execution of a Search Warrant – Sometimes the government has a concern, which it believes, requires the immediate onsite review or removal of certain organization documents or other information. When that occurs, the government may send agents to collect that information. The agents will be authorized to conduct this activity by a search warrant that sets out which materials they may take.

UNDER NO CIRCUMSTANCES MAY ANY CHAPTER REPRESENTATIVE DESTROY OR CONCEAL ANY DOCUMENTS OR OTHER INFORMATION IN THIS SITUATION. The destruction or falsification of a document in order to impede a governmental investigation, audit, or examination may lead to prosecution for obstruction of justice. Any questions regarding whether a document can be destroyed should be addressed to a supervisor or the CCO.

Accrediting Bodies

The Agency will deal with both government licensing agencies and private accrediting entities in a direct, open, and honest manner. The Agency supports continuous compliance with accrediting standards, and will monitor compliance with those standards in accordance with established policies and procedures. No action will be taken and no statements made, which could mislead the accrediting body either directly or indirectly.

Monitoring and Auditing Systems

The Agency will conduct regular internal auditing and monitoring procedures in order to identify and promptly rectify any potential non-compliance issues. This includes periodic audits to ensure that billing, claims processing, and reimbursement procedures and practices, as well as non-billing procedures, adhere to federal and state regulations.

Annual audits will be conducted either internally by designated staff or by independent consultants. Programs will also conduct self audits and will be audited by state quality assurance teams.

The Corporate Compliance Plan (CCP) will be evaluated by the Corporate Compliance Committee (CCC) at least one time a year to determine its effectiveness.

Conditions Requiring a Corrective Action Plan

The Corporate Compliance Officer (CCO) and the Corporate Compliance Committee are responsible for monitoring the organization's compliance with Federal, State and Agency standards. Results of all internal monitoring and auditing systems will be reviewed by the Corporate Compliance Officer & the Corporate Compliance Committee. Each Department/Program found to have not met the standards for Corporate Compliance will be asked to submit a Corrective Action Plan to the CCO and the CCC.

Responding to the Corrective Action Plan

A requested Corrective Action Plan (CAP) requires a response from the Program Director or designee. The Director/designee must describe the steps the program shall take, has taken, to resolve the issue.

Responding to the Corrective Action Plan - continued

All programs must submit their Corrective Action Plan within 90 days to the Corporate Compliance Committee.

Failure to Respond to a Corrective Action

The Corrective Action Plans are a method of ensuring overall compliance. Failing to respond to a Corrective Action Plan within the allotted time frame will result in disciplinary action.