

**Organizational Policy and Procedure**

<b>Category</b>	Risk Management
<b>Title</b>	Compliance Program
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<b>Responsible Department</b>	Quality Management (QM)
<b>Key Terms</b>	Compliance Plan
<b>Regulations</b>	18 NYCRR Part 521, False Claims Act (31 U.S.C. Sec 3729), Deficit Reduction Act of 2005

**1. Policy Overview**

The Compliance Program (the “Program”) is designed to promote Northern Rivers and its member agencies, Northeast Parent & Child Society and Parsons Child & Family Center, hereinafter referred to as “Northern Rivers”, compliance with all applicable federal, state and local laws and regulations as well as government contracts and conditions of participation in public programs. The primary goals of the Program are to:

- Prevent fraud, abuse and other improper activity by creating a culture of compliance within Northern Rivers;
- Detect any misconduct that may occur at an early stage before it creates a substantial risk of civil or criminal liability for Northern Rivers; and
- Respond swiftly to compliance problems through appropriate corrective action.

The Program reflects commitment to operating in accordance not only with the strict requirements of the law, but also in a manner that is consistent with high ethical and professional standards. The Program applies to the full range of Northern Rivers’ activities. All Northern Rivers’ staff and its Board of Directors have an obligation to assist in making the Program successful. All are expected to:

- Familiarize themselves with the Northern Rivers Compliance Code of Conduct and compliance procedures;
- Review and understand the key policies governing their particular functions;
- Report any fraud, abuse or other improper activity through the mechanisms established under the Program;
- Cooperate in all audits and investigations; and
- Carry out their function in a manner that demonstrates a commitment to honesty, integrity and compliance with the law.

The Program is regularly reassessed and is constantly evolving to address new compliance challenges and maximize the use of Northern Rivers’ resources. All are encouraged to provide input on how the Program might be expanded or improved.

The Program’s design is based on compliance guidance provided by the U.S. Department of Health and Human Services Office of Inspector General, the Federal False Claims Act, and the requirements placed on health care providers under Section 363-d of the New York Social Services Law and 18 NYCRR Part 521. The key elements of the Program, which are discussed in greater detail within this Compliance Plan, are as follows:

- A Compliance Code of Conduct that includes basic standards and references more detailed policies that guide Northern Rivers activities;
- The assignment of personnel to oversee the Program, including the Compliance Officer;
- Compliance training for all Northern Rivers staff members and Board of Directors;

- Mechanisms for reporting compliance problems, including an anonymous reporting option;
- Procedures to encourage good faith participation in the compliance program and potential disciplinary sanctions for non-compliance;
- Procedures for investigating reports of suspected compliance problems and cooperating in government investigations;
- A system of internal compliance audits and reviews to detect potential fraud, abuse or other improper activity; and
- A policy of non-intimidation and non-retaliation for good faith participation in the compliance program.

Staff members who engage in fraud, abuse or other misconduct are subject to disciplinary action in accordance with Northern Rivers' Human Resources policy. Staff members who facilitate or ignore fraud, abuse or other misconduct may also be subject to disciplinary action depending on the nature of the offense.

## 2. Programs or staff impacted

- All Northern Rivers Staff, including contract workers/vendors, interns, and volunteers
- All Program/Department Directors (Service and Administrative)
- Compliance Officer
- Chief of Compliance
- Board of Directors

## 3. Policy Definitions

- "Northern Rivers Family Services" is defined as Northern Rivers Family Services and its Affiliates, Northeast Parent & Child Society and Parsons Child & Family Center.
- "Board of Directors" is the Northern Rivers Family Services governing Board of Directors
- "Staff Member" or "staff" is defined as any employee of Northern Rivers Family Services and its member agencies, Northeast Parent & Child Society and Parsons Child & Family Center, interns, volunteers, independent contractors and vendors of Northern Rivers Family Services and its member agencies

## 4. Procedure

### 4.1. Compliance Code of Conduct

The Compliance Code of Conduct ("the Code") sets forth the basic principles that guide Northern Rivers' decisions and actions. All staff members are expected to familiarize themselves with the Code and should rely on the standards contained in the Code in carrying out their duties. Staff must sign the Compliance Code of Conduct upon hire.

The Code is not intended to address every potential compliance issue that may arise in the course of business. Northern Rivers has adopted more detailed written policies governing key aspects of its operations. Some of these policies are referenced in the Program; others may be provided to staff members by their supervisors. Staff members are required to review and carry out their duties in accordance with the policies applicable to their job functions. The Code's standards are set forth below.

#### 4.1.1. Proper Billing for Health Care and Other Services

Northern Rivers obtains reimbursement from government programs, such as Medicaid, and from private insurance plans, for health care services provided to its clients. It also receives payment from federal, state, and local government for the provision of other items and services. The submission of accurate bills to all payers is a key legal obligation.

All staff involved in documenting and billing the government for health care or other services must ensure that they follow all applicable laws, rules, conditions of participation and interpretive guidance



relating to the billing process. Among other things, staff members must ensure that Northern Rivers does not:

- Bill for clients not actually served;
- Bill twice for the same service;
- Bill at a rate in excess of the rate permitted under the applicable program;
- Bill for services the staff knows are also being billed to the government by another health care provider; or
- Bill the Medicaid program as the primary payer when the client has other public or private health insurance coverage.

It is critical that all health care and social services rendered to clients are appropriately documented in case records. In the event of a government audit or investigation, such documentation is necessary to demonstrate that a service has been appropriately delivered.

The failure of any staff member to adhere to all applicable billing rules may subject Northern Rivers to substantial liability. Among other things, it is a violation of the False Claims Act to knowingly submit a false or fraudulent claim for payment to a federal program such as Medicaid. Northern Rivers may be subjected to treble damages (i.e., three times the amount of the false claims) and civil monetary penalties. Other state and federal laws may impose civil and criminal penalties on Northern Rivers and its employees for improper billing activity.

#### 4.1.2. Providing Access to Necessary Services

Northern Rivers is committed to ensuring that all clients under its care receive prompt access to the full range of medically necessary health care services and clinically appropriate social services. All services must be ordered and/or delivered by appropriately licensed or qualified providers. Northern Rivers seeks to provide or arrange for high-quality care at all times.

Under certain government programs, Northern Rivers may receive a fixed per diem rate that covers a specified range of health care services that may be needed by a client. It is particularly important in these programs that staff members not restrict a client's access to necessary health care or social services to which the client is legally entitled. Any such restrictions are not only unethical; they may also subject Northern Rivers to liability under the False Claims Act and other laws.

#### 4.1.3. Submitting Complete and Accurate Reports to Government Agencies

Under certain programs, reimbursement from the government may be based, in whole or in part, on Northern Rivers' costs. In these programs, Northern Rivers is often required to submit cost reports, which are used by the government for rate-setting purposes. All staff members involved in the process of preparing and submitting cost reports must strive to ensure that these reports are accurate and complete. Expenses reflected on cost reports must have been actually incurred and properly allocated in accordance with applicable program guidelines. The same standards of accuracy and completeness apply to any other reports or data regarding Northern Rivers' operations which are submitted to government agencies or private funding sources.

#### 4.1.4. Using Northern Rivers Resources Exclusively for Northern Rivers Business

Northern Rivers' resources are to be used solely for the purpose of carrying out job responsibilities. Northern Rivers' facilities, equipment, staff and other assets may not be used for personal benefit or to engage in any outside business or volunteer activity without first obtaining authorization from a Program Director or Chief. Staff members may not use their affiliation with Northern Rivers to promote any business, charity or political cause. Staff shall seek reimbursement for expenses only to the extent such expenses have been incurred in the course of carrying out their job duties and in accordance with Northern Rivers' expense reimbursement policies.



## 4.2. Compliance Oversight Personnel

### 4.2.1. Program Directors

Program Directors are responsible for ensuring that their program, its staff members, procedures and processes are in compliance with all applicable agency policy, accreditation standards, contract requirements, and state and federal regulations and statutes. Program Directors' duties include:

- Verifying that the program is operating in full accordance with applicable policies, standards, requirements, regulations, and statutes;
- Educating their staff on applicable policies, standards, requirements, regulations, and statutes that govern the program and on program procedures to ensure compliance;
- Ensuring that the program completes regular audits to verify compliance and quality of care;
- Investigating incidents of potential non-compliance and, if necessary, acting immediately to correct the situation;
- Reporting the outcome of non-compliance reviews, including corrective actions taken to the Compliance Officer and;
- Reporting serious or systemic non-compliance issues to the Compliance Office for review and any necessary further action.

### 4.2.2. Compliance Officer

The Compliance Officer, under the guidance of the Chief of Compliance and the Board of Directors, is responsible for overseeing the implementation and modification of the Program. The Compliance Officer's chief duties include, but are not limited to, the following:

- Developing policies and procedures governing the operation of the Program;
- Managing day-to-day operation of the Program;
- Periodically reviewing and updating the Compliance Code of Conduct and related policies;
- Overseeing operation of the compliance reporting mechanisms described in Section 4.4 of the Program;
- Receiving, evaluating and conducting an initial investigation of compliance-related complaints and concerns;
- Ensuring proper reporting of non-compliance to duly authorized enforcement agencies as appropriate or required;
- Working with the Human Resources Department, Sidney Albert Training and Research Institute (SATRI) and others as appropriate, to train staff on the Compliance Program; and
- Regularly evaluating the effectiveness of the Program and opportunities for strengthening the Program.

The Compliance Officer reports directly to the Chief of Compliance and Quality Management. The Compliance Officer will make regular reports to the Audit and Compliance Committee and Board of Directors on the operation of the Program. Staff should view the Compliance Officer as a resource to answer questions and address concerns related to the Program or compliance issues. The Compliance Officer maintains an open-door policy and may be contacted directly regarding a compliance-related matter.

### 4.2.3. Board of Directors

The Board of Directors has ultimate authority for the governance of Northern Rivers, including oversight of the Compliance Program. The Board of Directors has created and delegated authority for overseeing the activities of the Compliance Officer to the Chief of Compliance and Quality Management and to the Board's Audit and Compliance Committee. The Board of Directors receives reports on the operation of the Compliance Program directly from the Compliance Officer and the Chief of Compliance and Quality Management during meetings of the Board's Audit and Compliance Committee



and to the full Board at least annually. The Compliance Officer has the authority to bring matters directly to the Board of Directors attention at any time.

The Board of Directors shall appoint an Audit and Compliance Committee consisting of at least three members. Amongst other duties, the Committee shall assure the integrity of the operation of the Northern Rivers Corporate Compliance Plan. The Audit and Compliance Committee:

- Confers directly and regularly with the Northern Rivers Compliance Officer and Chief of Compliance and Quality Management to evaluate the quality of plan components and operation.
- Receives allegations directly from reporters or from the third party anonymous hotline service of suspected irregularity or malfeasance, and assures that reporters are free from intimidation or retaliation.
- Assures that allegations are quickly and completely investigated, and that oversight and legal bodies are contacted immediately.
- Reviews and approves content of self-disclosures and plans of correction, assuring that promised actions are implemented and adequate for the specific circumstance.
- Reports regularly to Board of Directors and Executive Committee as necessary.

#### 4.3. Compliance Training

Every newly hired staff member must attend the basic compliance training session provided by Northern Rivers as part of the required agency orientation. The curriculum for basic compliance training will be developed and updated as necessary by the Compliance Officer in consultation with the Human Resources Department, SATRI, and others as deemed appropriate. The topics covered include, but will not be limited to, the Code of Conduct, the Federal False Claims Act, improper or fraudulent documentation of services or billing, misuse of funds, and the key elements of the Program.

All employees must attend annual refresher training sessions. Program Directors, in consultation with the Compliance Officer, will determine whether it is necessary and appropriate to develop a curriculum of advanced compliance training for employees in his or her program. Staff members will also be provided with all policies and procedures relevant to the performance of their duties. Staff members are required to participate in any advanced compliance training sessions organized by their program, which are designed to focus on the specific compliance issues associated with their program's functions.

At the start of their Board term and annually thereafter, members of the Board of Directors must complete compliance training.

Records of attendance at all compliance trainings, acknowledging attendance and understanding of the topics covered will be retained by Northern Rivers for a minimum of seven years.

The Compliance Officer will be responsible, on a regular basis, for preparing and distributing bulletins and updates addressing new fraud and abuse or other compliance issues of which the Compliance Officer becomes aware. These bulletins and updates will cover, among other things, changes in government contracts or regulations, new interpretations of existing laws or rules, revisions to Northern Rivers' policies or procedures, and industry trends and developments. Program Directors will notify the Compliance Officer of any significant matters they deem appropriate for inclusion in such bulletins and updates.

#### 4.4. Reporting Fraud and Abuse

Northern Rivers maintains open lines of communication for the reporting of suspected improper activity. It is the responsibility of all staff members to report observed or suspected fraud, abuse or other improper activity relating to the operation of Northern Rivers, as outlined in Northern Rivers' policy RM 04 Fraud and Abuse Reporting.

##### 4.4.1. Reporting Mechanisms



Staff members have several options for reporting fraudulent, abusive or other improper conduct. They may file reports with their supervisor, program director, the Compliance Officer, the Chief of Compliance and Quality Management, or a member of the Northern Rivers Board of Directors. Staff members may file reports anonymously by mailing a letter, either through inter office mail or through the US Postal Service, to the attention of any of the above.

An anonymous report may also be made through the Northern Rivers anonymous hotline, Lighthouse Services, by one of the methods described below:

- Telephone: (800) 401-7404 (English) or (800) 216-1288 (Spanish)
- Email: [reports@lighthouse-services.com](mailto:reports@lighthouse-services.com)
- Fax: (215) 689-3885 (include company name with report)
- Web: <http://www.lighthouse-services.com/northernrivers>

To ensure anonymity, employees should file a report using personal, not company, equipment.

The Compliance Officer ensures that all staff members are aware of and understand that reports may be filed on an anonymous basis. The Compliance Officer also publicizes the reporting mechanisms available to employees through regular reminders, posters and trainings.

Staff members should understand that these reporting mechanisms are designed solely for the reporting of fraud, abuse and other compliance problems; it is not intended for complaints relating to the terms and conditions of employment. Any such complaints should be directed to Human Resources.

#### 4.4.2. Qui Tam Lawsuits

Staff members have the right to file qui tam lawsuits if they become aware that Northern Rivers has submitted claims for reimbursement to Medicaid or other government programs in violation of the False Claims Act. In a qui tam lawsuit, the employee, referred to as a “relator” files the case under seal and requests that the federal government intervene and take over prosecution of the matter. If the case results in a recovery for the government, the relator may be awarded a portion of the funds recovered. Northern Rivers will not seek to impede any staff member from filing a qui tam lawsuit through threats of retaliation or otherwise. However, all staff members are encouraged to report and attempt to resolve suspected False Claims Act violations through the internal procedures established by Northern Rivers prior to filing such a case.

#### 4.4.3. Non-Retaliation and Non-Intimidation

As detailed in RM 08 Non Retaliation and Non Intimidation Policy, no staff member who files a report of suspected fraud, abuse or other improper activity in good faith will be subject to intimidation or retaliation by Northern Rivers in any form. Prohibited retaliation includes, but is not limited to, terminating, suspending, demoting, failing to consider for promotion, harassing or reducing compensation due to the staff members intended or actual filing of a report. Any such retaliation must be immediately reported to the Compliance Officer through one of the reporting mechanisms outlined in this Plan and RM 04.

#### 4.5. Investigations

Northern Rivers is committed to operating in accordance with all applicable federal, state and local laws and regulations as well as government contracts and conditions of participation in public programs. In addition, it is committed to operating in a manner that is consistent with high ethical and professional standards. When it is suspected that Northern Rivers is not operating as described above, a thorough investigation will be conducted to identify applicable performance standards, to verify if the suspected condition exists, to determine the extent and root cause of the problem, to implement effective corrective actions, and to disclose the situation to the extent the law requires. The process by which investigations are conducted are found in RM 05 Investigation Policy.



#### 4.6. Disciplinary Policies for Employee Non-Compliance

Failure to comply with the Plan and accompanying policies and protocols, or the laws and/or applicable regulations, may result in discipline up to and including termination from employment or association with Northern Rivers. Failure of a Northern Rivers representative to comply with the Plan, or applicable laws, regulations or policies may result in termination of the relationship. The Compliance Officer may be asked by management to investigate any claim of misconduct. The Compliance Officer, if needed may recommend corrective action directly to the Board of Directors if the Compliance Officer believes, in good faith, that corrective action is not promptly being acted upon.

If after a thorough investigation, the Compliance Officer concludes that an employee has engaged in any misconduct relating to the Plan, the employee shall be subject to potential disciplinary actions. Enforcement and corrective action may include:

- Re-training employees;
- Reassignment of duties;
- Increased supervision and/or Counseling Statements;
- Dismissal from employment;
- Referral to the proper law enforcement agency if any criminality is suspected;
- Self-disclosing fraud or other non-compliance through established state and federal self-disclosure protocols.

#### 4.7. Internal Auditing

Northern Rivers seeks to identify non-compliance at an early stage before developing to significant levels. One of the key methods of achieving this goal is the performance of regular internal audits and compliance reviews, as detailed in RM 06 Internal Auditing. The Compliance Officer is responsible for overseeing Northern Rivers' internal auditing system. The internal auditing system includes determining the subjects of internal audits, developing audit tools and procedures, coordinating the audit schedule, and documenting and reporting the results of internal audits to pertinent stakeholders.

4.7.1. The Quality Management Department develops an annual Northern Rivers Quality Management Work Plan, which includes internal audits. The Work Plan is approved by the Chief of Compliance and Quality Management and reviewed by the Audit and Compliance Committee. The identified audits cover aspects of Northern Rivers' operations that pose a heightened risk of non-compliance. A written report for each audit planned in the Northern Rivers Audit Plan is prepared summarizing the findings of each audit, and recommending any appropriate corrective action.

4.7.2. All staff members are required to participate in and cooperate with internal audits as requested by the Compliance Officer. This includes assisting in the production of documents, explaining program operations or rules to auditors and implementing any corrective action plans.

#### 4.8. Corrective Action

Northern Rivers is committed to taking prompt corrective action to address any fraud, abuse or other improper activity identified through internal audits, investigations, and reports by employees or by other means. The Compliance Officer is authorized to recommend corrective action directly to the Board of Directors if the Compliance Officer believes, in good faith, that required corrective action is not being implemented in a timely manner.

Corrective action may include, but not be limited to, any of the following steps:

- Modifying Northern Rivers' existing policies, procedures or business practices;
- Providing additional training or other guidance to employees or contractors;
- Seeking interpretive guidance of applicable laws and regulations from government agencies;
- Recommending discipline of employees or termination of contractors in accordance with Northern Rivers Human Resource disciplinary policies;





- Notifying law enforcement authorities of criminal activity by staff;
- Returning overpayments or other funds to which Northern Rivers is not entitled to the appropriate government agency or program; and
- Self-disclosing fraud or other illegality through established state and federal self-disclosure protocols.

**5. Training**

- Training is provided by the QM department.

**6. Additional Protocols**

- Additional protocols may be developed to implement this policy.

**7. Disciplinary Actions**

- Failure to comply with this policy may result in disciplinary action as outlined in NR Human Resources' policy.

