

North Country Transitional Living Services, Inc.

**CORPORATE COMPLIANCE POLICY**

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**I. Policy**

It is the policy of North Country Transitional Living Services, Inc. (the Agency) to comply with all applicable federal, state and local laws and regulations, and payer requirements. It is also the Agency's policy to adhere to the Code of Ethics that is adopted by the Board of Directors, the Executive Director and the Board Compliance Committee.

**II. Commitment**

We are committed to our responsibility to conduct our business affairs with integrity based on sound ethical and moral standards. We will hold our employees, contracted practitioners, and vendors to these same standards.

The Agency is committed to maintaining and measuring the effectiveness of our Compliance policies and standards through monitoring and auditing systems reasonably designed to detect noncompliance by its employees and agents. We shall require the performance of regular, periodic compliance audits by internal and/or external auditors who have expertise in federal and state health care statutes, regulations, and health care program requirements.

**III. Responsibility**

All Board members, volunteers, employees, contracted practitioners and vendors shall acknowledge that it is their responsibility to report any instances of suspected or known noncompliance to their immediate supervisor, the Executive Director or the Compliance Officer. Reports may be made anonymously without fear of retaliation or retribution. Failure to report known noncompliance or making reports which are not in good faith will be grounds for disciplinary action, up to and including termination. Reports related to harassment or other workplace-oriented issues will be referred to Human Resources.

**IV. Policies and Procedures**

The Agency will communicate its compliance standards and policies through required training initiatives to all employees, contracted practitioners, and vendors. We are committed to these efforts through distribution of this Compliance Policy and our Code of Conduct and Philosophy.

**V. Enforcement**

This Compliance Policy will be consistently enforced through appropriate disciplinary mechanisms including, if appropriate, discipline of individuals responsible for failure to detect and/or report noncompliance.

# **Policy and Procedure: *Corporate Compliance***

## **Topic: *Code of Conduct***

### **Purpose:**

North Country Transitional Living Services, Inc. (sometimes referred to as "Agency" or "the Agency") is committed to conducting its business ethically and in conformance with all federal and state laws, regulations, interpretations thereof, and the Code of Conduct. To support this commitment, the Agency will maintain and update as appropriate a written Code of Conduct to provide guidance on employee and organizational responsibilities related to compliance. The Code of Conduct addresses specific issues related to reimbursement, financial relationships, quality of care, and other critical areas.

### **Policy:**

1. The Agency will develop, maintain, and update as appropriate a written Code of Conduct to provide employees and agents with guidance on requirements for conduct related to employment or engagement by the Agency.
2. The Code of Conduct will describe important parts of the compliance program including, but not limited to the problem resolution process, employee Safety/Ethics Helpline, and non-retaliation policy.
3. All employees and agents will be provided a copy of the Code of Conduct and participate in training sessions on an annual basis that include a thorough review of the document.

### **Procedures:**

1. The Compliance Officer is responsible for the development and periodic update of the Agency's Code of Conduct.
2. The Board Corporate Compliance Committee and the Board of Directors will be responsible for oversight and final approval of the Code of Conduct.
3. The Code of Conduct will be written at a basic reading level, avoiding complex language and legal terminology. At a minimum, it should address critical areas such as compliance with laws and regulations, human resource practices, quality of care/service, conflicts of interest, proprietary rights, confidentiality, safety, and reimbursement practices.
4. The Code of Conduct will address specific areas of potential fraud or similar wrongdoing (e.g., claims development, submission processes, diagnostic/procedural code selections).
5. The Code of Conduct will address human resources related compliance issues such as sexual harassment and discrimination, as well as the Agency's commitment to quality of care and service.
6. Applicable policies and the Code of Conduct will be provided to all executive personnel, managers, employees, independent contractors, and those with whom business is conducted.

# North Country Transitional Living Services, Inc.

## CODE OF CONDUCT

**Vision:** Making the best care better

**Mission:** Compassionate people providing dignified, person-centered services that promote mental health and empower people to achieve their goals, hopes and dreams in a community of mutual support.

### Values:

- Everything NCTLS does should focus on providing excellent care – the best available and always getting better.
- Excellent care can **only** be provided by caring, compassionate, trusting, respectful, and hopeful people. NCTLS wants its staff to be people with these qualities and wants to be an organization that fosters these qualities.
- The care such people deliver will be:
  - Person-Centered
    - Strength based
    - Culturally sensitive
    - Individualized
    - Evidence based
  - Empowering
  - Caring/Compassionate
  - Respectful/Dignified
  - Responsive
  - Hopeful
- ~~If the NCTLS staff deliver care with such characteristics, the care will almost automatically be excellent and high quality.~~
- The right people can deliver the right care only in a collaborative context that stresses:
  - Partnership
  - Trust
  - Fairness
  - Honesty

### Intent:

The North Country Transitional Living Services (the Agency) Code of Conduct (the Code) applies to all employees and independent contractors.

The Code of Conduct was approved by the Agency's Board of Directors and is a formal statement of the Agency's commitment to the standards and rules of ethical conduct.

The Agency is committed to preventing the occurrence of unethical or unlawful behavior, stopping such behavior as soon as possible after discovery, and to discipline employees who violate the Code, including employees who neglect to report a violation.

All employees must comply with this Code, immediately report any alleged violations of wrongdoing, and assist management and compliance personnel in investigating allegations of wrongdoing.

While these standards addressed in the Code of Conduct are intended to guide employees in the course of their day-to-day responsibilities, they do not replace any Agency or program policies and procedures. There may be instances that are not addressed by the Code of Conduct or existing policies and procedures, or activities that may conflict with these standards. Employees must seek direction from their supervisor, other Agency management staff or the Compliance Officer in these instances.

## **Ethics:**

It is the policy of the Agency to observe all laws and regulations applicable to its business and to conduct business with the highest degree of integrity. To accomplish this, all employees and contractors must obey the laws and regulations that govern their work and always act in the best interest of the people we serve, their families and the Agency.

### **Guidelines for employees and contractors:**

- You are expected to keep management staff informed of what you are doing; to document or record all services or transactions accurately; and to be honest and forthcoming with the Agency, regulatory agencies, and internal and external auditors.
- You are expected to comply with the Agency's policies and procedures, accounting rules and internal controls.
- You are expected to function with honesty in your work for the Agency and with people we serve, providers, suppliers and all others with whom the Agency does business.

## **Conflict of Interest:**

Employees and contractors must not allow any outside financial interest, or competing personal interest to influence their decisions or actions taken on behalf of the Agency.

Employees and contractors must avoid any situation where a conflict of interest exists or might appear between their personal interests and those of the Agency. The appearance of a conflict of interest may be as serious as an actual conflict of interest.

### **Guidelines for employees and contractors:**

It is a conflict of interest for you to personally take for yourself opportunities that are discovered through the use of Agency property, information or position with the Agency; to use Agency property or information for personal gain; or to compete with the Agency.

There are many types of situations where potential conflicts may arise. You must promptly report any actual or potential conflicts of interest to your immediate supervisor or directly to the Compliance Officer.

### Outside Activities and Employment:

- You may not conduct outside activities during work time. Such activities interfere with your regular duties and negatively impact the quality of your work.
- You are a representative of the Agency in your every day life and must represent the Agency positively in the community.

Retention of Records:

- The retention, disposal or destruction of records of or pertaining to the Agency must always comply with legal and regulatory requirements and Agency policy.
- You may not destroy records pertaining to litigation or government investigations or audit without express written approval of the Compliance Officer.

**Protection of Confidential Information:**

The Agency has developed policies and procedures to assure that the confidentiality of Agency information and information about the people we serve is protected and released only with the appropriate authorization or for lawful reasons, in addition to purposes of treatment, payment and operations. All employees and contractors are required to comply with the Agency's Privacy Policy. If you have any questions concerning confidential information or the Privacy Policy contact your immediate supervisor or the Compliance Officer.

**Guidelines for employees and contractors:**

You must treat all Agency records and information as confidential.

You may not release confidential information without the proper authorization. Confidential information includes not only information about the people that we serve and their families, but also non-public information about the Agency that maybe of use to the Agency's competitors or harmful to the Agency or its customers if released.

You must protect Agency information and avoid discussing or disclosing Agency information, purposefully or inadvertently (through casual conversation), to any unauthorized person inside or outside the Agency. Furthermore, staff may not share confidential Agency information with anyone, except where required for a legitimate business purpose.

Agency information may not be removed from Agency property without permission from a supervisor or administrator with proper authority over the information. Ask your supervisor if you are not sure whether certain information is confidential.

Termination of Employment:

- You may not use any confidential information gained from your employment with the Agency for your or another company's benefit. You may not take originals or copies in any form of any records, documents or any other property belonging to the Agency.
- Upon termination of employment with the Agency, you must return all Agency property including, but not limited to, originals or copies of documents, notes, and any other records containing confidential information in any form; computer discs, Agency ID; keys and credit cards.

Information Security:

- You are responsible for properly using information stored and produced by all of the Agency's computer systems.
- Computers, Internet access, email, or other office communications systems are intended for business-related purposes only and not for uses that may be disruptive, offensive, harassing or harmful to others.
- Do not share your system user name or password with another person or allow another to access the computer with your password.

## **Political Activities and Contributions:**

Because the Agency is a non-profit organization, it is prohibited from engaging in any political campaign activities and a "substantial" amount of lobbying.

### **Guidelines for Employees and Contractors:**

Agency funds and resources, including your work time, may not be used for political contributions or activities.

You may not act as a representative of the Agency in any political campaign activity. In expressing your personal political views or support or opposition of a candidate for public office, it must be very clear that you are expressing your personal view, support or opposition as an individual and not a representative of the Agency.

Laws and regulations prohibit a "substantial" amount of lobbying. There are allowances for the Agency to advocate its position on public issues. To assure that the Agency does not violate any laws or regulations, or risk losing its tax-exempt status, you must seek prior approval from the Compliance Officer before engaging in any lobbying activities. The Compliance Officer may need to consult with legal counsel on the matter and will need to record the amount of time spent in lobbying activities.

## **Employment Environment:**

The Agency is committed to creating a safe and professional workplace where employees and others are treated with respect and without regard to their race, sex, age, religion, national origin, color, marital status, disability, or other protected characteristics. Business integrity, teamwork, trust and respect are the Agency's most important values. Unlawful discrimination or harassment of any sort violates these values. All Agency employees must exhibit and promote respect, integrity, trust and teamwork in the workplace and must comply with this policy prohibiting discrimination and harassment in all facets of the Agency's work

### **Guidelines for Employees and Contractors:**

All employees are required to support the Agency's commitment to a safe and professional work environment and to demonstrate appropriate behavior in the workplace.

All employees are prohibited from joking about another employee's race, sex, age, religion, national origin, color, marital status, disability, or other protected characteristics.

All employees are prohibited from considering someone's race, color, religion, sex, national origin, age, disability, or other protected characteristic in making decisions about hiring, placement, assignment of duties, training, promotion, termination, compensation, benefits and other work terms.

## **Policy and Procedure: *Corporate Compliance***

### **Topic: *Conflict of Interest***

#### **Purpose:**

All employees of North Country Transitional Living Services, Inc. (sometimes referred to as "Agency" or "the Agency") have an obligation to conduct business within guidelines that prohibit actual or potential conflicts of interest. This policy is established to ensure that services and business activities are conducted in an objective manner and are not motivated by desire for personal or financial gain.

#### **Policy:**

1. Employees are required to disclose any actual or potential conflict of interest and seek guidance on how to handle the situation.

*Conflict of Interest:* An actual or potential conflict of interest occurs when an employee is in a position to influence a decision that may result in a personal gain for that employee or for a relative as a result of business dealings. An employee should avoid any situation in which financial or other personal considerations may compromise or appear to compromise an employee's business judgment in the delivery of services or in the employee's performance of his or her job. For the purpose of this policy, a relative is any person who is related by blood or marriage, or whose relationship with the employee is similar to that of persons who are related by blood or marriage.

2. Business dealings with outside entities should not result in *unusual gain* for those entities, the Agency or an employee. Unusual gain refers to bribes, product bonuses, special fringe benefits, unusual price breaks, and other windfalls designed to ultimately benefit the employer, the employee, or both.
3. The materials, products, designs, plans, ideas, and data are the property of the Agency and should never be given to an outside firm or individual except through normal channels with appropriate prior authorization. Any improper transfer of material or disclosure of information, even though it is not apparent that an employee has personally gained by such action, is prohibited.

#### **Procedures:**

1. An employee with questions or concerns about potential conflicts of interest will promptly address the issue with appropriate management staff and/or the Compliance Officer. Management staff will consult with the Compliance Officer before responding to a concern or question about a potential conflict of interest.
2. Actual or potential conflicts of interest must be disclosed to appropriate management personnel, human resources, or the Compliance Officer.
3. Employees must disclose any potential conflicts of interest upon hire and when a potential conflict arises.

# **Policy and Procedure: *Corporate Compliance***

## **Topic: *Business Courtesies for Referrals***

### **Purpose:**

North Country Transitional Living Services, Inc. (referred to as "Agency" or "the Agency") recognizes that there are legitimate and lawful reasons to accept or provide reasonable business courtesies. However, in healthcare, business courtesies pose a risk for conflict of interest or fraud and/or abuse related to anti-kickback laws and regulations. The Anti-Kickback law prohibits the offer of payment, solicitation or receipt of any form of remuneration for the referral of Medicare or Medicaid recipients.

The purpose of this policy is to assure that the Agency complies with federal Anti-Kickback laws. The policy provides guidance for providing business courtesies.

For the purpose of this policy, the following definitions apply:

- **Business Courtesies:** Business courtesies include items of value given to another free of cost. Examples include gifts, entertainment, and /or Agency sponsored or hosted social events.
- **Immediate Family Member:** An immediate family member of a person includes:
  - The person's spouse;
  - Natural or adoptive parent, child or sibling;
  - Stepparent, stepchild, stepbrother or stepsister;
  - Father-in-law, mother-in-law; son-in-law; daughter-in-law; brother-in-law; or sister-in-law;
  - Grandparent or grandchild; and
  - Spouse of a grandparent or grandchild.
- **Potential Referral Source:** A potential referral source includes a physician, dentist or chiropractor who could reasonably be a source of referral of patients to the Agency for services or treatment.

### **Policy:**

1. It is the policy of the Agency that gifts, entertainment, and other benefits will not be provided to potential referral sources and/or to his or her immediate family, except as permitted by this policy.
2. These guidelines only pertain to relationships with individuals and entities outside the Agency, it does not pertain to actions between the Agency and its employees nor actions among Agency employees.
3. Any business courtesies involving physicians or other individuals or entities in a position to refer patients or services to the Agency must strictly follow Agency policies and be in conformance with all federal and state laws, regulations, and rules regarding these practices.



## **Policy and Procedure: *Corporate Compliance***

### **Topic: *Employee and Contractor Exclusion Screening***

#### **Purpose:**

North Country Transitional Living Services, Inc. (sometimes referred to as "Agency" or "the Agency") is committed to maintaining high quality care and service as well as integrity in its financial and business operations. Therefore, the Agency will conduct appropriate screening of key providers, employees, independent contractors, and business vendors to ensure that they have not been sanctioned by a federal or state law enforcement, regulatory, or licensing agency.

#### **Policy:**

1. It is the policy of the Agency not to employ, contract with, or conduct business with an individual or entity excluded from participation in federally sponsored health care programs, such as Medicare and Medicaid.
2. The Agency will conduct exclusion (sanction) screening of all current and proposed employees and independent contractors.
3. The Agency will verify that entities and businesses that provide and/or perform services for the Agency have not been the subject of adverse governmental actions and/or excluded from the federal healthcare programs.

#### **Procedures:**

1. The Director of Human Resources will conduct exclusion checks to verify that all employees and independent contractors have not been excluded from federal healthcare programs. An exclusion check is a search to determine if the individual or entity's name appears on any list. The Director of Human Resources is responsible for maintaining the list of sources identified for the conducting of exclusion checks.
2. An exclusion check will be performed on all applicants for employment as part of the pre-employment screening process.
3. The Agency representative responsible for the arrangements with independent contractors shall be responsible for conducting exclusion checks prior to entering an agreement with an independent contractor.
4. Contracts with business vendors will contain a certification that the vendor and its employees are not excluded by the federal government. The Compliance Officer shall assure that an exclusion check of the business entity is conducted prior to entering a business contract with the vendor and at least annually.
5. The Compliance Officer will assure that exclusion checks of all employees and independent contractors are conducted at least annually.

# **Policy and Procedure: *Corporate Compliance***

## **Topic: *Enforcement of Compliance Standards***

### **Purpose:**

North Country Transitional Living Services, Inc. (sometimes referred to as "Agency" or "the Agency") is committed to conducting its business ethically and in conformance with all federal and state laws, regulations, interpretations thereof, and the Agency's Code of Conduct. To support this commitment, the Agency has developed procedures for disciplinary actions to be taken for violations of the Corporate Compliance Program and/or Code of Conduct by employees and/or independent contractors.

### **Policy:**

1. Employees and independent contractors who, upon investigation, are found to have committed violations of applicable laws and regulations, the Corporate Compliance Program, the Code of Conduct, or the Agency's policies and procedures will be subject to appropriate disciplinary action, up to and including termination.
2. The following actions may result in disciplinary action:
  - Authorization of or participation in actions that violate the law, regulations and Corporate Compliance Program, including the Code of Conduct, and all related policies and procedures;
  - Failure to report a violation by a peer or subordinate;
  - Failure to cooperate in an investigation;
  - Retaliation against an individual for reporting a possible violation or participating in an investigation; and
  - Failure to act as an honest, reliable and trustworthy service provider.
3. Discipline will be appropriately documented in the disciplined employee's personnel file (or in the independent contractor's file), along with a written statement of reason(s) for imposing such discipline. Such documentation will be considered during regular and promotional evaluations.
4. The Compliance Officer and Director of Human Resources will be responsible for assuring that disciplinary actions related to non-compliance with the law, regulations and Corporate Compliance Program, including the Code of Conduct, are consistent with actions taken in similar instances of non-compliance.

### **Procedures:**

1. The Agency shall apply progressive discipline consistent with the violation. Examples of the disciplinary action that may be taken in accordance with the nature and scope of the infraction include but are not limited to: (a) verbal counseling or warning; (b) counseling with written warning; (c) retraining; (d) reassignment or demotion; (e) suspension without pay; and (f) termination of employment (or arrangement with an independent contractor).
2. To the extent possible, disciplinary action will be taken in accordance with the Agency's Employee Handbook.

## **Policy and Procedure: *Corporate Compliance***

### **Topic: *False Claims Act and Whistleblower Provisions***

#### **Purpose:**

North Country Transitional Living Services, Inc. (the Agency) is committed to prompt, complete and accurate billing of all services provided to individuals. The Agency and its employees, contractors and agents shall not make or submit any false or misleading entries on any claim forms. No employee, contractor or agent shall engage in any arrangement or participate in such arrangement at the direction of another person, including any supervisor or manager, that results in the submission of a false or misleading entry on claims forms or documentation of services that result in the submission of a false claim.

It is the policy of the Agency to detect and prevent fraud, waste and abuse in federal healthcare programs in accordance with the False Claims Act. This policy applies to all employees, including management, and all contractors and agents.

#### **Overview of the False Claims Act:**

The False Claims Act, 31 U.S.C. § 3729 *et seq.*, is a federal law designed to prevent and detect fraud, waste and abuse in federal healthcare programs, including Medicaid and Medicare. Under the False Claims Act, anyone who “knowingly” submits false claims to the Government is liable for damages up to three times the amount of the erroneous payment plus mandatory penalties of \$5,500 to \$11,000 for each false claim submitted.

The law was revised in 1986 to expand the definition of “knowingly” to include a person who:

- Has actual knowledge of falsity of information in the claim;
- Acts in deliberate ignorance of the truth or falsity of the information in the claim; and
- Acts in reckless disregard of the truth or falsity of the information in a claim.

False Claims suits can be brought against individuals and entities. The False Claims Act does not require proof of a specific intent to defraud the Government. Providers can be prosecuted for a wide variety of conduct that leads to the submission of a false claim. Some examples include knowingly making false statements, falsifying records, submitting claims for services never performed or items never furnished, double-billing for items or services, using false records or statements to avoid paying the Government, or otherwise causing a false claim to be submitted.

#### **Whistleblower or “Qui Tam” Provisions:**

In order to encourage individuals to come forward and report misconduct involving false claims, the False Claims Act contains a “Qui Tam” or whistleblower provision.

The Government, or an individual citizen acting on behalf of the Government, can bring actions under the False Claims Act. An individual citizen, referred to as a whistleblower or “Relator,” who has actual knowledge of allegedly false claims may file a lawsuit on behalf of the U.S. Government. If the lawsuit is successful, and provided certain legal requirements are met, the whistleblower may receive an award ranging from 15% - 30% of the amount recovered.

## **Effective Confidential Communication**

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### **I. Expectations**

Open lines of communication between the CO and every employee and agent subject to this Plan is essential to the success of our Compliance Program. Every employee has an obligation to refuse to participate in any wrongful course of action and to report the actions according to the procedure listed below.

### **II. Reporting Procedure**

If an employee, contractor or agent witnesses, learns of, or is asked to participate in potential non-compliant activities, in violation of this Compliance Plan, he or she should contact the CO, his or her immediate supervisor or the Executive Director. Reports may be made:

- 1) in person at the CO office at 482 Black River Parkway, Watertown, NY, or;
- 2) by calling 782-1777, Ext. 66 dedicated for the purpose of receiving such notification, or;
- 3) mailing information to the CO at North Country Transitional Living Services, 482 Black River Parkway, Watertown, NY 13601.

Upon receipt of a question or concern, any supervisor, officer or director shall document the issue at hand and report to the CO. Any questions or concerns relating to potential non-compliance by the CO should be reported immediately to the Executive Director.

The CO or designee shall record the information necessary to conduct an appropriate investigation of all complaints. If the employee was seeking information concerning the Code of Conduct or its application, the CO or designee shall record the facts of the call, the nature of the information sought and respond as appropriate. Agency shall, as much as is possible, protect the anonymity of the employee or contractor who reports any complaint or question.

### **III. Protections**

The identity of reporters will be safeguarded to the fullest extent possible to protect against retribution. Report of any suspected violation of this Compliance Plan by following the above shall not result in any retribution. Any threat of reprisal against a person who acts in good faith pursuant to his or her responsibilities under the Compliance Plan is acting against the Agency's compliance policy. Discipline, up to and including termination of employment will result if such reprisal is proven.

### **IV. Guidance**

Any employee and agent may seek guidance with respect to the Compliance Plan or Code of Conduct at any time by following the reporting mechanisms outlined above.

## Auditing and Monitoring of Compliance Activities

### **I. Internal Audits**

Ongoing evaluation is critical in detecting non-compliance and will help ensure the success of the Agency's Compliance Program. An ongoing auditing and monitoring system, implemented by the CO, in consultation with the Board Compliance Committee, is an integral component of our auditing and monitoring systems. This ongoing evaluation shall include the following:

- Review of relationships with third-party contractors, specifically those with substantive exposure to government enforcement actions;
- Compliance audits of compliance policies and standards; and
- Review of documentation and billing relating to claims made to federal, state and private payers for reimbursement, performed internally or by an external consultant as determined by CO and BCC.

The audits and reviews will examine the Agency's compliance with specific rules and policies through on-site visits, personnel interviews, general questionnaires (submitted to employees and contractors), and consumer record documentation reviews.

### **II. Plan Integrity**

Additional steps to ensure the integrity of the CP will include:

- The CO will be notified immediately in the event of any visits, audits, investigations or surveys by any federal or state agency or authority, and shall immediately receive photocopy of any correspondence from any regulatory agency charged with licensing the Agency and/or administering a federally or state-funded program or County funded program in which the Agency participates.
- Establishment of a process detailing ongoing notification by the CO to all appropriate personnel of any changes in laws, regulations or policies, as well as appropriate training, to assure continuous compliance.