

## 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, False Claims Act, overpayments, reporting, fraud, waste, and abuse, non-retaliation/intimidation, Standards of Conduct (SOC)
<b>Regulations</b>	18 NYCRR Part 521-1, False Claims Act (31 U.S.C. Sec 3729), Deficit Reduction Act of 2005, NYS SOS Sec. 303-d

### 1. Policy Overview

The Compliance Program (the “Program”) is designed to promote Northern Rivers and its member agencies, Northeast Parent & Child Society, Parsons Child & Family Center, and Unlimited Potential, 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, waste, 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, including self-disclosure of overpayment if warranted.

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, its Board of Directors, and its contractors have an obligation to assist in making the Program successful. All are expected to:

- Familiarize themselves with the Northern Rivers Compliance Standards of Conduct and compliance policies and protocols;
- Review and understand the key policies governing their particular functions;
- Report any fraud, waste, abuse or other improper activity through the mechanisms available 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 risks and maximize the use of Northern Rivers’ resources. All staff is 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

521-1. The key elements of the Program, which are discussed in greater detail within this Compliance Plan, are as follows:

- A Compliance Standards of Conduct that describes compliance requirements and expectations and references more detailed policies that guide Northern Rivers activities;
- The assignment of staff to oversee the Program, including the Compliance Officer;
- Compliance training for all Northern Rivers staff members, Board of Directors, and contractors;
- Mechanisms for reporting compliance concerns, including an anonymous reporting option;
- Procedures to encourage good faith participation in the compliance program and disciplinary sanctions for non-compliance;
- Procedures for investigating reports of suspected compliance concerns and cooperating in internal and external investigations;
- A system of internal compliance audits and reviews to detect potential fraud, waste, 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, waste, 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. Board Members who fail to comply may be subject to removal or other disciplinary action in accordance with the Board Bylaws. Contractors that fail to comply would be subject to sanctions in accordance with contractual conditions.

## **2. Impacted Parties**

- All Northern Rivers' Staff
- Board of Directors
- All Northern Rivers' Contractors
- Compliance Officer
- Chief of Compliance and Quality Improvement
- All Program/Department Directors

## **3. Policy Definitions**

- "Northern Rivers Family Services" or "Northern Rivers" or "the organization" is defined as Northern Rivers Family Services and its Member Agencies, Northeast Parent & Child Society, Parsons Child & Family Center, and Unlimited Potential.
- "Board of Directors" is the Northern Rivers Family Services governing Board of Directors
- "Staff Member" or "staff" is defined as any employee, intern, volunteer, independent contractor, or vendor of Northern Rivers Family Services and its Member Agencies.
- "Contractors" includes contractors, subcontractors, agents, and independent contractors.
- "Fraud" is defined as any type of intentional deception or misrepresentation made by a staff member with the knowledge that the deception could result in some unauthorized benefit to himself or herself or to Northern Rivers or another person. Fraud includes intentionally submitting false information to the Government (including situations in which one should have known the information was false) to get money or a benefit.

- “Waste” includes practices that, directly or indirectly, result in unnecessary costs to federally funded programs, such as overusing services. Waste is generally not considered to be caused by criminally negligent actions but rather by the misuse of resources.
- “Abuse” is defined as practices that are inconsistent with sound fiscal, business or medical practices and result in an unnecessary cost to the state or federal government or Northern Rivers, or in reimbursement of services that are not medically necessary or fail to meet professionally recognized standards for health care.

#### 4. Procedure

##### 4.1. Compliance Standards of Conduct

The Northern Rivers Compliance Standards of Conduct (“the Standards”) set forth the basic principles that guide Northern Rivers’ decisions and actions. All impacted parties are expected to familiarize themselves with these Standards and rely on them in carrying out their duties. Staff must sign the Compliance Standards of Conduct upon hire. Members of the Board will sign at the time they join the Board. Contracts will include Compliance Addendum including provision consistent with the Standards.

The Standards are 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. Upon hire, staff is provided access to all Northern Rivers policies and provided training on how to access them. Staff is expected to regularly review and carry out their duties in accordance with the policies applicable to their job functions. The 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 Medicare, 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 parties 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, those parties 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 services rendered to clients are accurately documented in case records. In the event of a government audit or investigation, documentation is necessary to demonstrate that a service has been appropriately delivered and claimed.

In the event that an overpayment to Northern Rivers has been detected, the funding will be returned to the applicable payer in accordance with applicable regulations and Northern Rivers' policies and procedures.

The failure of any party 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. Non-compliance may subject Northern Rivers 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 in accordance with applicable regulation and guidance. 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 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. 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 staff on applicable policies and protocols, standards, requirements, regulations, and statutes that govern the program and on program procedures to ensure compliance;
- Ensuring the program completes regular monitoring activities to verify compliance that supports appropriate billing and quality of care;
- Investigating incidents of potential non-compliance and, if necessary, acting immediately to correct the situation;
- Reporting the outcome of incidents of non-compliance reviews, including corrective actions taken to the Compliance Officer and;
- Reporting serious or systemic incidents of non-compliance 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 Quality Improvement (CCQI) and the Board of Directors, is responsible for overseeing the implementation and modification of the Program. The Compliance Officer shall report directly to the CCQI. The Compliance Officer shall have sufficient staff and resources to satisfactorily perform their responsibilities for the day-to-day operation of the compliance program based on Northern Rivers' risk areas and organizational experience. The Compliance Officer and Compliance Personnel shall also have access to all records, documents, information, facilities and affected individuals that are relevant to carrying out their compliance program responsibilities. On no less than an annual basis, the CCQI shall determine if the Compliance Officer has been given adequate resource to satisfactorily perform their responsibilities for the day-to-day operation of the compliance program including a determination that other duties assigned has not hindered the ability of the Compliance Officer to carrier out their primary responsibilities.

The Compliance Officer's chief duties include, but are not limited to, the following:

- Overseeing and monitoring the adoption, implementation and maintenance of the compliance program and evaluating its effectiveness;
- Drafting, implementing, and updating no less frequently than annually a compliance work plan which outlines NR's proposed strategy for meeting the OMIG Compliance Program requirements for the coming year,
- Reviewing and revising no less than annually the compliance program, the written policies and procedures, and standards of conduct, to incorporate changes based on the NR's organizational experience and changes to Federal and State laws, rules, regulations, policies and standards;
- Establishing and maintaining open lines of communication so potential compliance problems may be reported promptly and ensuring confidentiality of the reporter;
- Investigating and independently acting on matters related to the compliance program, including designing and coordinating internal investigations and audits and

documenting, reporting, coordinating, and pursuing any resulting corrective action with all internal departments, contractors and the State; and

- Reporting directly and through CCQI, on a regular basis, but no less frequently than quarterly, to the required provider's governing body, chief executive, and compliance committee on the progress of adopting, implementing, and maintaining the compliance program.

#### 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 Improvement and to the Board's Finance and Audit Committee. The Board of Directors receives reports on the operation of the Compliance Program directly from the Chief of Compliance and Quality Improvement during meetings of the Board's Finance and Audit Committee and to the full Board at least annually. The Compliance Officer and Chief of Compliance and Quality Improvement have the authority to bring matters directly to the Board of Directors attention at any time.

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

- Confers directly and regularly with the Northern Rivers Chief of Compliance and Quality Improvement 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 content of Full self-disclosures, aggregate data on abbreviated 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.

#### 4.3. Compliance Training

Every newly hired staff member must attend the new employee compliance training session provided by Northern Rivers as part of the required orientation. The curriculum for new employee 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 Compliance Standards of Conduct, the Federal False Claims Act, improper or fraudulent documentation of services or billing, misuse of funds, reporting, non-retaliation and non-intimidation and the key elements of the Program.

All staff 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 staff in a particular program. Upon hire, staff members will also be provided a link to all Northern Rivers policies. Staff will be informed of policy updates and are

expected to familiarize themselves with Northern Rivers' policy and protocol. Staff members are required to participate in any advanced compliance training sessions organized by their program.

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

Contractors are required, upon execution of a contract with Northern Rivers, to comply with the Northern Rivers Compliance Program, including attestation of the review of the Northern Rivers Compliance Plan and related policies as applicable to their contracted scope of work.

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 six years.

The Compliance Officer will be responsible, on a regular basis, for preparing and distributing updates addressing new fraud and abuse or other compliance issues of which the Compliance Officer becomes aware. These 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, contractors, and members of the Board of Directors to report observed or suspected fraud, waste, abuse or other improper activity relating to the operation of Northern Rivers, as outlined in Northern Rivers' policy RM 04 Fraud, Waste, and Abuse Reporting Policy.

##### 4.4.1. Reporting Mechanisms

There are several options for reporting fraud, waste, and abuse or other improper activity. Reports may be made anonymously by mailing a letter, either through inter office mail or through the US Postal Service, to the attention of those mentioned below.

- Staff may file a report with their supervisor, program director, the Compliance Officer, the Chief of Compliance and Quality Improvement, or a member of the Northern Rivers' Board of Directors.
- Contractors may file a report with the Northern Rivers' Contract Manager, the Compliance Officer, or the Chief of Compliance and Quality Improvement.
- Members of the Board of Directors may file a report with the Board Chair, the CEO, the Compliance Officer, or the Chief of Compliance and Quality Improvement.
- Medicaid clients in receipt of Medicaid reimbursed services from Northern Rivers may file a report with their service provider, the Compliance Officer, or the Chief of Compliance and Quality Improvement.

Additionally, a report may also be made through the Northern Rivers' anonymous compliance hotline at:

- 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: [www.lighthouse-services.com/northernrivers](http://www.lighthouse-services.com/northernrivers)
- Scan:



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

#### 4.4.2. Qui Tam Lawsuits

Any individual or entity has the legal 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 individual or entity who reports the suspected fraud to the government is referred to as a “relator.” If the government accepts the case and it 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 individual or entity from filing a Qui Tam Lawsuit through threats of retaliation, intimidation or otherwise. However, all individual and entities are encouraged to report and attempt to resolve suspected False Claims Act violations through the internal reporting 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 one who files a report of suspected fraud, waste, and abuse or other improper activity in good faith, will be subject to intimidation or retaliation by Northern Rivers in any form. Any such retaliation must be immediately reported to the Compliance Officer through one of the reporting mechanisms outlined in this Plan and RM 04 Fraud, Waste, and Abuse Reporting policy.

#### 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 meeting these expectations, 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 required by law. The processes by which investigations are conducted are detailed in RM 05 Investigation Policy.

#### 4.6. Disciplinary Policies for 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 an impacted party 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 a staff member has engaged in any misconduct relating to the Plan, the staff shall be subject to potential disciplinary actions. Enforcement and corrective action may include:

- Re-training employees;
- Reassignment of duties;
- Progressive discipline as outlined in HR 03 Progressive Discipline policy;
- 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.

Board Members who fail to comply may be subject to removal or other disciplinary action in accordance with the Board Bylaws. Contractors that fail to comply would be subject to sanctions in accordance with contractual conditions.

#### 4.7. Internal Auditing

Northern Rivers seeks to identify points of non-compliance at an early stage before potentially 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 the development of an Annual Work Plan in which the subjects of internal audits are identified, 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 Compliance Officer develops an Annual Work Plan, which includes internal audits. The Work Plan is approved by the Chief of Compliance and Quality Improvement and reviewed by the Privacy Security and Compliance Committee and the Northern Rivers Board Finance, 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 Work Plan is prepared summarizing the findings of each audit, and recommending any appropriate corrective action.
- 4.7.2. The Compliance Officer leads an annual assessment of the Northern Rivers Compliance Program. The assessment shall be used as the basis of meeting the requirements of NYS Social Services Law Sec. 303-d. The assessment shall be reviewed and approved by Northern Rivers Privacy, Security, and Compliance Committee. The Chief of Compliance shall share the results of the assessment with the NR Board Finance, Audit, and Compliance Committee or with the Northern Rivers Board of Directors.
- 4.7.3. 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 staff and contractors 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 through established state and federal self-disclosure protocols.

#### 5. Training

- See Section 4.3 above.

#### 6. Additional Protocols

- Additional protocols may be developed to implement this policy.

#### 7. Disciplinary Actions

- See Section 4.6 above.