

Child and Adolescent Treatment Services

Corporate Compliance Plan

Approved March 10, 2012
Revised August 10, 2015



Child and Adolescent Treatment Services

Compliance Program Policy and Procedure Manual

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The information in this Compliance Program Policy and Procedure Manual is intended to provide basic facts about Child and Adolescent Treatment Services, Inc. (hereafter referred to as CATS, “Agency”, or “the Agency”) compliance program policies and procedures. This information, in conjunction with other policy and procedural manuals published by the Agency and revised from time to time as appropriate, present our core business policies and procedures and other information in order to guide and assist you.

All provisions, policies and procedures outlined in this Code of Conduct are subject to applicable local, state and federal laws. Any provisions that become unlawful under subsequent laws shall be void and unenforceable.

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Section 1 Policy and Procedure: Corporate Compliance

Topic: Code of Conduct

Intent

The Child and Adolescent Treatment Services Code of Conduct (the Code) applies to all employees and independent contractors.

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

Child and Adolescent Treatment Services 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 CATS 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.

All CATS staff abide by the Code of Conduct for Custodians of People with Special Needs established by the NY Justice Center. All CATS staff sign the Pledge to Abide by the Code of Conduct for Custodians of People with Special Needs.

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.
- Outside employment must not conflict in any way with your responsibilities to the Agency or its consumers. You may not compete against CATS, work for its competitors, or have any ownership interest in a competitor.

Use of Agency Funds and Resources

- The Agency's assets are to only be used for the benefit of the Agency and the people we serve. Assets include funds, equipment, inventory, and office supplies, but also concepts, business plans and strategies, information about people served, financial information, computer property rights, and other business information about the Agency.
- You may not use Agency assets for personal gain or give them to any other persons or entities, except in the ordinary course of business as part of an approved transaction.
- With discretion of the President or designee high performing staff may be permitted to use under utilized office space for private practice with just consideration.

Confidentiality

- During your employment, you may acquire confidential information about CATS, its staff and people we serve that must be handled in strict confidence and not discussed with outsiders. The protection of confidential business, staff, and client health information is very important.

Business Dealings Between the Agency and Employees

- CATS will not be inappropriately influenced with goods or services from any business in which you or your immediate family members have a substantial interest.
- Property and resources of the Agency should only be used for the benefit of the Agency or the people we serve.

Maintenance of Records

Employees and contractors must record and report all agency, client and financial information fully, accurately, and honestly. Records include, but are not limited to, records of the people we serve, documentation of services, accounting books or records, financial statements, timesheets or records, expense reports, vouchers, bills, payroll, claims payment records, correspondence, and any other method of communication. Employees or contractors must not omit or conceal any relevant information.

Guidelines for Employees and Contractors

Many of the Agency forms are legal documents used to prove that a service was provided, to bill for a service to a consumer, to record a job task, or to record specific happenings. You must document accurately and honestly, and only for those services that you provided or those events you were involved in.

Falsification of Records

- You must not make any false entries in any of the Agency's records or in any public record for any reason.
- You may not alter any permanent entries in the Agency's records.
- You may only approve payments or receipts on behalf of the Agency that are described in documents supporting the transaction. "Slush funds" or similar off-book accounts, where there is no accounting for receipts or expenditures on the agency books, are strictly prohibited.
- You may not create or participate in the creation of any records that are intended to mislead or to conceal anything that is improper.

Expense Records

- You must always charge expenses accurately and to the appropriate cost center or account, regardless of the financial status of the program, project, or contract, or the budget status of a particular account or line item.

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 President and 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 CATS 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 may be 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 copies of any reports, 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, copies of documents, notes, and other records containing confidential information; computer disks; 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.

-
- You have a responsibility to help maintain the security and integrity of the Agency's computer equipment and network, and you understand that loading
 - Unauthorized software applications or files puts the Agency computer systems and equipment at risk of infection by potentially damaging virus, tracking or malware software. Moderate use of computer equipment for personal use will be permitted, subject to supervisory personnel.
 - Additionally, adding personal software applications or files to Agency computer systems is also strictly prohibited.
 - Do not share your system user name or password with another person or allow another to access the computer with your password except your supervisor, administrator, or IT staff member.

Cellular Telephones

- You acknowledge that any cellular telephone equipment that you receive from the Agency remains the property of the Agency at all times, and that you are responsible for operating and securing the equipment in a manner that protects the Agency at all times.
- Agency cellular telephones are intended to assist personnel in performing their duties, and should be used primarily for Agency related business. Moderate use of cellular telephones for personal use will be permitted, subject to oversight by supervisory personnel. Inappropriate or illegal use of Agency cellular telephones, including the download of unauthorized applications or ringtones or the use by persons not affiliated with the Agency is strictly prohibited.

Fair Dealing

Conducting business with providers, contractors, suppliers, people we serve, and competitors may pose ethical problems. Employees and contractors are expected to deal fairly with providers, contractors, people we serve, and competitors.

The Code of Conduct and the following guidelines are intended to help you make appropriate, responsible and correct decisions in these and all matters:

Kickbacks and Rebate

- Kickbacks and rebates in cash, credit, or other forms are prohibited. They are not only unethical, but in many cases, illegal.

Gifts and Gratuities and Entertainment

- You may not solicit money, gifts, gratitude, or any other personal benefits or favors of any kind from providers, contractors, producers, accounts, or people we serve and their families.
- You must not offer or accept entertainment that is not a reasonable addition to a business relationship but is primarily intended to gain favor or to influence a business decision.
- The intent of this policy will not be interpreted to prohibit providers, contractors, producers, accounts or the people we serve and their families from voluntarily contributing to the fundraising efforts of the Agency.
- The intent of this policy will also not apply to gifts of nominal value from people served and their families and/or non-monetary gifts from business partners.

Agreements With Contractors and Vendors

The Agency must assure that any agreements with contractors and vendors clearly and accurately describe the services to be performed or items to be purchased. Performance standards, and the applicable compensation, if any, must be reasonable in amount, not be excessive in terms of industry practice and must equal the value of the services rendered.

Improper Use of Funds or Assets

Use of the Agency's funds or assets for any improper purpose is strictly prohibited. If you are aware of or have reason to believe that funds or assets are being improperly used, you must report this immediately to your supervisor or the Compliance Officer.

Federal and State Programs

CATS is committed to complying with the laws and regulations that govern the federal and state programs that it administers. Policies and procedures, the Compliance Program, and this Code of Conduct are developed to provide guidance in your day-to-day work. You must abide by the policies and procedures and the standards set by the Agency.

Governmental Investigations

There may be times that the Agency is asked to cooperate with an investigation by a federal or state governmental agency, or to respond to a request for information.

A request may be formally addressed to the Agency or an individual within the Agency. Employees and contractors must report any requests for information or cooperation with an investigation to the Compliance Officer immediately.

Political Activities and Contributions

Because the Agency is a non-profit organization, it is prohibited from engaging in any political campaign activities and lobbying. This will not prohibit educational activities. If you plan to be involved in any legislator education, please discuss with your supervisor or administrator.

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.

Employment Environment

CATS 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.

Sexual harassment is prohibited. Sexual harassment includes any form of unwelcome sexual advance, request for sexual favors, or other verbal or physical conduct of a sexual or sex-based nature.

You are responsible for understanding the Agency's policy prohibiting discrimination and sexual harassment. You should consult with an appropriate supervisor or administrator if you have questions about your right to a workplace free from unlawful harassment or discrimination or if you have questions about your duty to avoid discrimination.

Seeking Guidance and Reporting Violations

Employees and contractors must report any actual or suspected violations of this Code of Conduct, any applicable law or regulation, or any Agency policy and procedure to their immediate supervisor or the Compliance Officer. A Compliance Hotline is also available for confidential or anonymous reporting of such issues. The Compliance Hotline number is 716-819-3429.

When an actual or suspected violation of this Code of Conduct, any applicable law or regulation, or any Agency policy and procedure is reported to any Agency employee, it must be promptly referred to the Compliance Officer. Steps will be taken to protect confidentiality and anonymity, when appropriate and warranted. The Agency will not tolerate any form of retaliation against a person who makes a good-faith report in accordance with this Code of Conduct.

All employees and contractors must cooperate fully and honestly in any investigation into a reported violation of this Code of Conduct, any applicable law or regulation, or Agency policy, procedure, or practice.

Corrective Action and/or Discipline

Any employee or contractor who violates or knowingly fails to report any violation of this Code of Conduct, any applicable law or regulation, or Agency policy, procedure, or practice is subject to appropriate disciplinary action, up to and including termination.

Disciplinary action may range from a warning to suspension or discharge, depending upon the nature of the incident and the relevant surrounding circumstances.

Your Responsibilities

- ✓ Attend required training, and read and understand the CATS Corporate Compliance Plan, Corporate Compliance Policies and Procedures, and Code of Conduct.
- ✓ Follow the Agency's Code of Conduct and abide by all policies and procedures, guidelines, and Federal and State laws and regulations.
- ✓ Be alert to any situation that could violate the Agency's Code of Conduct, policies and procedures, guidelines, and/or federal and state laws and regulations.
- ✓ Promptly report any issues, concerns, violations or suspected violations to your supervisor, other management staff, Compliance Officer, or the Executive Director.

Policy and Procedure: Corporate Compliance

Topic: Conflict of Interest

Purpose:

All employees and Board members of Child and Adolescent Treatment Services (sometimes referred to as “CATS”, “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 and Board members are required to disclose any actual or potential conflict of interest and seek guidance on how to handle the situation.

Conflict of Interest. Any situation in which financial or other personal considerations may compromise or appear to compromise (1) an employee or Board member’s business judgment; (2) delivery of services; or (3) ability for an employee to do his or her job. An actual or potential conflict of interest occurs when an employee or Board member is in a position to influence a decision that may result in a personal gain for that employee, Board member, or for a relative as a result of business dealings. 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, CATS, a Board member, or an employee. Unusual gain refers to gifts, bribes, product bonuses, special fringe benefits, unusual price breaks, and other windfalls designed to ultimately benefit the employer, the employee, or both or that would reasonably be determined to influence the employer, 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 or Board member 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.
4. Members of management and the Board of Directors will complete a Conflict of Interest Disclosure Statement annually.
5. Employees must seek guidance and approval from appropriate management personnel prior to pursuing any business or personal activity that may constitute a conflict of interest.
6. Outside employment may not interfere with the employee's ability to perform his or her job with CATS. In addition, Agency employees may not compete against CATS, work for its competitors, or have any ownership interest in a competitor.
7. The Compliance Officer will investigate any violations of this policy.

APPENDIX A

Child and Adolescent Treatment Services

Conflict of Interest Disclosure Statement

The conflict of interest policy includes a provision which sets forth standards of conduct expected and requiring Board members and management to disclose all interests which could result in a conflict.

In accordance with the Agency's Conflict of Interest Policy, a conflict of interest is defined as: Any situation in which financial or other personal considerations may compromise or appear to compromise (1) an employee's business judgment; (2) delivery of services; or (3) ability for an employee to do his or her job. 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.

Please complete and return the enclosed conflict of interest disclosure statement.

The disclosure requirements are intended to provide the Board and management with a systematic and ongoing method of disclosing and ethically resolving potential conflicts of interest. Although it is impossible to list every circumstance giving rise to a possible conflict of interest, the following will serve as a guide to the types of activities that might cause conflicts and that should be fully reported:

A. Outside Interests

- a. To hold, directly or indirectly, a position or a financial interest in any outside concern from which the individual has reason to believe the Agency secures goods or services (including the services of buying or selling stocks, bonds, or other securities), or that provides services competitive with the system.
- b. To compete, directly or indirectly, with the Agency in the purchase or sale of property or property rights, interests, or services.

B. Outside Activities

To render directive, managerial, or consultative services to any outside concern that does business with, or competes with the services of the Agency, or to render other services in competition with the Agency.

C. Inside Information

To disclose or use information relating to the Agency's business for the personal profit or advantage of the individual or his/her immediate family.

D. Gifts, Gratuities, and Entertainment

To accept gifts, excessive entertainment, or other favors from any outside concern that does, or is seeking to do, business with, or is a competitor of, the Agency - under circumstances from which it might be inferred that such action was intended to influence or possibly would influence the individual in the performance of his/her duties.

- ✓ I have been provided with a copy of the Agency's Conflict of Interest Policy.
- ✓ I hereby state that I, or members of my immediate family, have the following affiliations or interest and have taken part in the following transactions that, when considered in conjunction with the position with or relation to the Agency, might possibly constitute a conflict of interest. (Check "None" where applicable)

1. Outside Interests

Identify any interests, other than investments, of yourself or your immediate family, as described in the paragraph A of the accompanying document.

() None

2. Investments

List and describe, with respect to yourself or your immediate family, all investments that might be within the category of "financial interest", as described in paragraph A of the accompanying document.

() None

3. Outside Activities

Identify any outside activities, of yourself or your immediate family, as described in paragraph B of the accompanying document.

() None

4. Other

List any other activities in which you or your immediate family are engaged that may be regarded as constituting a conflict of interest, giving particular attention to the paragraphs B and C of the accompanying document.

() None

5. I hereby certify that neither I nor any member of my immediate family have accepted gifts, gratuities, or entertainment that might influence my judgment or actions concerning the business of the Agency, except as listed below:

() None

6. The following circumstances may possibly violate the Code of Conduct:

() None

7. List any family members employed by CATS or serving as a member of the CATS's Board of Directors.

Name

Relationship

I hereby agree to report to management or the Compliance Officer any future situation that may result in a conflict of interest.

Name (Printed or typed)

Title

Signature

Date

APPENDIX B

Child and Adolescent Treatment Services

Code of Conduct

CODE OF CONDUCT FOR CUSTODIANS OF PEOPLE WITH SPECIAL NEEDS

June 10, 2013

Introduction

The Protection of People with Special Needs Act (“the Act”) establishes the Justice Center for the Protection of People with Special Needs (“Justice Center”) and requires that this Code of Conduct be read and signed by anyone who will have regular and substantial contact with any person who is receiving services or supports from facilities or providers covered by the Act.

The Code of Conduct is not intended to provide a detailed list of what to do in every aspect of your work. Instead it represents a framework that will help custodians determine how to help people with special needs live self-directed, meaningful lives in their communities, free from abuse and neglect, and protected from harm.

You must abide by the following Code of Conduct provisions:

1. Person-Centered Approach

My primary duty is to the people who receive supports and services from this organization. I acknowledge that each person of suitable age must have the opportunity to direct his or her own life, honoring, where appropriate, their right to assume risk in a safe manner, and recognizing each person’s potential for lifelong learning and growth. I understand that my job will require flexibility, creativity and commitment. Whenever appropriate, I will work to support the individual’s preferences and interests.

2. Physical, Emotional and Personal Well-being

I will promote the physical, emotional and personal well-being of any person who receives services and supports from this organization, including their protection from abuse and neglect and reducing their risk of harm. I will immediately report any situation in which any person receiving services or supports is experiencing, or is at risk of experiencing abuse or neglect.

3. Respect, Dignity and Choice

I will respect the dignity and individuality of any person who receives services and supports from this organization and honor their choices and preferences whenever possible and appropriate. I will help people receiving supports and services use the opportunities and resources available to all in the community, whenever possible and appropriate.

4. Self-Determination

I will help people receiving supports and services realize their rights and responsibilities, and, as appropriate, make informed decisions and understand their options related to their physical health and emotional well-being.

5. Relationships

I will help people who receive services and supports from this organization maintain or develop healthy relationships with family and friends. I will support them in making informed choices about safely expressing their sexuality and other preferences, whenever possible and appropriate.

6. Advocacy

I will advocate for justice, inclusion and community participation with, or on behalf of, any person who receives services and supports from this organization, as appropriate. I will promote justice, fairness and equality, and respect their human, civil and legal rights.

7. Personal Health Information and Confidentiality

I understand that persons served by my organization have the right to privacy and confidentiality with respect to their personal health information and I will protect this information from unauthorized use or disclosure, except as required or permitted by law.

8. Non-Discrimination

I will not discriminate against people receiving services and supports or colleagues based on race, religion, national origin, sex, age, sexual orientation, economic condition or disability.

9. Integrity, Responsibility and Professional Competency

I will reinforce the values of this organization when it does not compromise the well-being of any person who receives services and supports. I will maintain my skills and competency through continued learning, including all training provided

by this organization. I will actively seek advice and guidance of others whenever I am uncertain about an appropriate course of action. I will not misrepresent my professional qualifications or affiliations. I will demonstrate model behavior to all, including persons receiving services and supports.

10. Reporting Requirement

As a mandated reporter, I acknowledge my legal obligation to report all allegations of reportable incidents immediately upon discovery to the Justice Center's Vulnerable Persons' Central Register by calling 1-855-373-2122.

PLEDGE TO ABIDE BY THE CODE OF CONDUCT FOR CUSTODIANS OF PEOPLE WITH SPECIAL NEEDS

I pledge to prevent abuse, neglect, or harm toward any person with special needs. If I learn of, or witness, any incident of abuse, neglect or harm toward any person with special needs, I will offer immediate assistance and then notify emergency personnel, including 9-1-1 where appropriate, and inform the management of this organization. I pledge also to report the incident to the Justice Center for the Protection of People with Special Needs.

I acknowledge that I have read and that I understand the Code of Conduct.

I agree to abide by this Code of Conduct.

Signature

Print Name

Date

Program:

Department:

Facility/Provider Organization:

Policy and Procedure: Corporate Compliance

Topic: Employee, Board, and Contractor Exclusion Screening

Purpose:

Child and Adolescent Treatment Services (sometimes referred to as “CATS”, “Agency” or “the Agency”) is committed to maintaining high quality care and service as well as integrity in its financial and business operations. Therefore, CATS 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 CATS 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. CATS will conduct exclusion (sanction) screening of all current and proposed employees, Board members, and contractors with business relationships with the Agency greater than \$25,000 annually.
3. CATS will verify that individual contractors and entities 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.
4. An annual audit of employment applications and business entities with which CATS enters into a contractual relationship will be conducted by the Compliance Officer to verify that this policy is enforced. A report of this audit will be made to the Corporate Compliance Committee and Board of Directors, along with any recommendations for remedial actions or improvement to the process as part of the annual compliance report.

Procedures:

Applicable to Employees and Board Members:

1. CATS will conduct exclusion checks to verify that all employees and Board members have not been excluded from federal healthcare programs. An exclusion check is a search of the following sources to determine if the individual or entity's name appears on any of these lists:
 - U. S. Department of Health and Human Services, Office of Inspector General (OIG)'s List of Excluded Individuals and Entities (LEIE) available on the website at <http://oig.hhs.gov/fraud/exclusions.html>
 - The General Services Administration (GSA)'s Excluded Parties List System available on the GSA website at <http://www.epls.gov/>
 - NYS Medicaid Fraud Database available on the NYS Department of Health website at <http://www.health.state.ny.us/nydoh/medicaid/dqprvpg.htm>
2. An exclusion check will be performed on all applicants for employment as part of the pre-employment screening process. If the exclusion check indicates that any individual has been excluded from federal healthcare programs, the applicant will not be offered employment.
3. An exclusion check will be performed for potential Board members as part of the screening process. If the exclusion check indicates that a potential Board member has been excluded from federal healthcare programs, the individual will not be considered for Board affiliation.
4. The Compliance Officer or other designate will ensure that exclusion screening is conducted on all employees and Board members at least annually.
5. The President's Assistant is responsible for the screening and notifying the Compliance Officer if someone is identified. The results of all exclusion checks will be kept on file.
6. If any Agency employee or Board member is charged with a criminal offense related to healthcare, or is proposed or found to be subject to exclusion from federal healthcare programs, the employee must be removed from direct responsibility or involvement in any federally funded healthcare program while the matter is pending. If the matter results in conviction or exclusion, CATS will immediately terminate the employee's or Board member's affiliation with the Agency.

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7. In addition to exclusion screening, the credentials of medical/healthcare and other professionals employed by CATS will be verified with appropriate licensing and disciplining authorities, including any adverse actions taken against the individuals that might impair his or her performance of duties, or fiduciary responsibilities on behalf of the Agency.
 8. The process will include, but not be limited to, physicians and other health care practitioners for which the license/certification is required for the performance of their duties. The screening and verification will be conducted as part of the hiring process and on a regular basis.

Applicable to Contractors *:

1. The Agency representative responsible for negotiating contracts shall conduct exclusion checks prior to entering an agreement with a contractor. If the exclusion check indicates that a contractor has been excluded from federal healthcare programs, the contract will not be executed. An exclusion check is a search of the following sources to determine if the individual or entity's name appears on any of these lists:
 - U. S. Department of Health and Human Services, Office of Inspector General (OIG)'s List of Excluded Individuals and Entities (LEIE) available on the website at <http://oig.hhs.gov/fraud/exclusions.html> and
 - The General Services Administration (GSA)'s Excluded Parties List System available on the GSA website at <http://www.epls.gov/>
 - NYS Medicaid Fraud Database available on the NYS Department of Health website at <http://www.health.state.ny.us/nydoh/medicaid/dqprvpg.htm>
2. All contracts entered into by CATS will contain a certification that the contractor and its employees and subcontractors are not excluded by the federal government. The fiscal department will notify the Compliance Officer regarding contracts over \$25,000 so they can be screened.
3. The Compliance Officer shall assure that an exclusion check of the contractor is conducted prior to entering a business contract with the vendor and at least annually thereafter.
4. If the exclusion check indicates that a contractor has been excluded from federal healthcare programs, the contract will be terminated.
5. The Compliance Officer shall maintain the results of all exclusion checks.

* Mandatory for contractors with business relationships with the Agency greater than \$25,000 annually, optional for all others.

Section 2 Policy and Procedure: Compliance Program Oversight

Topic: The Role of the Compliance Officer

Purpose:

Child and Adolescent Treatment Services (sometimes referred to as “CATS”, “Agency” or “the Agency”) establishes the position of Corporate Compliance Officer to oversee the development, implementation, operation and management of the Corporate Compliance Manual.

Policy:

1. The Board and the President will define requirements, roles and responsibilities for the designated Compliance Officer. The Board and the President will also be responsible for updating and revising the job description as appropriate. The current job description appears in the Appendix to this policy.
2. The Compliance Officer must have the authority to review all documents and other information that are relevant to compliance activities, including, but not limited to, patient records (where appropriate), billing records, and records concerning the marketing efforts of the facility and the organization’s arrangements with other parties, including employees, professionals on staff, relevant independent contractors, suppliers, agents, supplemental staffing entities, and physicians. This policy enables the Compliance Officer to review contracts and obligations (seeking the advice of legal counsel, where appropriate) that may contain referral and payment provisions that could violate statutory or regulatory requirements.
3. In addition, the Compliance Officer should be copied on the results of all internal audit reports and work closely with key managers to identify aberrant trends in the coding and billing areas. The Compliance Officer should ascertain patterns that require a change in policy and forward these issues to the compliance committee to remedy the problem. A Compliance Officer should have full authority to stop the processing of claims that he or she believes are problematic until such time as the issue in question has been resolved

Appendix

Corporate Compliance Officer

Job Description/Primary Responsibilities

Position Summary

The Compliance Officer is appointed by the President and Board of Directors. The Compliance Officer has primary responsibility for the development, implementation and monitoring of the Corporate Compliance Program.

Reporting Relationship

The Compliance Officer has direct lines of communication to the Chief Executive Officer, the Board of Directors, Compliance Committee, and Agency counsel.

Duties and Responsibilities

The compliance officer's primary responsibilities should include:

- ❑ Overseeing and monitoring the implementation of the compliance program.
- ❑ Developing and implementing compliance policies and procedures (P&P).
- ❑ Updating, periodically, the Compliance Plan as changes occur within Agency, and/or in the law and regulations or governmental and third party payers.
- ❑ Reporting on a regular basis to the governing body, President, and Compliance Committee on the progress of implementation, and assisting these components in establishing methods to improve the organization's quality of service and to reduce vulnerability to fraud, abuse, and waste.
- ❑ Reviewing the employees' acknowledgement that they have received, read, and understood the Code of Conduct.
- ❑ Developing, coordinating, and participating in a multifaceted educational and training program that focuses on the elements of the compliance program and seeks to ensure that all appropriate employees, contractors, and management are knowledgeable of, and comply with, pertinent federal and state standards.
- ❑ Ensuring that excluded individuals and entities are not employed or retained by the organization.

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- ❑ Directing Agency internal audits established to monitor effectiveness of compliance standards.
 - ❑ Independently investigating and acting on matters related to compliance, including the flexibility to design and coordinate internal investigations (e.g., responding to reports of problems or suspected violations) and any resulting corrective action with all departments, providers, and sub-providers, agents and, if appropriate, independent contractors.
 - ❑ Coordinating internal investigations and implementing corrective action.
 - ❑ Developing policies and programs that encourage managers and employees to report suspected fraud and other improprieties without fear of retaliation.
 - ❑ Providing guidance to management, medical/clinical program personnel, and individual departments regarding P&P and governmental laws, rules, and regulations.
 - ❑ Maintaining a reporting system (hotline) and responding to concerns, complaints, and questions related to the Compliance Plan.
 - ❑ Overseeing efforts to communicate awareness of the existence and contents of the Compliance Plan.
 - ❑ Ensuring that independent contractors (consumer care, vendors, billing services, etc.) are aware of the requirements of the Agency's Compliance Plan.
 - ❑ Acting as a resourceful leader regarding regulatory compliance issues. Actively seeking up-to-date material and releases regarding regulatory compliance.
 - ❑ Continuing the momentum of the compliance program and the accomplishment of its objectives.

Qualifications

Education

Bachelor's degree required. Advanced degree (Masters, Law, and PhD) and prior compliance experience preferred.

Experience

Minimum 5 years experience in healthcare or related field; experience working with individuals with disabilities preferred.

Experience with regulatory issues, New York Medicaid program requirements, and regulatory requirements of health care corporate compliance.

Policy and Procedure: Corporate Compliance

Topic: Role and Responsibilities of the Compliance Committee

Purpose:

Child and Adolescent Treatment Services (sometimes referred to as “CATS”, “Agency” or “the Agency”) is committed to the operation of an effective compliance program. Therefore, CATS established the Corporate Compliance Committee to monitor results of the compliance functions and determine the agency’s strategy for promoting compliance.

Policy:

1. The Corporate Compliance Committee is appointed by the Chair of the Board of Directors, President, and Compliance Officer to advise and assist the Compliance Officer with the implementation of the Compliance Plan.
2. The Corporate Compliance Committee will provide oversight of the Compliance Officer’s activities.
3. The Corporate Compliance Committee will meet on a regular and routine basis. Minutes will be recorded. The Compliance Officer will maintain the minutes of all meetings.

Procedures:

The Corporate Compliance Committee shall be responsible for the following:

1. Analyze the regulatory environment where the agency does business, including legal requirements in which it must comply;
2. Review and assess existing policies and procedures that address risk areas for possible incorporation into the Compliance Plan;
3. Work with departments to develop standards and policies and procedures that address specific risk areas and to encourage compliance according to legal and ethical requirements;
4. Develop internal systems and controls to carry out compliance standards and policies and procedures;
5. Monitor internal and external audits to identify potential non-compliant issues;

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6. Implement corrective and preventative action plans and follow-up to determine effectiveness; and
 7. Develop a process to solicit, evaluate, and respond to complaints and problems.

Section 3 Policy and Procedure: Corporate Compliance

Topic: Education and Training

Purpose:

The development and implementation of regular, effective education and training seminars is an integral part of the compliance program. Compliance education is divided into two general components. First, all employees, Board members and independent contractors must receive an introduction to the compliance program. Second, those parties whose work is linked to identified risk areas should receive specialized compliance education pertaining to their function and responsibilities.

Policy:

1. All employees, Board members, and independent contractors will receive training related to the organization's overall compliance program.
2. Employees in identified risk areas, independent contractors, and members of the Board of Directors will receive more detailed education related to their function and responsibilities.
3. Attendance at training sessions is mandatory and is a condition of continued employment or contracting.

Procedures:

1. The Compliance Officer is responsible for developing the compliance education curriculum and monitoring and ensuring that compliance training and orientation meet the policy standards on this subject.
2. Compliance education seminars must include an explanation of the structure and operation of the compliance program. They will introduce the Compliance Officer to the organization.
3. Compliance education seminars, at a minimum, will include information on the following aspects of the compliance program:
 - Code of Conduct and other related written guidance;
 - False Claims Act;

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- Whistleblower Provisions;
 - New York False Claims Act;
 - Communication channels (name of Compliance Officer, reporting mechanisms, Hotline);
 - Organizational expectations for reporting problems and concerns; and
 - Non-retaliation policy.

Specialized areas for education will include, but not be limited to the following:

- Improper or fraudulent billing for services;
 - Preparation of inaccurate or incorrect cost reports;
 - Misuse of Agency funds;
 - Payment or receipt of remuneration or gifts in return for client referrals;
 - Government and private payer reimbursement principles; and
 - Government initiatives related to the services provided by CATS.
4. Comprehensive education materials will be developed to facilitate the compliance sessions and ensure that a consistent message is delivered to all employees, Board members, and independent contractors. Education protocols and materials must be standardized, so as to evidence that everyone attending a seminar receives the same instruction.

As part of his/her initial orientation, each employee, independent contractor, and Board member shall receive a training session within the first sixty days of employment. Each employee, independent contractor, and Board member will receive access to an electronic copy of the introduction to the Agency's compliance program and objectives, and a written copy of the Code of Conduct, compliance plan, and compliance policies. Each new employee and Board member will sign an acknowledgement form (Appendix A to this Policy) that they are aware of and will abide by the Corporate Compliance Program and Code of Conduct.

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5. All existing employees will receive a training session at least once per year that includes a review of the existing Corporate Compliance Program, the Code of Conduct, and any applicable policies and procedures. The session will also focus on any changes in federal or state laws and regulations.
 6. All education and training relating to the Corporate Compliance Program will be verified by attendance and a signed acknowledgement of receipt of training. The individual conducting the training will take attendance at all training sessions through the use of a sign-in sheet that records the date, start and end time of the session, and the content of the material presented (Appendix B to this Policy). The Compliance Officer will maintain a file of attendance forms for all training sessions.
 7. Employees, independent contractors, and Board members will be provided with the opportunity to seek clarification or more information on any aspect of the compliance program. Trainers who are not able to answer specific questions will arrange for follow-up to be conducted by the Compliance Officer or member of senior management.
 8. Only properly trained individuals will be used to provide compliance education and training seminars. Compliance program trainers must be knowledgeable of the (a) compliance program; (b) applicable federal laws and regulations; (c) requirements of the Federal Sentencing Guidelines; (d) relevant organization policies/procedures; (e) operations of the compliance program; and (f) content of the Code of Conduct.
 9. The Compliance Officer is responsible for coordinating with management to ensure that specialized compliance education occurs in identified risk areas.
 10. Managers shall assist the Compliance Officer in identifying areas that require specific training and are responsible for communication of terms of the compliance plan to all independent contractors doing business with the Agency.
 11. CATS will ensure that the Compliance Officer has sufficient opportunities to receive training on compliance issues.
 12. The Compliance Officer is also responsible for submitting periodic reports to the Corporate Compliance Committee and Board of Directors on all education seminars related to the compliance program.

**Appendix A
Child and Adolescent Treatment Services**

Acknowledgement of Corporate Compliance Training

Date of Training: _____ **Time of Training:** _____
Location: _____ **Instructor:** _____

Contents

- CATS Corporate Compliance Plan
 - Code of Conduct
 - Federal and State Regulatory Enforcement Agencies and Their Functions
 - Regulatory History
 - False Claims Act
 - NY False Claims Act
 - Whistleblower Provisions and Non-retaliation Policy
 - Expectations for Reporting Problems and Concerns
 - Communication Channels (including name of Compliance Officer and methods to report)
- ✓ I acknowledge that I have attended Corporate Compliance training on this date. I have been provided with the opportunity to ask any questions that I may have.
- ✓ I acknowledge that I have received and read a copy of the Corporate Compliance Plan and the Code of Conduct.
- ✓ I understand that I must comply with the Corporate Compliance Plan, the Code of Conduct, all laws, regulations, policies and procedures, and guidance provided.
- ✓ I understand that I must report any instances of possible violations of the Corporate Compliance Plan, the Code of Conduct, laws, regulations and policies and procedures to a member of management or the Compliance Officer.
- ✓ I understand that CATS maintains a hotline for confidential or anonymous reporting of possible violations of the Corporate Compliance Plan, the Code of Conduct, laws, regulations and policies and procedures.
- ✓ I understand that my failure to comply with the Corporate Compliance Plan, the Code of Conduct, laws, regulations and policies and procedures or to report possible violations may result in disciplinary action, up to and including termination.

Print Name _____ Title _____

Signature _____ Date _____

**Appendix B
Child and Adolescent Treatment Services**

Corporate Compliance Training

Date of Training: _____
Time of Training: Start: _____ End: _____
Location: _____
Instructor: _____

Contents

- CATS Corporate Compliance Plan
- Code of Conduct
- Federal and State Regulatory Enforcement Agencies and Their Functions
- Regulatory History
- False Claims Act
- NY False Claims Act
- Whistleblower Provisions and Non-retaliation Policy
- Expectations for Reporting Problems and Concerns
- Communication Channels (including name of Compliance Officer and methods to report)
- Questions and Answers

Attendance

Note: Each employee must also sign an acknowledgement of attendance.

Print Name

Title

Signature

Section 4 Policy and Procedure: Corporate Compliance

Topic: Effective Confidential Communication

I. Expectations

Open lines of communication between the Compliance Officer and every employee and agent subject to this Plan are 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 any activities that are potentially in violation of this Compliance Plan, he or she should contact the Compliance Officer, his or her immediate supervisor, or the President. Reports may be made in person or by calling a telephone line dedicated for the purpose of receiving such notification (716-819-3429), mailing information to Compliance Officer, 301 Cayuga Road, Suite 200, Cheektowaga, NY 14225, or dropping it in the corporate compliance drop box located at the same address.

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

The Compliance Officer 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 Compliance Officer or designee shall record the facts of the call and the nature of the information sought and respond as appropriate. The 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 and will be protected against retribution. Report of any suspected violation of this 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 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.

Section 5 Policy and Procedure: Corporate Compliance

Topic: Enforcement of Compliance Standards

Purpose:

Child and Adolescent Treatment Services (sometimes referred to as “CATS”, “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, CATS 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 comply with Agency’s policies governing the prevention, detection, or reporting of fraud and abuse;

 - 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.

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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 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 Personnel Practices Manual.
3. When the determination is made that a compliance violation has occurred, the Compliance Officer will notify the President and the individual's supervisor or representative for independent contractors. If appropriate, the Compliance Officer may notify the Board or the Corporate Compliance Committee before the next regularly scheduled meeting when a full report of compliance-related disciplinary actions would normally be presented.
4. The Compliance Officer and President shall work in collaboration with the appropriate supervisor/manager in determining disciplinary action related to an instance of non-compliance. The Compliance Officer shall have the discretion to recommend a disciplinary process other than the normal procedure.
5. The Compliance Officer shall consult with the Corporate Compliance Committee, the President, and outside legal counsel, as necessary to determine the appropriate disciplinary action to be taken.
6. The direct supervisors are responsible for reporting disciplinary actions taken as a result of violations of the Agency's Code of Conduct and/or Corporate Compliance Program to the Compliance Officer.

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7. The Compliance Officer will maintain a written record of disciplinary actions, including verbal warnings, and will reference these records when necessary to ensure consistency in application of disciplinary measures.
 8. The Compliance Officer shall maintain a record of all disciplinary actions, including verbal warnings, related to compliance violations and report regularly to the Corporate Compliance Committee and not less than annually to the Board of Directors, regarding such actions.
 9. The Compliance Officer will reference the record of disciplinary actions as necessary to ensure consistency in the application of disciplinary measures related to compliance violations.

Section 6 Policy and Procedure: Corporate Compliance

Topic: Auditing and Monitoring of Compliance Activities

Purpose:

Child and Adolescent Treatment Services (sometimes referred to as “CATS”, “Agency” or “the Agency”) developed and implemented a compliance program in an effort to establish, in part, effective internal controls that promote adherence to applicable federal and state laws and requirements. An important component of the compliance program is the use of audits and/or other evaluation techniques to monitor compliance and assist in the reduction of identified problem areas.

CATS recognizes the need for internal controls, but also realizes that resources are limited. Therefore, this policy focuses on the Agency’s resources to effectively and efficiently audit and monitor risk areas.

Policy:

1. CATS will conduct ongoing auditing and monitoring of identified risk areas related to compliance including but not limited to billing, fiscal management, clinical operations, and service provision.
2. The senior management team will ensure that ongoing auditing and monitoring is properly conducted, documented, and reported.
3. The Compliance Officer will be responsible for oversight of the Agency’s internal auditing system and is authorized to delegate auditing duties to other Agency personnel, accountants, consultants, and attorneys, as necessary and appropriate.

Procedures:

1. On an annual basis, the Compliance Officer, in conjunction with the President, senior management, and Corporate Compliance Committee, will determine the scope and format of routine audits of the Agency’s operations. The Compliance Officer will include all scheduled audits on a work plan that is shared with the Corporate Compliance Committee and the Board of Directors.
2. The Compliance Officer will recommend and facilitate auditing and monitoring of the identified risk areas related to compliance with laws and regulations, as well as Agency policies, procedures, and standards of conduct. (Risk areas may be identified through the regular course of business, external alerts, or internal reporting channels.)

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3. The Corporate Compliance Officer will facilitate all audits of financial processes or systems with the Chief Financial Officer. The audits will serve to ensure that internal controls are in place so that:
 - Generally Accepted Accounting Principles (GAAP) are followed; and
 - Federal, state, and local laws, regulations, and requirements are met.
 4. The Compliance Officer will facilitate all audits of operational and programmatic issues with Agency's Chief Financial Officer. The audits will serve to evaluate, at minimum, the following:
 - Compliance with laws, regulations, and related policies and procedures governing Agency's programs and operations;
 - Fraud and abuse issues;
 - Third party billing practices;
 - Service delivery and documentation practices;
 - Employment practices;
 - Conflict of Interest;
 - Contract review;
 - Employee, independent contractor, and Board compliance training and education; and
 - Corporate Compliance Plan and related policies.
 5. 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), clinical record reviews to support claims for reimbursement, and documentation reviews. The Compliance Officer will conduct and/or oversee compliance reviews with assistance from management staff and/or quality assurance/internal audit staff with the requisite skills to carry out the audit. Whenever feasible, the Compliance Officer will seek to have audits conducted by CATS employees who are not involved in the delivery of services subject to the audit.

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6. The Compliance Officer will determine the sample size and sample criteria prior to each audit. All review tools used will be standardized throughout the Agency and approved by the Compliance Officer.
 7. Each agency program will conduct a review of its compliance with applicable regulations and quality measures on an annual basis. Senior management staff shall be responsible to identify needs for internal auditing of specific issues under their oversight.
 8. A written report of audit findings will be forwarded to the Compliance Officer and Program Director within seven days from the completion of the internal audit.
 9. Within thirty days of receipt of the written report of findings, the Program Director will submit a written Plan of Corrective Action to the Compliance Officer for review. The Program Director is responsible to ensure that corrective measures are implemented and monitored for effectiveness.
 10. The Compliance Officer will ensure that a post-audit review is scheduled to occur within six months of the completion dates specified in the Plan of Corrective Action.
 11. The results of all internal auditing and monitoring activities, including records reviewed, audits results, and corrective actions, will be recorded and maintained by the Compliance Officer.
 12. Any correspondence from any regulatory agency charged with administering a federally or state-funded program received by any department of the Agency will be copied and promptly forwarded to the Compliance Officer for review and subsequent discussion by the Corporate Compliance Committee.
 13. Program management will immediately notify the Compliance Officer of any visits, audits, investigations, or surveys by any regulatory agency or authority. Results (oral or written) of any visits, audits, investigations, or surveys will be forwarded to the Compliance Officer promptly upon receipt by Agency personnel.
 14. The Compliance Officer will be responsible to report to the Corporate Compliance Committee on the general status of compliance reviews, the outcome of compliance auditing and monitoring, and the corrective actions taken. The reporting will occur at the first regularly scheduled Corporate Compliance meeting after the conclusion of the audit.

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15. The Compliance Officer will be responsible to report the results of auditing and monitoring activities and corrective actions at least annually to the Board of Directors. The report will also include an assessment of any compliance risks to the Agency.
 16. On a year-to-year basis, the Compliance Officer will benchmark audit results and compare results of similar audits to determine whether improvement is occurring.
 17. On an annual basis, the Compliance Officer will monitor the effectiveness of the Corporate Compliance Plan and will update compliance policies and procedures, as necessary, to comply with regulatory changes or industry trends. The Compliance Officer will provide a report of this review to the Corporate Compliance Committee and the Board of Directors.

Policy and Procedure: Corporate Compliance

Topic: Investigation and Resolution of Compliance Issues

Purpose:

Child and Adolescent Treatment Services (sometimes referred to as “CATS”, “Agency” or “the Agency”) implemented a Corporate Compliance Program in an effort to establish a culture within the organization that promotes prevention, detection, and resolution of misconduct. This is accomplished, in part, by establishing communication channels for employees to report problems and concerns. Employees are encouraged to report issues via the traditional chain of command, Compliance Hotline, or directly to the Compliance Officer. Therefore, the Compliance Officer is responsible for responding to compliance issues that are raised through the various communication channels. This policy is designed to establish a framework for managing and responding to compliance issues that are raised to the Compliance Officer.

Policy:

CATS will respond to reports or reasonable indications of suspected non-compliance by commencing a prompt and thorough investigation of the allegations to determine whether a violation has occurred.

Employees who report non-compliance related issues or concerns to the Compliance Officer or the Compliance Hotline will be politely redirected to the appropriate department or individual. In instances where the employee seeks confidentiality or reports anonymously, the Compliance Officer shall redirect the report to the appropriate department or individual while maintaining the request for confidentiality/anonymity.

Procedures:

The Compliance Officer will conduct or oversee all internal investigations involving compliance-related issues and shall have the authority to engage outside legal counsel or other consultants, as needed. The Compliance Officer will consider whether the investigation should be conducted under attorney/client privilege.

Before conducting an investigation of any compliance-related issue, the Compliance Officer shall ensure a full understanding of the relevant laws, regulations, and government issuances.

Upon report or notice of alleged non-compliance, the Compliance Officer will conduct an initial inquiry into the alleged situation. The purpose of the initial inquiry is to determine whether there is sufficient evidence of possible non-compliance to warrant further investigation. The initial inquiry may include documentation review, interviews, audit, or other investigative technique. The Compliance Officer should: (a) conduct a fair impartial review of all relevant facts; (b) restrict the inquiry to those necessary to resolve the issues; and (c) conduct the inquiry with as little visibility as possible while gathering pertinent facts relating to the issue.

If deemed appropriate, the Compliance Officer will recommend the cessation of internal activities that may be the cause of, or contribute to the alleged non-compliance.

If, during the initial inquiry, the Compliance Officer determines that there is sufficient evidence of possible noncompliance of any criminal, civil, or administrative law to warrant further investigation, the issue should be turned over to legal counsel. A memorandum to this effect should be directed to legal counsel with a copy to the President. The memorandum should state whether legal counsel or the Compliance Officer will be leading the investigation. All documents produced during the investigation by legal counsel to be possibly protected from disclosure should include the notation: "Privileged and Confidential Document; Subject to Attorney-Client Privileges; Attorney Directed Work Product."

The Compliance Officer, in consultation with legal counsel, the President, and the Corporate Compliance Committee, will evaluate the violation to determine if a voluntary self-disclosure of the violation is appropriate. In the event voluntary disclosure is appropriate or required, the Compliance Officer will consult with external counsel on the notification of appropriate government officials, private payers, or other entities. Notification shall be made within a reasonable time period from date of discovery and may include restitution of monies paid by the applicable federal or state agency, payer, or other entity.

For investigations that do not involve legal counsel, the Compliance Officer will determine what personnel possess the requisite skills to examine the particular issue(s) and will assemble a team of investigators, as needed. The Compliance Officer will also decide whether the Agency has sufficient internal resources to conduct the investigation or whether external resources are necessary.

The Compliance Officer shall work with the investigation team to develop a strategy for reviewing and examining the facts surrounding the possible violation. The Compliance Officer will consider the need for an audit of billing practices and determine the scope of interviews.

The Compliance Officer will maintain all notes of the interviews and review of documents as part of the investigation file.

The Compliance Officer should ensure that the following objectives are accomplished:

- Fully debrief complainant;
- Notify appropriate internal parties;
- Identify cause of problem, desired outcome, affected parties, applicable guidelines, and possible regulatory or financial impact;
- Provide a complete list of findings and recommendations;
- Determine the necessary corrective action measures, (e.g., policy changes, operational changes, system changes, personnel changes, training/education); and
- Document the investigation.

Upon receipt of the results of the investigation, depending upon the scope and severity of the identified violations, the Compliance Officer may consult with outside legal counsel, the President, and/or the Corporate Compliance Committee to determine: (a) the results of the investigation and the adequacy of recommendations for corrective actions; (b) the completeness, objectivity, and adequacy of recommendations for corrective actions; and/or (c) further actions to be taken as necessary and appropriate.

Upon conclusion of the investigation, the Compliance Officer will organize the information in a manner that enables the Agency to determine if an infraction did, in fact, occur. The Corporate Compliance Officer will track the investigation, responsible parties, and due dates in a compliance log. The log will include the resolution of the investigation as closed or fully resolved.

The Compliance Officer will be responsible for reporting the results of all investigations to the President, Corporate Compliance Committee, and the Board.

The Compliance Officer or Program Director will inform the reporter, if known, of the conclusion of the investigation and the outcome, if appropriate.

Policy and Procedure: Corporate Compliance

Topic: Reimbursement Practices and Billing Errors

Purpose:

Child and Adolescent Treatment Services (referred to as “CATS”, “Agency” or “the Agency”) is committed to accuracy and integrity in all its billing, coding, and other reimbursement operations. To reinforce this commitment, the Compliance Officer is responsible for general oversight of billing, coding, and other reimbursement operations in accordance with this policy.

Policy:

CATS is committed to ensuring that its reimbursement practices comply with all federal and state laws, regulations, guidelines, and policies. The Agency prohibits the intentional submission for reimbursement any claim that is false, fraudulent, or fictitious. Furthermore, the Agency is committed to ensuring against the accidental submission of any claim that is false or inaccurate.

This commitment includes a policy of ensuring accurate billing of claims for services that are actually rendered and deemed medically necessary. This policy and the following procedures were adopted to ensure that general guidance is available for all employees.

Procedures:

1. The Compliance Officer is responsible for ensuring that all reimbursement and billing procedures contained in this policy are integrated into the operations of the organization.
2. All employees will receive compliance training that will reinforce the following policies:
 - Anyone who has knowledge of a problem related to reimbursement (e.g., submission of a claim that is false or contains false information) must report that problem to management (employees can report directly to management or use the hotline).
 - Failure to report a known problem related to reimbursement will subject an employee to disciplinary action.

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- Inaccurate claims submission may subject CATS, involved employees, and other representatives to civil or criminal penalties.
 - Anyone reporting a problem or concern in good faith will be protected by the non-retaliation policy.
3. The Compliance Officer is responsible for ensuring that the Code of Conduct provides adequate general guidance concerning appropriate reimbursement practices.
 4. The Compliance Officer is responsible for making sure that the employee compliance training program includes training on the Agency's policies and procedures related to reimbursement practices.
 5. The Chief Financial Officer will ensure that specialized training is provided to all reimbursement personnel as part of their new employee orientation/training.
 6. All services rendered to individuals shall be documented in a proper and timely manner so that only accurate and properly documented services are billed.
 7. Claims will be submitted only when appropriate documentation supports the claim and only when such documentation is maintained for audit and review. The documentation, which may include service recipients' records, shall include the identity and title or professional certification of the individual providing or ordering the service.
 8. Each Agency program will develop and maintain written procedures for the documentation of services. Procedures may include, as applicable, the following:
 - Attendance records;
 - Receipt and maintenance of service plans;
 - Service documentation requirements specific to the respective program;
 - Definition of contemporaneous documentation;
 - Attestation (if required) and review prior to submission to billing personnel; and
 - The forms used for documentation and billing purposes.

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9. The Chief Financial Officer must approve all billing and documentation procedures and/or any revisions to procedures or forms before implementation. The Compliance Officer is responsible for ensuring that all such changes and/or revisions are appropriate and integrated into the operations of the organization.
 10. Each Agency program will conduct an annual review of its documentation practices to verify that practices conform to the written procedures. Results of the review will be presented to the Compliance Officer by the end of the fourth quarter of the calendar year.
 11. Program and reimbursement staff shall use their best efforts to communicate effectively and accurately with each other to assure compliance and avoid the potential for billing irregularities and/or errors.
 12. The Chief Financial Officer is responsible for responding, in a timely manner, to all problems, concerns, or questions related to reimbursement practices. The Compliance Officer is responsible for ensuring that appropriate remedial actions are taken for any irregularities uncovered.
 13. If a material billing error is discovered, defined as an error in excess of \$1,000 or otherwise outside the norm of standard billing practices, the billing error should be immediately reported to the Chief Financial Officer and the Compliance Officer.
 14. The Chief Financial Officer is responsible for ensuring that appropriate policies and procedures are established and followed for all billing activities, including appropriate documentation for all billing errors and corrections, balance adjustments and write offs, and reimbursements. The Compliance Officer is responsible for ensuring that the policies and procedures established are adequate and appropriate, and that they are being followed.

All billing errors and corrections, balance adjustments and write offs, and reimbursements will be documented. Completed documentation will be forwarded to the Chief Financial Officer for approval, and to the Program Administrator for review and signature as appropriate.

The Chief Financial Officer will ensure that all account adjustments are made and recorded on the appropriate claim/void/adjustment form. The completed forms will be maintained in the finance office and will be available to the Compliance Officer for follow-up and tracking as appropriate. The Chief Financial Officer will report all significant billing/adjustment/write off issues to the Compliance Officer for review and follow up as appropriate.

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15. The Compliance Officer is responsible for the oversight of any material billing errors or irregularities. Appropriate steps will be taken to prevent recurrence.
 16. Any overpayment received as a result of a billing error will be promptly repaid to the appropriate payer.
 17. A report of irregularities, the results of investigations and the remedial actions will be recorded on the compliance log and reported to the Corporate Compliance Committee on a regular basis, and at least annually to the Executive Committee of the Board of Directors.
 18. The Compliance Officer will work with the Chief Financial Officer and the responsible management staff overseeing the reimbursement functions to verify on an annual basis that all reimbursement and billing manuals and materials are current and accurate.
 19. The billing/reimbursement department will conduct an annual review of internal billing, claims processing, and reimbursement to verify that all billing activities conform to current policies and procedures of the organization.
 20. The Chief Financial Officer or his/her designee will conduct an annual audit and review of the reimbursement activities to evidence that all billing staff have been trained in proper billing and coding procedures and validate that management properly verified reimbursement procedures and practices. A report on the results of this review will be made annually to the Compliance Officer and the Corporate Compliance Committee.

Policy and Procedure: Corporate Compliance

Topic: Reporting of Compliance Concerns and Non-Retaliation

Purpose:

Child and Adolescent Treatment Services (sometimes referred to as “CATS”, “Agency” or “the Agency”) recognizes that a critical aspect of its compliance program is the establishment of a culture that promotes prevention, detection, and resolution of instances of conduct that do not conform to federal and state requirements, as well as the organization’s ethical and business policies.

To promote this culture, CATS established a compliance reporting process and a strict non-retaliation policy to protect employees and others who report problems and concerns in good faith from retaliation. Any form of retaliation or retribution can undermine the compliance resolution process and result in a failure of communication channels in the organization.

Policy:

All employees have an affirmative duty and responsibility for promptly reporting any known or suspected misconduct, including actual or potential violations of laws, regulations, policies, procedures, Agency’s Corporate Compliance Plan, or the Agency’s Code of Conduct.

1. The “open-door policy” will be maintained at all levels of management to encourage employees to report problems and concerns.
2. CATS will maintain a Compliance Hotline. Employees may report their compliance concerns confidentially to the Compliance Officer through use of the Compliance Hotline.
3. Any form of retaliation against any employee who reports a perceived problem or concern in good faith is strictly prohibited.
4. Any employee who commits or condones any form of retaliation will be subject to discipline up to, and including, termination.
5. Employees cannot exempt themselves from the consequences of their own misconduct by reporting the issue, although self-reporting may be taken into account in determining the appropriate course of action.

Procedures:

Procedures that apply to all employees

1. Knowledge of misconduct, including actual or potential violations of laws, regulations, policies, procedures, or the organization's Code of Conduct, must be immediately reported to management, the Compliance Officer, or the Compliance Hotline.
2. Employees have the same reporting obligations for actual or suspected violations committed by the Agency's vendors or subcontractors.
3. Confidentiality will be maintained to the extent that is practical and allowable by law. Employees should be aware that CATS is legally required to report certain types of crimes or potential crimes and infractions to external governmental agencies.
4. Employees may report their compliance concerns confidentially to the Compliance Hotline and provide his or her identity. Callers should be aware, however, that it may not be possible to preserve anonymity if they identify themselves, provide other information that identifies them, the investigation reveals their identity, or if they inform others that they have called the Compliance Hotline.
5. If the caller wishes to make the report anonymously to the Compliance Hotline, no attempt will be made to trace the source of the call or identify of the person making the call.
6. The Compliance Hotline number will be published and visibly posted in a manner consistent with employee notification in locations frequented by Agency employees.
7. CATS will not impose any disciplinary or other action in retaliation against individuals who make a report or compliant in good faith regarding a practice that the individual believes may violate the Agency's Corporate Compliance Plan, Code of Conduct, its Compliance Policies and Procedures, or any of the laws, rules, or regulations by which the Agency is governed. "Good faith" means that the individual believes that the potential violation actually occurred as he or she is actually reporting.
8. CATS strictly prohibits its employees from engaging in any act, conduct, or behavior which results in, or is intended to result in, retaliation against any employee for reporting his or her concerns relating to a possible violation of the Agency's Corporate Compliance Plan, Code of Conduct, its Compliance Policies and Procedures, or any of the laws, rules, or regulations by which the Agency is governed.

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9. If an employee believes in good faith that he has been retaliated against for reporting a compliance complaint or concern or for participating in any investigation of such a report or complaint, the employee should immediately report the retaliation to the Compliance Officer or the Compliance Hotline. The report should include a thorough account of the incident(s) and should include the names, dates, specific events, the names of any witnesses, and the location or name of any document that supports the alleged retaliation.
 10. Knowledge of a violation or potential violation of this policy must be reported directly to the Compliance Officer or the Compliance Hotline.

Procedures that apply to management (which includes executives, directors, managers, and supervisors)

1. Any member of management who receives a report of a violation or suspected violation will immediately notify the Compliance Officer and complete a Compliance Issue Report Form (Appendix A to this Policy). The completed Form will be forwarded to the Compliance Officer.
2. Management must take appropriate measures to ensure that all levels of management support this policy and encourage the reporting of problems and concerns. At a minimum, the following actions should be taken and become an ongoing aspect of the management process:
 - Meet with department staff and discuss the main points within this policy; and
 - Provide all department staff with a copy of this policy.

Procedures that apply to the Compliance Officer

1. The Compliance Officer will ensure that all reports of violations or suspected violations are recorded on the Compliance Issue Report Form.
2. The Compliance Officer will determine the scope of the reported issue and make a determination regarding the course of action, including the investigation process and notifications to be made. (Refer to Investigation of Compliance Issues Policy.)
3. The Compliance Officer will be responsible for the investigation and follow-up of any reported retaliation against an employee for reporting a compliance concern or participating in the investigation of a compliance concern.
4. The Compliance Officer will report the results of an investigation into suspected retaliation to the governing entity deemed appropriate, such as the Corporate Compliance Committee or the Board of Directors.

Is this a suspected violation of the Compliance Program? Yes _____ No _____
If yes, answer the questions below: **(Attach additional sheets if necessary.)**

Please describe in as much detail as possible, the violation: *(Please be specific where the violation may have occurred)*

When did this occur? _____ / _____ / _____ Were you directly involved? _____

If yes, describe what you did: _____

Who else was directly involved? *(Names and positions, if known):*

1. _____
2. _____
3. _____

Is there any documentation or other evidence of the alleged violation? *Please describe/list or attach:*

Has the reporter discussed this issue with anyone else within Agency? *Please list by name and position:*

1. _____
2. _____
3. _____

Has the reporter discussed this with others outside the Agency? *Please identify by name and relationship:* _____

Completed by: _____

Date: _____ Title: _____

Forward completed form to Compliance Officer

For Use by Compliance Officer:

Follow Up:

Reported to Compliance Officer: _____ By: _____ Date: _____
Time: _____

Reported to Executive Director: _____ Date: _____

Reported to Compliance Committee: _____
Date: _____

Reported to Board: _____
Date: _____

Actions Taken:

Immediate Response Provided Internal investigation initiated; assigned
to: _____

Researched regulations External investigation; Entity _____ Date

Researched Agency P&P Referred to legal counsel _____
Date: _____

Responded to reporter; date _____

Summary of Action Taken:

Final Disposition by Compliance Officer:

Classification: _____

Compliance Report Log Number: _____

Completed by:

Compliance Officer Name

Signature

Date

Policy and Procedure: Corporate Compliance

Topic: Response to Governmental Investigations

Purpose:

Federal and state law enforcement and regulatory agencies routinely conduct interviews to gather information during audits, inquiries, and investigations. It is important that Child and Adolescent Treatment Services (sometimes referred to as “CATS”, “Agency” or “the Agency”) responds to any official requests for information consistently and appropriately. Therefore, this policy is established to provide guidance on how to handle any unannounced visits by government representatives. This policy does not address visits by regulatory agencies to perform program certification or quality assurance functions.

Policy:

1. CATS is committed to appropriately responding and not interfering with any lawful audit, inquiry, or investigation.
2. Employees will remain courteous and professional when dealing with investigators or agents.

Procedures:

1. Announcement of an impending visit by any government investigator or auditor should be immediately reported to the President, who is responsible to notify the Compliance Officer and legal counsel as identified in the Corporate Compliance Plan.
2. Procedures for handling the receipt of a search warrant or subpoena are covered by separate policies. Please refer to specific policies.

Visits to any of the Agency's facilities:

1. If an individual arrives at any Agency facility and identifies himself or herself as a government auditor, investigator, or other representative, treat him or her with respect and courtesy. Request identification (do not attempt to photocopy credentials, as this is a violation of federal law) and the reason for the visit.
2. Ask the individual to wait in an unused office or a location where business is not conducted.
3. Immediately contact the President/designee, who will contact the Compliance Officer and legal counsel identified in the Corporate Compliance Plan. The President will identify one employee to be responsible for responding to the agent's questions.
4. Await direction from legal counsel. Do not submit to questioning or an interview. Do not provide documents or other information.
5. Refer to policy on Search Warrants, if applicable.
6. Other than providing information to direct the agents to information requested, do not submit to any form of questioning or interviewing.

Visits to any location outside CATS (e.g., personal residence):

Note: Employees are free to speak to government investigators or auditors; however, you are not required to submit to questioning. The following is provided as general information regarding off-site visits:

1. Individuals have the right to decline an interview or to postpone an interview until they have had an opportunity to seek legal counsel or other advice.
2. Employees who agree to be interviewed should always be truthful. If they do not know the answer to a question, they should say so.
3. Employees should report any off-site visits by government agents, investigators, or auditors to the President. The President will notify the Compliance Officer and legal counsel identified in the Corporate Compliance Plan.
4. Refer to policy on Search Warrants, if applicable.

Policy and Procedure: Corporate Compliance

Topic: Search Warrants

Purpose:

A search warrant permits agents to immediately seize documents and other types of information. The execution of a search warrant can be seriously disruptive and frightening for many employees. Furthermore, if not handled properly, an organization subject to a search warrant may compound its problems. Therefore, Child and Adolescent Treatment Services (sometimes referred to as “CATS”, “Agency” or “the Agency”) has established this policy to advise all employees how to appropriately respond to an official search warrant.

Policy:

1. Employees will remain courteous and professional when dealing with agents executing a search warrant.
2. Employees will not interfere with the lawful execution of a search warrant.
3. The senior staff member present is responsible for contacting the President who will contact the Compliance Officer and legal counsel identified in the Corporate Compliance Plan and carry out the response procedures.

Procedure:

1. Obtain and record the name of the lead agent and the agency they represent. *Do not attempt to photo copy the credentials of an agent – it is a violation of federal law.*
2. Request to view and photocopy the search warrant document.
3. Immediately contact the President and provide him/her with details of the search warrant. The President will contact the Corporate Compliance Officer and legal counsel identified in the Corporate Compliance Plan and provide details of the search warrant. The President will identify one employee to be responsible for responding to the agent’s questions.
4. Request an “inventory list” of the documents and items seized by the agents. Ensure that it is detailed enough to properly identify the documents and items taken by the agents. Maintain a separate record of the areas searched, listing the documents/items seized from the area.

5. Other than providing information to direct the agents to information requested, do not submit to any form of questioning or interviewing.

6. Always remain present while the agents are conducting the search.

Senior Management Responsibilities:

The President will carefully examine the search warrant (with legal counsel, if possible) to:

- Determine the specific areas or locations it covers;
- Ensure that it is being executed during the hours indicated on the document (most warrants should limit the hours they can be executed, e.g. “daylight hours”);
- Ensure that it has not expired (all warrants should have an expiration date); and
- Ensure that it is signed by a Judge (all warrants should be signed by a Judge).

Politely object if there is any overt flaw in the search warrant (as described above) or if the agents are searching anything deemed to be outside the scope of the warrant. Do not interfere should agents proceed and search. Note the fact for legal counsel to support a future protest.

Policy and Procedure: Corporate Compliance

Topic: Subpoenas

Purpose:

Child and Adolescent Treatment Services protects the confidentiality of information about persons served and complies with all applicable legal requirements.

Policy and Procedure:

When Child and Adolescent Treatment Services receives a subpoena, the following steps are taken:

1. The staff member receiving the subpoena reviews the document with his or her supervisor to ensure that the document is appropriately signed by the judge and includes the required language, "the interest of justice outweighs the need for confidentiality." If the subpoena is defective, in any way, the manager will attempt to remedy the defect and coordinate the agency's response.
2. If efforts at the branch level are unsuccessful, the manager will consult with the President or his/her designee. In case of an unusual request, a show cause order or a situation in which the manager believes complying with the subpoena would injure the child, the President or his/her designee should be consulted. The organization will access legal counsel as appropriate.

The organization is committed to full compliance with any lawful and appropriately executed subpoena. All staff will be fully cooperative with efforts to serve a subpoena.

Procedures:

1. If a subpoena related to Agency business is received, either in person or via the mail, it must be delivered immediately to the President or his/her designee.
2. If delivered in person, the senior staff on duty must be provided with any information obtained during the service of the subpoena (e.g., the name, title, and telephone number of the serving agent/investigator, information provided by the agent/investigator).
3. Provide the agent/investigator with direction or information so they may deliver the subpoena to the appropriate or requested individual. Do not volunteer information to an agent/investigator or submit to any form of questioning or interviewing.
4. The President or his/her designee shall be immediately notified of the receipt or delivery of a subpoena. The President or his/her designee will promptly notify the Compliance Officer and determine who is most qualified and available to assist legal counsel in responding to the subpoena.
5. Await direction from legal counsel as warranted.

Policy and Procedure: Corporate Compliance

Topic: Travel and Other Expense Reimbursement

Purpose:

The Board of Directors of Child and Adolescent Treatment Services (sometimes referred to as “CATS”, “Agency” or “the Agency”) recognizes that Board members, officers, and employees (“Personnel”) of the Agency may be required to travel or incur other expenses from time to time to conduct Agency business and to further the mission of this non-profit organization. The purpose of this Policy is to ensure that (a) adequate cost controls are in place, (b) travel and other expenditures are appropriate, and (c) to provide a uniform and consistent approach for the timely reimbursement of authorized expenses incurred by Personnel. It is the policy of the Agency to reimburse only reasonable and necessary expenses actually incurred by Personnel.

When incurring business expenses, the Agency expects Personnel to:

- Exercise discretion and good business judgment with respect to those expenses.
- Be cost conscious and spend the Agency’s money as carefully and judiciously as the individual would spend his/her own funds.
- Report expenses, supported by required documentation, as they were actually spent.

Policy:

1. Expenses will not be reimbursed unless the individual requesting reimbursement submits a written Expense Report. The Expense Report, which shall be submitted at least monthly or within two weeks of the completion of travel, if travel expense reimbursement is requested, must include:
 - The individual’s name.
 - If reimbursement for travel is requested, the date, origin, destination, and purpose of the trip, including a description of each Agency-related activity during the trip.
 - The name and affiliation of all people for whom expenses are claimed (i.e., people on whom money was spent in order to conduct the Agency’s business).
 - An itemized list of all expenses for which reimbursement is requested.

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- Expense reports must be submitted and approved by the employee's supervisor. The President's review and authorization are required for expense requests submitted by Executive Management.
 - Expense reports of the President must be approved by the Chairman of the Board or Treasurer of the Board.

Falsification of expenses: Submission of fraudulent receipts or falsifying expense reports will result in disciplinary action, up to and including termination.

2. Receipts are required for all expenditures billed directly to the Agency, such as airfare and hotel charges. No expense in excess of \$25.00 will be reimbursed to Personnel unless the individual requesting reimbursement submits, with the Expense Report, written receipts from each vendor (not a credit card receipt or statement) showing the vendor's name, a description of the services provided (if not otherwise obvious), the date, and the total expenses including tips, if applicable.
3. Employees authorized to do business for the Agency and attend meetings in other places are expected to use personal vehicles, and shall be reimbursed at a rate established by the Board of Directors. Trips made between sites during work times or unscheduled work related trips made between home and work may be claimed for reimbursement.

4. General Travel Requirements

A. Advance Approval

All trips involving air travel or at least one overnight stay must be approved in advance by the individual's supervisor; **however**, any out-of-state travel must be approved by the President or his/her designee.

B. Necessity of Travel

In determining the reasonableness and necessity of travel expenses, personnel and the person authorizing the travel shall consider the ways in which the Agency will benefit from the travel and weigh those benefits against the anticipated costs of the travel. The same considerations shall be taken into account in deciding whether a particular individual's presence on a trip is necessary. In determining whether the benefits to the Agency outweigh the costs, less expensive alternatives, such as participation by telephone or video conferencing, or the availability of local programs or training opportunities, shall be considered.

C. Personal and Spousal Travel Expenses

Individuals traveling on behalf of the Agency may incorporate personal travel or business with their Agency-related trips; **however**, Personnel shall not arrange Agency travel at a time that is less advantageous to the Agency or involving greater expense to the Agency in order to accommodate personal travel plans. Any additional expenses incurred as a result of personal travel, including but not limited to; extra hotel nights, additional stopovers, meals, or transportation, are the sole responsibility of the individual and will not be reimbursed by the Agency. Expenses associated with travel of an individual's spouse, family or friends will not be reimbursed by the Agency.

5. Air Travel

A. General

Air travel reservations should be made as far in advance as possible in order to take advantage of reduced fares. The Agency will reimburse or pay only the cost of the lowest coach class fare actually available for direct, non-stop flights from the airport nearest the individual's home or office to the airport nearest the destination.

B. Frequent Flyer Miles and Compensation for Denied Boarding

Personnel traveling on behalf of the Agency may accept and retain frequent flyer miles and compensation for denied boarding for their personal use. Individuals may not deliberately patronize a single airline to accumulate frequent flyer miles if less expensive comparable tickets are available on another airline.

6. Lodging

Personnel traveling on behalf of the Agency may be reimbursed at the single room rate for the reasonable cost of hotel accommodations. Convenience, the cost of staying in the city in which the hotel is located, and proximity to other venues on the individual's itinerary shall be considered in determining reasonableness. Personnel shall make use of available corporate and discount rates for hotels. "Deluxe" or "luxury" hotel rates will not be reimbursed.

7. Out-Of-Town Meals

Personnel traveling on behalf of the Agency are reimbursed for the reasonable and actual cost of meals (including tips) subject to maximum per diem meal allowance, if any, and the terms and conditions established by the Agency relating to the per diem meal allowance.

8. Ground Transportation

Personnel are expected to use the most economical ground transportation appropriate under the circumstances and should generally use the following, in this order of desirability;

- Courtesy Cars - Many hotels have courtesy cars, which will take you to and from the airport at no charge. The hotel will generally have a well-marked courtesy phone at the airport if this service is available. Employees should take advantage of this free service whenever possible.
- Airport Shuttle or Bus - Airport shuttles or buses generally travel to and from all major hotels for a small fee. At major airports, such services are as quick as a taxi and considerably less expensive. Airport shuttle or bus services are generally located near the airport's baggage claim area.
- Taxi Service - When courtesy cars and airport shuttles are not available, a taxi is often the next most economical and convenient form of transportation when the trip is for a limited time and minimal mileage is involved. A taxi may also be the most economical mode of transportation between an individual's home and the airport.
- Rental Car - Car rentals are expensive so other forms of transportation should be considered when practical. Employees will be allowed to rent a car while out of town, if the individual's supervisor has given advance approval and that the cost is less than alternative methods of transportation.

9. Personal Car

Personnel are compensated for use of their personal cars when used for Agency business. When individuals use their personal car for such travel, including travel to and from the airport, mileage will be allowed at the currently approved IRS rate per mile.

In the case of individuals using their personal cars to take a trip that normally would be made by air, mileage will be allowed at the currently approved rate; however, the total mileage reimbursement will not exceed the sum of the lowest available round trip coach airfare.

10. Parking/Tolls

Parking and toll expenses, including charges for hotel parking, incurred by personnel traveling on Agency business will be reimbursed. The costs of parking tickets, fines, car washes, valet service, etc., are the responsibility of the employee, and will not be reimbursed.

On-airport parking is permitted for short business trips. For extended trips, personnel should use off-airport facilities.

11. Entertainment and Business Meetings

Reasonable expenses incurred for business meetings or other types of business-related entertainment will be reimbursed only if the expenditures are approved by the employee's supervisor and qualify as tax-deductible expenses. Detailed documentation for any such expense must be provided, including:

- Date and place of entertainment.
- Nature of expense.
- Names, titles, and business affiliation of those entertained.
- A complete description of the business purpose for the activity including the specific business matter discussed.
- Vendor receipts (not credit card receipts or statements) showing the vendor's name, a description of the services provided, the date, and the total expenses, including tips, if applicable.

12. Other Expenses

Reasonable Agency-related telephone and fax charges due to absence of personnel from the individual's place of business are reimbursable. In addition, reasonable and necessary gratuities that are not covered under meals may be reimbursed. Finally, emergency secretarial work and/or postal charges incurred are reimbursable for the purpose of work on behalf of the Agency.

13. Cell Phones

All employees authorized to use cellular phones will be reimbursed for business related calls made on personal cellular phones. Itemized cellular phone bills must be submitted to claim expense reimbursement.

14. Non-Reimbursable Expenditures

The Agency maintains a strict policy that expenses in any category that could be perceived as lavish or excessive will not be reimbursed, as such expenses are inappropriate for reimbursement by a non-profit, charitable organization. Expenses that are not reimbursable include but are not limited to:

- Travel insurance, without the prior approval of a manager.
- First class tickets or upgrades.
- When lodging accommodations have been arranged by the Agency and the individual elects to stay elsewhere, reimbursement is made at the amount no higher than the rate negotiated by the Agency. Reimbursement shall not be made for transportation between the alternate lodging and the meeting site.
- Limousine travel.
- Movies, liquor, or bar costs.
- Membership dues at any country club, private club, athletic club, golf club, tennis club or similar recreational organization.
- Participation in or attendance at golf, tennis, or sporting events, without the advance approval of the President.
- Purchase of golf clubs or any other sporting equipment.
- Traffic citations.
- Credit card interest charges.
- Laundry or dry-cleaning.
- Spa, massage, or exercise charges.
- Clothing purchases.

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- Business conferences and entertainment which are not approved by a designated officer of the Agency.
 - Valet service.
 - Car washes.
 - Toiletry articles.
 - Expenses for spouses, friends, or relatives. If a spouse, friend, or relative accompanies personnel on a trip, it is the responsibility of the personnel to determine any added cost for double occupancy and related expenses and to make the appropriate adjustment in the reimbursement request.
 - Overnight retreats without the prior approval of the President or his/her designee.
 - Political or charitable contributions.

Policy and Procedure: Corporate Compliance

Topic: Business Courtesies for Referrals

Purpose:

Child and Adolescent Treatment Services (sometimes referred to as “CATS”, “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 CATS 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 CATS, it does not pertain to actions between the Agency and its employees nor actions among CATS 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.

Procedures:

1. Agency employees may not offer a potential referral source and his or her immediate family members business courtesies unless the following criteria are met:
 - The business courtesy is not based, directly or indirectly, on the volume or value of referrals or other business generated by the potential referral source;
 - The business courtesy does not consist of cash or the equivalent of cash;
 - The business courtesy is not solicited by the potential referral source or the referral source's practice or employees;
 - The business courtesy must not exceed \$338 (the allowed amount for 2008; this amount changes annually based on the Consumer Price Index) in value or cause the total value of business courtesies extended to the potential referral source or immediate family to exceed \$338 for the calendar year;
 - The business courtesy does not violate the federal Anti-Kickback statute or any state or federal law governing claims submission; and
 - The business courtesy is not extended to a physician group.
2. All employees must receive prior approval from the President before extending business courtesies to potential referral sources and/or their immediate family members. Any business courtesies approved by the President will be reported to the Compliance Officer. The Compliance Officer will record any business courtesy extended to a potential referral source or his/her immediate family members on the "Gifts and Entertainment Log" in the form attached as Appendix A to this Policy.

The Compliance Officer will ensure that the aggregate value of business courtesies does not exceed \$338 in a calendar year.

3. Examples of Gifts and Entertainment that must be recorded and tracked on the Gifts and Entertainment Log include, but are not limited to:
 - Dinner with a Potential Referral Source and/or his or her Immediate Family Member;
 - Gifts or flowers to a Potential Referral Source or his/her Immediate Family Member;
 - Tickets for sporting or cultural events to a Potential Referral Source and/or his or her Immediate Family Member;
 - Paying for a Potential Referral Source's continuing medical education costs.

APPENDIX A

**Child and Adolescent Treatment Services
GIFTS AND ENTERTAINMENT RECORDING LOG**

For the period 1/1/20__ to 12/31/20__

Potential Referral Source and/or Immediate Family Member Name	Authorized By	Date of Gift/ Entertainment	Type of Gift/ Entertainment	Gift / Entertainment Amount	Reason for Gift/ Entertainment	Calendar Year Balance

Policy and Procedure: Corporate Compliance

Topic: President Performance and Compensation Review

Purpose:

Child and Adolescent Treatment Services (sometimes referred to as “CATS”, “Agency” or “the Agency”) designates the Executive Committee of the Board of Directors as the Compensation Committee (the “Committee”) of the Board of Directors (the “Board”)

The purpose of the Compensation Committee is to discharge the responsibilities of the Board relating to compensation of the President, to oversee the evaluation of the President, and to advise the Board with respect to senior management succession planning.

Policy:

I. Duties and Responsibilities

The Compensation Committee’s duties and responsibilities include the following:

1. Review and make recommendations to the Board with respect to the President’s compensation and retirement plans.
2. Annually, review and approve performance goals and objectives with respect to the compensation of the President.
3. Annually, oversee the performance evaluation of the President against approved goals and objectives.
4. Based on the evaluation, set the compensation and benefits of the President
5. Review and approve any employment, severance, termination and retirement arrangements for the President.
6. Consult with the President and advise the Board with respect to senior management succession planning.

II. Qualifications of Compensation Committee

1. The Committee shall be comprised of three or more directors, the exact number to be determined from time to time by resolution of the Board.
2. The Board Chair will serve as the Chairman of the Committee.
3. Executive Board Members of the Committee shall be designated annually by a majority of vote of the entire Board at the annual organization meeting of the Board of Directors.
4. The Chairman of the Committee is responsible for the orientation of new members regarding compensation matters.
5. The Committee shall be fully independent, accountable, and vigorous in taking primary responsibility for all aspects of President's compensation including employment, retention, and severance agreements.

III. Structure and Operation

1. The Committee shall meet, in person or telephonically, at least twice annually at such times and places determined by the Chairman of the Committee.
2. The Committee shall meet in executive session without the presence of any members of management as often as it deems appropriate.
3. The Committee may request that any directors, officers, or employees of the **CATS**, or other persons whose advice and counsel are sought by the Committee, attend any meeting of the Committee to provide such pertinent information as the Committee requests.
4. The Chairman of the Committee shall report to the Board the deliberations, actions, and recommendations of the Committee.

IV. President Performance and Compensation Review

1. Selection of the President

The Board is responsible for identifying potential candidates for, and selecting, the agency's President. In identifying potential candidates for and selecting the President, the Board considers, among other things, a candidate's experience, and understanding of the agency's business environment, leadership qualities, knowledge, skills, expertise, integrity, and reputation in the business community.

2. Evaluation of President

The Committee is responsible for overseeing the evaluation process for the President.

The process is intended to formally assess the President's past performance as well as to help the Board determine future developmental needs for the President. Consequently, there are two types of measures: a) Financial Performance Measures, which track accountability for past performance, and b) Leadership Effectiveness Measures, which identify the key objectives that will assure the future success of the agency.

Leadership Effectiveness Measures include, but are not limited to, the following:

- Leadership
- Building Team Spirit
- Managing Vision and Mission
- Organizational Flexibility
- Approachability and Accessibility
- Effective Decision Making
- Business Acumen
- Accountability
- Developing People
- Integrity and Trust
- Results
- Presentation Skills
- Maintaining Organizational Values
- Community Involvement

The following steps are utilized to carry out this review:

- The Committee reviews performance measures and targets and submits these for Board approval on or before the start of the first meeting of the fiscal year.
- The President provides a self-evaluation to the Board within seventy-five days of the end of the fiscal year.
- The Committee Chair will seek input from the Directors regarding the President's performance. These assessments should include the appraisal of the Financial Performance Measures and the Leadership Performance Measures approved by the Board as well as any other aspect of the President's performance that the Director deems relevant. In addition, Directors should identify any future developmental needs they deem necessary for the President.
- The Committee accumulates this information and recommends annual compensation of the President based on the evaluation.
- After agreement by the Compensation Committee to the evaluation, the Chair of the Committee will meet with the President to discuss the Board's assessment of performance and developmental needs for the President. The President may then take the opportunity to discuss his or her reaction to the evaluation.

3. Succession Planning

The Board shall plan for the succession to the position of the President. To assist the Board, the President shall conduct an annual succession planning session with the Board at which an assessment of senior managers will be conducted including their potential to succeed the President and other senior management positions.

Section 7 Policy and Procedure: Corporate Compliance

Topic: Detection and Response

I. Violation Detection

The Compliance Officer, President, and the Compliance Committee shall determine whether there is any basis to suspect that a violation of the Compliance Plan has occurred.

If it is determined that a violation *may have* occurred, the matter shall be referred to legal counsel who, with the assistance of the Compliance Officer, shall conduct a more detailed investigation. This investigation may include, but is not limited to, the following:

- Interviews with individuals having knowledge of the facts alleged;
- A review of documents; and
- Legal research and contact with governmental agencies for the purpose of clarification.

If advice is sought from a governmental agency, the request and any written or oral response shall be fully documented.

II. Reporting

At the conclusion of an investigation involving legal counsel, he/she shall issue a report to the Compliance Officer, President, and Compliance Committee summarizing his or her findings, conclusions, and recommendations and will render an opinion as to whether a violation of the law has occurred.

The report will be reviewed with legal counsel. Any additional action will be on the advice of counsel.

The Compliance Officer shall report to the Compliance Committee regarding each investigation conducted.

III. Rectification

If Agency identifies that an overpayment was received from any third party payer, the appropriate regulatory (funder) and/or prosecutorial (attorney general/police) authority will be appropriately notified with the advice and assistance of counsel. It is our policy to not retain any such funds which are received as a result of overpayments. In instances where it appears an affirmative fraud may have occurred, appropriate amounts shall be returned after consultation and approval by involved regulatory and/or prosecutorial authorities. Systems shall also be put in place to prevent such overpayments in the future.

IV. Record Keeping

Regardless of whether a report is made to a governmental agency, the Compliance Officer shall maintain a record of the investigation, including copies of all pertinent documentation. This record will be considered confidential and privileged and will not be released without the approval of the President or legal counsel.

Section 8 Policy and Procedure: Corporate Compliance

Topic: False Claims Act and Whistleblower Provisions

Purpose:

CATS is committed to prompt, complete, and accurate billing of all services provided to individuals. CATS 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 CATS to detect and prevent fraud, waste, and abuse in federal healthcare programs. This Policy explains the Federal False Claims Act (31 U.S.C. §§ 3729 – 3733), the Administrative Remedies for False Claims (31 USC Chapter 38 §§3801-3812), the New York State False Claims Act (State Finance Law §§187-194), and other New York State laws concerning false statements or claims and employee protections against retaliation. This policy also sets forth the procedures CATS has put into place to prevent any violations of federal or New York State laws regarding fraud or abuse in its health care programs.

This policy applies to all employees, including management, contractors, and agents.

For purpose of this policy, a contractor or agent is defined as:

- Any contractor, subcontractor, agent, or other person which or who, on behalf of the Agency, furnishes, or otherwise authorizes the furnishing of Medicare and/or Medicaid health care items or services, performs billing or coding functions; or
- Is involved in the monitoring of health care provided by the Agency.

Overview of Relevant Laws:

The False Claims Act (31 U.S.C. §§ 3729-3733)

The False Claims Act 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 \$5,000 to \$10,000 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;
- Falsifying time records used to bill Medicaid; 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.

Employee Protections

The False Claims Act prohibits discrimination by CATS against any employee for taking lawful actions under the False Claims Act. Any employee who is discharged, demoted, harassed, or otherwise discriminated against because of lawful acts by the employee in False Claims actions is entitled to all relief necessary to make the employee whole. Such relief may include reinstatement, double back pay, and compensation for any special damages, including litigation costs and reasonable attorney fees.

Administrative Remedies for False Claims (31 USC Chapter 38. §§3801-3812)

This federal statute allows for administrative recoveries by federal agencies including the Department of Health and Human Services, which operates the Medicare and Medicaid Programs. The law prohibits the submission of a claim or written statement that the person knows or has reason to know is false, contains false information, or omits material information. The agency receiving the claim may impose a monetary penalty of up to \$5,500 per claim and damages of twice the amount of the original claim.

Unlike the False Claims Act, a violation of this law occurs when a false claim is submitted, not when it is paid. Also unlike the False Claims Act, the determination of whether a claim is false, and imposition of fines and penalties is made by the administrative agency, and not by prosecution in the federal court system.

New York State Laws

A. Civil and Administrative Laws

New York State False Claims Act (State Finance Law §§187-194)

The New York State False Claims Act closely tracks the federal False Claims Act. It imposes fines on individuals and entities that file false or fraudulent claims for payment from any state or local government, including health care programs such as Medicaid. The penalty for filing a false claim is \$6,000 - \$12,000 per claim and the recoverable damages are between two and three times the value of the amount falsely received. In addition, the false claim filer may be responsible for the government's legal fees.

The Government, or an individual citizen acting on behalf of the Government (a "Relator"), can bring actions under the New York State False Claims Act.

If the suit eventually concludes with payments back to the government, the party who initiated the case can recover 15% - 30% of the proceeds, depending upon whether the government participated in the suit. The New York State False Claims Act prohibits discrimination against an employee for taking lawful actions in furtherance of an action under the Act. Any employee who is discharged, demoted, harassed, or otherwise discriminated against because of lawful acts by the employee in furtherance of an action under the False Claims Act is entitled to all relief necessary to make the employee whole.

Social Service Law §145-b False Statements

It is a violation to knowingly obtain or attempt to obtain payment for items or services furnished under any Social Services program, including Medicaid, by use of a false statement, deliberate concealment, or other fraudulent scheme or device. The State or the local Social Services district may recover up to three times the amount of the incorrectly paid claim. In the case of non-monetary false statements, the local Social Service district or State may recover three times the amount incorrectly paid. In addition, the Department of Health may impose a civil penalty of up to \$2,000 per violation. If repeat violations occur within five years, a penalty up to \$7,500 may be imposed if they involve more serious violations of the Medicaid rules, billing for services not rendered, or providing excessive services.

Social Service Law §145-c Sanctions

If any person applies for or receives public assistance, including Medicaid, by intentionally making a false or misleading statement, or intending to do so, the person's and the person's family needs are not taken into account for a period of six months to five years, depending upon the number of offenses.

B. Criminal Laws

Social Service Law §145 Penalties

Any person who submits false statements or deliberately conceals material information in order to receive public assistance, including Medicaid, is guilty of a misdemeanor.

Social Service Law § 366-b, Penalties for Fraudulent Practices

Any person who, with intent to defraud, presents for payment any false or fraudulent claim for furnishing services or merchandise, knowingly submits false information for the purpose of obtaining Medicaid compensation greater than that to which he/she is legally entitled to, or knowingly submits false information in order to obtain authorization to provide items or services shall be guilty of a Class A misdemeanor.

Any person who obtains or attempts to obtain, for himself or others, medical assistance by means of a false statement, concealment of material facts, impersonation, or other fraudulent means is guilty of a Class A misdemeanor.

Penal Law Article 155, Larceny

The crime of larceny applies to a person who, with intent to deprive another of property, obtains, takes or withholds the property by means of a trick, embezzlement, false pretense, false promise, including a scheme to defraud, or other similar behavior. This law has been applied to Medicaid fraud cases.

Penal Law Article 175, Written False Statements

There are four crimes in this Article that relate to filing false information or claims. Actions include falsifying business records, entering false information, omitting material information, altering an agency's business records, or providing a written instrument (including a claim for payment) knowing that it contains false information. Depending upon the action and the intent, a person may be guilty of a Class A misdemeanor or a Class E felony.

Penal Law Article 176, Insurance Fraud

This Article applies to claims for insurance payment, including Medicaid or other health insurance. The six crimes in this Article involve intentionally filing a false insurance claim. Under this article, a person may be guilty of a felony for false claims in excess of \$1,000.

Penal Law Article 177, Health Care Fraud

This Article establishes the crime of Health Care Fraud. A person commits such a crime when, with the intent to defraud Medicaid (or other health plans, including non-governmental plans), he/she knowingly provides false information or omits material information for the purpose of requesting payment for a health care item or service and, as a result of the false information or omission, receives such a payment in an amount to which he/she is not entitled. Health Care Fraud is punished with fines and jail time based on the amount of payment inappropriately received due to the commission of the crime.

New York Labor Law §740

An employer may not take any retaliatory personnel action against an employee if the employee discloses information about the employer's policies, practices or activities to a regulatory, law enforcement or other similar agency or public official.

This law offers protection to an employee who:

- discloses, or threatens to disclose, to a supervisor or to a public body an activity, policy, or practice of the employer that is in violation of law, rule, or regulation that presents a substantial and specific danger to the public health or safety, or which constitutes health care fraud (knowingly filing, with intent to defraud, a claim for payment that intentionally has false information or omissions);
- provides information to, or testifies before, any public body conducting an investigation, hearing, or inquiry into any such violation of a law, rule, or regulation by the employer; or
- objects to, or refuses to participate in any such activity, policy or practice in violation of a law, rule, or regulation.

The employee's disclosure is protected under this law only if the employee first brought up the matter with a supervisor and gave the employer a reasonable opportunity to correct the alleged violation. The law allows employees who are the subject of a retaliatory action to bring a suit in state court for reinstatement to the same, or an equivalent position, any lost back wages and benefits and attorneys' fees. If the employer is a health care provider and the court finds that the employer's retaliatory action was in bad faith, it may impose a civil penalty of \$10,000 on the employer.

New York Labor Law §741

Under this law, a health care employer may not take any retaliatory action against an employee if the employee discloses certain information about the employer's policies, practices or activities to a regulatory, law enforcement, or other similar agency or public official. Protected disclosures are those that assert that, in good faith, the employee believes constitute improper quality of patient care.

The employee's disclosure is protected under this law only if the employee first brought up the matter with a supervisor and gave the employer a reasonable opportunity to correct the alleged violation, unless the danger is imminent to the public or patient and the employee believes in good faith that reporting to a supervisor would not result in corrective action. If the employer takes a retaliatory action against the employee, the employee may sue in state court for reinstatement to the same, or an equivalent position, any lost back wages and benefits and attorneys' fees. If the employer is a health care provider and the court finds that the employer's retaliatory action was in bad faith, it may impose a civil penalty of \$10,000 on the employer.

Policy:

1. CATS will provide training in this policy and procedure to all its employees and agents. This training will be provided to all new employees as part of the new employee orientation.
2. CATS will perform billing activities in a manner consistent with the regulations and requirements of third party payers, including Medicaid and Medicare.
3. CATS will conduct regular auditing and monitoring procedures as part of its efforts to assure compliance with applicable regulations.
4. Any employee, contractor, or agent who has any reason to believe that anyone is engaging in false billing practices or false documentation of services is expected to report the practice according to the Agency's Reporting of Compliance Concerns and Non-Retaliation Policy and Procedure.
5. Any form of retaliation against any employee who reports a perceived problem or concern in good faith is strictly prohibited.
6. Any employee who commits or condones any form of retaliation will be subject to discipline up to, and including, termination.

Procedure:

1. The Compliance Officer will ensure that all employees and agents receive training related to the contents of this policy and the False Claims Act. The Compliance Officer will ensure that records are maintained to document the receipt of training.

Section 9 Required Self-Reporting to the Council of Accreditation (COA)

Topic: Required Self-Reporting

The following occurrences need to be reported to COA:

1. Loss of authorization or revocation of domestic license or loss of authorization from a foreign government (e.g., inter-country adoption).
2. Licensing/regulatory, other governmental authority (local, state/provincial, federal or foreign government (e.g., inter-country adoption)), non-governmental investigative entity, or contractor actions(s).
3. Change in exempt status.
4. Organization closure.
5. Discontinuation of any COA-accredited service.
6. Opening a new program(s) under an existing COA accredited service.
7. Merger/acquisition.
8. Change in CEO/executive director/commissioner/agency head.
9. Bankruptcy or other forms of insolvency proceedings.
10. Judgments.
11. Consumer death.
12. Consumer serious injury.

Please refer to the COA Accreditation Policies & Procedures Manual – “Private Organizations Under Required Self-Reporting” for further details and reporting times.