



**CORPORATE
COMPLIANCE
PLAN
2016**

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Meeting Life's Challenges

CORPORATE COMPLIANCE OVERVIEW

I Background & Introduction:

The mission of Living Resources is *“to promote and provide life enhancing services to individuals with disabilities in a safe and secure environment.”* Living Resources’ ability to fulfill its mission depends, in a great respect, on securing reimbursement for its services from government funding sources.

Living Resources is committed to complying with federal and state law, and with Medicaid & Medicare program requirements. Living Resources’ commitment stems not only from its duty to comply with the law, but from its recognition of the ethical imperative to protect the financial integrity of the payer programs that serve its consumers. Finally, Living Resource’s interest in compliance reflects its awareness that fraud, abuse or errors in billing can jeopardize the agency’s mission.

Accordingly, Living Resources acknowledges the obligation of its Board, management and staff to strictly comply with Medicaid/Medicare statutes and requirements; and to diligently strive to prevent, detect and appropriately respond to instances of fraud, abuse, incorrect billing, or other forms of noncompliance.

Living Resources provides a wide array of services to individuals with developmental disabilities and/or acquired brain injury. Those service areas include, but are not limited to: residential care, supported employment, day habilitation, service coordination, residential habilitation, clinical supports, after-school, college experience, acquired brain injury services, arts center, etc. In order to coordinate a compliance program among different service departments, we have found the need to establish one single compliance program among these different units. Strong communication among these varying departments is viewed as being highly critical. Living Resources has made the commitment of time and resources by all parts of the organization in order to implement an “effective” compliance program - the agency will continue to move ahead with great thought to its ongoing construction and implementation.

II Authority and Oversight:

Ultimate accountability and oversight for Corporate Compliance lies with the Board of Directors and the Chief Executive Officer (CEO). Responsibility for the implementation of all initiatives lies with the CEO. The Board of Directors is committed to providing both the human and financial resources necessary to develop, implement, support, maintain and monitor an ethical environment, which complies with all Federal, State and local Law.

The day-to-day operational oversight and implementation of agency compliance activities rests with the designated Compliance Officer, whom is titled by Job Position as the Assistant Executive Director of Corporate Planning. The Compliance Officer also has the authority to directly report any untoward situations to the Board President as deemed necessary. The Compliance Officer presents and submits a written report of compliance activity to the Living Resources Board of Directors via the Board's *Development & Compliance Committee* which meets on a quarterly basis.

III Benefits of the Compliance Plan:

Living Resources believes that a comprehensive compliance program provides a mechanism that brings the public & private sectors together to reach mutual goals of reducing fraud and abuse, enhancing operational functions and improving the quality of service delivery.

Attaining these goals imparts positive results to the agency, the government, individuals and families served. In addition to fulfilling its legal duty to ensure that we are not submitting false or inaccurate claims to government and private payers, Living Resources may gain numerous other benefits by voluntarily implementing a compliance program. The benefits may include:

1. The formulation of effective internal controls to ensure compliance with statutes, regulations and rules.
2. A concrete demonstration to employees and the community at large of Living Resources' commitment to responsible corporate conduct.
3. The ability to obtain an accurate assessment of employee and contract behavior.
4. An increased likelihood of identifying and preventing unlawful and unethical behavior.
5. The ability to quickly react to employees' operational compliance concerns and effectively target resources to address those concerns.
6. An improvement in the quality, efficiency and consistency of providing services.
7. A mechanism to improve internal communications.
8. Procedures that allow prompt and thorough investigation of alleged misconduct.
9. Through early detection and reporting, minimizing loss to the government from false claims, and thereby reducing the agency's exposure to civil damages and penalties, criminal sanctions and administrative remedies.

IV Areas of Risk:

It is beneficial for Living Resources to evaluate our current compliance policies & procedures by conducting a baseline assessment of risk areas.

Such areas of risk include: employee screening, vendor relationships, billing & cost reporting, record keeping & documentation. This list of risk areas is not exhaustive, nor all encompassing. Rather, it is viewed as a starting point for an internal review of potential vulnerabilities within the agency.

The objective of this assessment is to ensure that the employees, managers and directors are aware of these risk areas and that steps are taken to minimize, to the extent possible, the types of problems identified.

The Compliance Officer will coordinate subsequent re-evaluations (internal compliance reviews) on a periodic basis.

Any changes that would add value to our compliance plan will be added to policy. Living Resources will focus on items which may be highlighted by current & past surveys conducted by OPWDD Certification Bureau and other governmental agencies. In addition, regulation updates, provider associations, peer groups, consumer & family satisfaction surveys, and employee feedback will all be taken into account when assessing risk.

V Compliance Officer:

The CEO has designated a Compliance Officer who is a full-time employee of the Living Resources Corporation and reports directly to the CEO with authority to report to the agency's Board President as desired & needed. The Compliance Officer is designated as the agency's Assistant Executive Director for Corporate Planning. For a summary of the Compliance Officer's job duties, please review the "Corporate Compliance Officer, Position Description," following this part.

In any case of extended absence of the designated Compliance Officer, the CEO has designated the Assistant Director for Corporate Compliance to act in the capacity of Compliance Officer and will include all aspects of the Compliance Officer job description.

The CEO has designated authority to the Compliance Officer to allow total access and review of all documentation relevant to compliance activities within the agency.

The Compliance Officer has adopted an open-door policy in order to foster good communication and easy accessibility. In addition, since the agency does not wish to be reactive only – the Compliance Officer may reach out to employees using such methods as field visits to work locations and polling employees about compliance and work issues. It is believed that if the employee knows the Compliance Officer, they may be more likely to talk freely with this person.

VI Role of Program Operation Departments:

1. Each Program Director will oversee compliance of services provided within his/her particular department and will serve as a liaison between the department and the Compliance Officer.
2. Each department will adopt and implement the program's specific compliance plan as it relates to billing, documentation and record keeping practices. Such a department plan will be reviewed and approved by the Compliance Officer and the Compliance Committee. Such department's specific plan shall address, at a minimum, the following:
 - a) Billing protocol;
 - b) Verification systems to monitor accurate billing, to include description of in-house random auditing guidelines;
 - c) Listing of paperwork (forms) in use;
 - d) Documentation guidelines for billing system(s);
 - e) Education & training programs as directed by the department head;
3. Department representatives will communicate any issues/concerns to the Compliance Officer as needed. Such communication would include, at a minimum, the following:
 - a) Identification of any areas of compliance concern and how they are being addressed;
 - b) Any incidents of intentional or accidental misconduct within the department (notification also provided to Compliance Officer immediately upon discovery);
 - c) Any disciplinary action in regard to the compliance plan taken against department employee(s);
 - d) Training progress, needs and/or concerns;
 - e) Any other matter dealing with compliance issues within the department.



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CORPORATE COMPLIANCE COMMITTEE

The CEO has established a committee within the organization for the purpose of guidance and updates on the agency's Corporate Compliance Program. Upon the assignment of the committee members, it is the CEO's expectation that its membership demonstrate high integrity, good judgment, assertiveness, and an approachable demeanor, while eliciting the respect and trust of employees of the organization. This committee consists of representation from various departments, including: human resources, information technology, finance, training, program & office administration. These committee members also represent a variety of skill and are those persons who are able to accept the responsibilities vested in members of such a committee. Each member represents seniority and comprehensive expertise within their respective departments to implement any changes to policies and procedures as recommended.

The standing committee is also viewed as an extension of the Corporate Compliance office and provides the organization with increased oversight.

This standing committee will formulate "sub-committees" as needed in response to the CEO or Compliance Officer's request for a task force on any more complicated or time involved issues related to the compliance program. Members of these sub-committees will be designated and assigned as viewed appropriate to the subject of concern.

Current Membership of the Corporate Compliance Committee:

Steve Klein	Associate Executive Director
Joe Morelli	Assistant Executive Director for Corporate Planning
Judy Frey	Assistant Executive Director for HR and Administrative Services
Jennifer Richard	Assistant Executive Director for Program Services, CEP
Michael Cognetti	Director of ABI Program and SEMP
Jason Mazzuca	Director of Service Coordination
Frank Prevratil	Director of Day Services
Dan Owens	Director of Information Technology
Tracy Barboza	Director of Quality Assurance
Chris Hough	Assistant Director for Corporate Compliance



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CODE OF ETHICS & PROFESSIONAL CONDUCT

I Policy:

Commitment to ethical professional conduct is expected of every employee of the Living Resources Corporation.

Living Resources has established a Code of Conduct that applies to all employees and volunteers. Living Resources is committed to preventing the occurrence of unethical and/or unlawful behavior, stopping behavior as soon as possible after discovery and to appropriately discipline those persons who violate the Code, including persons who fail to report a violation.

All employees and volunteers must comply with the agencies Code of Conduct, immediately report any alleged violations of wrongdoing and assist management and compliance personnel in the investigation of untoward incidents resulting from reports of non-compliance.

It is the policy of Living Resources 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 volunteers 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.

II Guidelines:

1. Ethics:

- a) 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 Living Resources, regulatory agencies and internal/external auditors.
- b) You are expected to comply with Living Resources policies and procedures, accounting rules and internal controls as applicable and provided to you in writing.
- c) You are expected to function with honesty in your work for Living Resources and with the people we serve, providers, suppliers and others with whom the agency does business.

2. Use of Agency Funds and Resources:

- a) Living Resources assets are to be only 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.
- b) 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.
- c) Use of Living Resource's funds or assets for any improper purpose is strictly prohibited. If you are aware of or have reason to believe that funds are being improperly used, you must report this immediately to the Compliance Officer (see #12 for contact information).

3. Confidentiality:

During your work with Living Resources, you may acquire confidential information about Living Resources, its staff and people we serve. This information must be handled in strict confidence and not discussed with outsiders. The protection of confidential business, staff and consumer information is very important.

4. Business Dealings between Living Resources & Vendors and/or Contractors:

Living Resources will not be inappropriately influenced with goods or services from any business in which you or your immediate family members have a substantial interest.

5. Maintenance of Records:

Employees must record and report all agency, consumer 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 must not omit or conceal any relevant information.

- a) 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 agency records.
 - You may not create or participate in the creation of any records that are intended to mislead or to conceal anything that is improper.
- b) 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.

- c) Retention of Records:
 - o The retention, disposal or destruction of records of or pertaining to Living Resources must always comply with legal and regulatory requirements and agency policy.
 - o You may not destroy records pertaining to litigation or government investigations or audit without express written approval of the Compliance Officer.

6. Protection of Confidential Information:

Living Resources 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.

- a) You must treat all agency records and information in a confidential manner.
- b) You may not release confidential information without the proper authorization. Confidential information includes not only information about the people we serve and their families, but also non-public information about the agency that may be of use to competitors or harmful to the agency or its customers if released.
- c) 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 of Living Resources.

7. Discontinuation of Services:

- a) Upon discontinuation of employment, 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, etc.

8. Information Security:

- a) You are responsible for properly using information stored and produced by all Living Resource's computer systems.
- b) Computers, Internet access, email, or other office communications systems are intended for business related purposes only.

9. Fair Dealing:

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

a) Kickbacks & Rebate:

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

b) Gifts and Gratuities & Entertainment:

- You may not solicit money, gifts, gratitude or other personal benefits or favors of any kind from employees, 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.
- This is not meant to include charitable contributions/gifts monetary or non-monetary to the agency as long as there is not individual personal benefit or any expectation of business preference from the individual or the agency.

10. Government & Agency Investigations:

- a) There may be times that Living Resources is asked to cooperate with an investigation by a federal or state governmental agency, or to respond to a request for information. Employees must report any requests for information or cooperation with an investigation to the Compliance Officer immediately.
- b) All Employees must cooperate fully and honestly in any investigation into a reported violation of this Code of Conduct, any applicable law or regulation, agency policy, procedure or practice.

12. Seeking Guidance & Reporting Violations:

- a) Employees must report any actual or suspected violations of this Code of Conduct, any applicable law or regulation, or any agency policy & procedure to the Compliance Officer.
- b) The Compliance Officer (Joe Morelli) can be contacted by phone at 518-218-0000 extension#4369 or by email at jmorelli@livingresources.org or through mailing at 300 Washington Avenue Extension, Albany, New York 12203

Also refer to the following information from Living Resources Human Resources department:

- LRC Human Resources Policy – Code of Conduct #30-05
- National Alliance of Direct Support Professionals (NADSP)
- Justice Center – Code of Conduct for Persons with Special Needs



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REPORTING NON-COMPLIANCE CONCERNS NON-RETALIATION

The purpose of this reporting policy is to provide employees with a means to communicate needs, concerns and/or any other problematic issue to the Chief Executive Officer (CEO) or the Compliance Officer as deemed necessary.

I Definition of Noncompliance:

Noncompliance to the Corporate Compliance Plan has the potential to take many forms. The following list provides several examples of noncompliance (it is not to be considered an all-inclusive list):

- Falsifying information on verbal or written reports
- Signing for a service that was not provided
- Falsifying a signature on any documentation.
- Removal of official documents from its' home file without authorization.
- Clocking In or Out for another employee.
- Missing and/or potential loss of Consumer funds.
- Providing confidential information to unauthorized persons.
- Destroying documents without permission.
- Failure to report witnessed noncompliance.

II Guidelines in Reporting Noncompliance:

Living Resources has extended much effort and has established a very successful "open-door" policy whereby any employee, at any level of the organization, may attain easy, direct access to the CEO. In fact, the CEO, Fred Erlich, expends a great deal of time and energy toward assuring staff members of his availability and desire to communicate in an informal, yet effective manner.

To this end, Living Resources continues to encourage all employees to report any needs or concerns related to the agency's operations directly to the CEO. In addition, the agency's Compliance Officer, Joe Morelli is also available to receive and investigate any reports made by an employee.

Fred Erlich, CEO
218-0000 ext #4317
ferlich@livingresources.org

Joseph Morelli, Compliance Officer
218-0000 ext #4369
jmorelli@livingresources.org

III Non-Retaliation:

Employees of Living Resources can be well assured that there will be no reprisal or retaliation of any kind when presenting problematic situations to the CEO or any other member of the administrative or management team. It has been the philosophy of the agency and its leadership to encourage the presentation of problems in order that the agency may gain knowledge & insight – thus creating opportunity to make improvements that will lead to better quality care of our consumers.

Any person who deliberately makes a false accusation with the purpose of harming or retaliating against another person, or who willfully abuses the mandated reporting system may be subject to disciplinary action, up to and including termination.

IV Anonymous Reporting:

For those employees who feel it necessary to remain anonymous when reporting problematic situations, they are welcome to contact the Compliance Officer, Joseph Morelli by telephone voice mail or by mail.

Mail: Living Resources
Attention: Joseph Morelli
300 Washington Avenue Extension
Albany, New York 12203

Phone: (518) 218-000 X4369

It is important to understand that unless detailed information is provided, anonymous reporting may result with the Compliance Officer's inability to follow-up in a thorough manner. The content of all reports made through an anonymous manner will still be reported to the CEO, who will assure that it remains confidential and anonymous. However, the identity of the caller will not be disclosed to anyone without the direct consent of the caller.

V Reporting of Misconduct:

When the Compliance Officer, Compliance Committee or an administrative staff member discovers credible evidence of misconduct from any source and, after a reasonable inquiry, has reason to believe that the misconduct may violate criminal, civil or administrative law, Living Resources will promptly report the existence of misconduct to the appropriate Federal, State, or local authorities. Such a report, as validated, will be made within a reasonable time period, but not more than 60 days.

Some of the Federal & State authorities include:

- NYS Office of Medicaid Inspector General (OMIG)
- U.S. Office of Inspector General (OIG)
- U.S. Criminal & Civil Divisions of the Department of Justice
- U.S. Attorney General
- U.S. Federal Bureau of Investigation (FBI)
- Office for People with Developmental Disabilities
- New York State Medicaid Fraud Control
- New York State Department of Health
- County District Attorney



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EMPLOYEE CONFLICT OF INTEREST

The purpose of the conflict of interest policy is to protect the Corporation's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an employee of the Corporation. This policy is intended to supplement but not replace any applicable state laws governing conflicts of interest applicable to nonprofit and charitable corporations.

A conflict of interest arises if an employee's judgment and/or discretion is influenced by personal considerations. To this end, Living Resources has established some basic guiding principles that will lead the agency to avoid situations that may have the possibility of causing a conflict of interest.

I Guidelines:

1. Immediate family/staff members will not supervise or report to each other.
2. Immediate family/staff members will not work in the same program location as the other. (Exception: crisis or emergency situation requiring presence of qualified staffing).
3. If the agency is in contract or service affiliated with an employee's immediate family member or friend, the employee must disclose this information to the Chief Executive Officer (CEO) upon discovery.
4. An employee should not utilize his/her position within the agency in order to achieve personal gain.
5. Other outside employment is prohibited to the extent that it interferes with an employee's performance while working at Living Resources.
6. Equipment, materials or proprietary information owned by Living Resources Corporation will not be used for any outside employment purpose or personal need.
7. Also refer to the agency's Human Resources Code of Conduct Policy #30-05 for further related information.

II Duty to Disclose

In connection with any actual or possible conflicts of interest, the employee must disclose the existence of his or her interest in a transaction or arrangement. The employee will be provided with the opportunity to disclose all material facts to the Chief Executive Officer (CEO) and the Corporate Compliance Officer.

It will be through the determination & judgment of the CEO to consider the following factors:

- whether the transaction or arrangement is in the Corporation's best interest, and;
- whether the transaction or arrangement is of benefit to the Corporation, and;
- whether the transaction is fair and reasonable to the Corporation.

III Violation of Policy

Any employee who shall knowingly and intentionally violate any of the provisions stated within this policy will be subjected to disciplinary and corrective action, which may include suspension or termination from employment.

IV Records of Proceedings

It is the responsibility of the Corporate Compliance Officer to maintain all records of any proceedings regarding a conflict of interest. Such records will contain:

- The names of the person(s) who disclosed or otherwise were found to have an interest in connection with an actual or possible conflict of interest.
- The nature of the employee's interest.
- Any action taken to determine whether a conflict of interest was present.
- The CEO's decision as to whether a conflict of interest in fact existed.
- The names of any persons who were present for discussion related to the transaction or arrangement.



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FALSE CLAIMS ACT & WHISTLEBLOWER PROTECTION

I Overview:

The purpose of this policy is to continue to assure Living Resources commitment to prompt, complete and accurate billing of all services provided to individuals and to assist in the encouragement of individuals to come forward and report misconduct involving false claims

Living Resources 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 Living Resources to detect and prevent fraud, waste and abuse in federal healthcare 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 Medicaid health care items or services, performs billing or coding functions; or
- Is involved in the monitoring of health care provided by the Agency.

II Whistleblower Protection:

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, who has actual knowledge of allegedly false claims may file a lawsuit on behalf of the US government. If the lawsuit is successful, and provided certain legal requirements are met, the whistleblower may receive an award ranging from 15% to 30% of the amount recovered.

The False Claims Act prohibits discrimination by Living Resources against any employee for taking lawful actions under a 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 relief. Such relief may include reinstatement, double back-pay and/or compensation for any special damages.

No supervisor, manager, director, or any other employee with authority to make or materially influence significant personnel decisions shall take or recommend an adverse personnel action against an employee, volunteer, consultant, consumer, or affiliate in knowing retaliation for disclosing alleged wrongful conduct to an agency officer or any public body. Any individual found to have so violated this policy, shall be disciplined, up to and including termination, in accordance with existing agency policy.

Any employee, volunteer, consultant, consumer, or affiliate who feels he/she has been retaliated against for reporting improper activity, whether perceived or real, can report his/her allegation to the Assistant Director for Corporate Planning (Compliance Officer), the Assistant Director for Corporate Compliance and/or the CEO.

While the agency will make every effort to maintain the anonymity of the individual making the allegation, it is often difficult to do so especially in instances where an investigation is evident. Therefore the agency cannot guarantee anonymity. Similarly, the identity of the subjects of an investigation will be maintained in confidence with the same limitations.

Once an allegation has been presented, the CEO will assign the agency's Compliance Officer to investigate or assign the appropriate individual, department, group or outside agency to conduct a thorough investigation using standard investigative practices. The individual providing the initial information should refrain from obtaining evidence for which they do not have a right to access. Such improper access may itself be considered an improper activity (such as improper access to information which would otherwise be prohibited under HIPAA Privacy rules). The intentional filing of a false report, whether orally or in writing is itself considered an improper activity. The individual making the allegation should expect to be interviewed and should be willing to provide detailed information in writing. Those individuals making an anonymous allegation should provide as much detail as possible.

The whistleblowers right to protection from retaliation does not extend to immunity for any involvement in the matters that are the subject of the allegation(s) or an ensuing investigation.

In order to better implement the False Claims Act within Living Resources, the agency will be responsible for the following provisions:

1. Provide training on this policy to all of its employees, contractors and agents. This training will be provided to all new employees as part of the new employee orientation program.
2. Perform billing activities in a manner consistent with the regulations and requirements of third party payers, including Medicaid and Medicare.
3. 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 Living Resources Reporting of Non-Compliance 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.
7. The agency's Compliance Officer will assure that a copy of this policy is provided to any applicable contractor or agent(s).



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INVESTIGATION & CORRECTION OF REPORTS OF NON-COMPLIANCE

I Overview:

The purpose of this policy is to provide follow-up to all reports of non-compliance in a consistent and thorough manner. To ascertain factual information related to reports of non-compliance and provide valid recommendations for improvement, revision, discipline, and/or other directives as pertinent to each case report.

II Investigation Procedures:

The Compliance Officer or designee will begin an investigation into any alleged report of noncompliance. Investigations are conducted in an entirely confidential manner with immediate and ongoing progress reports to the CEO.

Once an investigation has been completed, the Compliance Officer will present the case file to the CEO. The CEO will provide a full review of the case file and forward final resolution and directives back to the Compliance Officer for follow-up and closure. In order to alleviate/eliminate repetitive occurrences of non-compliance, a corrective action plan, often provided in the form of recommendations, is included in the final resolution. All reports of noncompliance are presented to the Corporate Compliance Committee for review and further recommendation as applicable

III Procedures to Correct Noncompliance:

Upon receipt of reports or reasonable indications of suspected noncompliance, the Compliance Officer will immediately investigate the allegations to determine whether a material violation of applicable law or the requirements of the Compliance Plan has occurred and, if so, take decisive steps to correct the problem. As appropriate, such steps may include a corrective action plan, the return of any overpayments, a report to the government and/or a referral to criminal or civil law enforcement authorities.

Instances of noncompliance will be determined on a case-by-case basis. The existence or amount of a monetary loss to the agency is not solely determinative of whether the conduct should be investigated and reported to governmental agencies. In fact, there may be instances where there is no monetary loss, but corrective actions are still necessary to protect the integrity of the applicable program and its beneficiaries.

A system in effect for implementing procedures, policies and systems as necessary to reduce the potential for recurrence

As directed by the CEO, Living Resources may seek advice from its legal counsel to determine the extent of the agency's liability and to assist in planning an appropriate course of action.

Where potential fraud is not involved, the agency will utilize required re-payment channels to return overpayments as they are discovered. However, even when the billing department is effectively using the overpayment detection and return process, the Director of Finance is obligated to alert the Compliance Officer to those overpayments as they may reveal trends or patterns indicative of a systemic problem.

When there are indications of potential fraud or criminal activity, the CEO may determine (upon the advice of the Compliance Officer) whether further investigation may be warranted. Such an investigation will include interviews and a review of relevant documents. Under some circumstances, the agency may need to consider engaging its counsel, auditors or health care experts to assist in the investigation.

IV Process for Medicaid Overpayment Refunds:

Process in Voiding Medicaid Claims:

Living Resources utilizes software titled Fund E-Z. If original billing was completed on other software, go through billing process as if this were a brand new billing.

If original billing was completed on Fund E-Z Medicaid software, the original invoice should be marked as “Pended.” Periodically, it may be necessary to void a billing that will not be rebilled. To void a billing, the status of the original invoice must be changed from “Pend” to VOID (see below):

- a) On FEZ Medicaid billing, go to “Remittances,” “Reconcile Invoices to Remittance.”
- b) Leave Disk Number, Program and Provider ID blank. Enter only client code for client you are working on. Press enter and you will be presented with a list of any invoices which have been processed for that client which have been Pended. Press Alt-F6 to mark all as VOID. “VOID All?” Press Y for Yes.
- c) Run “Remittance Report” to verify totals to be voided. Leave Disk, Program and Provider ID blank. Enter client code and status of “VOID” to get a list of items for just that client. D – Detailed. Send to Printer.
- d) Go to “Process Remittance.” Leave Disk, Program and Provider ID blank. Fill in client code of client that you are working on. For new A/R receipt # use last date of what you want to rebill. For Receipt Date use most recent Thursday date. Fund = 1, Cash Account = 1000. “OK” to process remittance?” is point of no return. Once you say “yes” to this, all accounting will be done. Original invoice will be voided and credit memos will be created. When computer is finished processing, totals should appear on the screen. “Total Cash Receipts” should be \$0.00. “Total Credit Memos” should be equal to amount you wish to void. “Total General Journal” should be \$0.00.



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***NONCOMPLIANCE & DISCIPLINARY MEASURES
VIOLATION OF STANDARDS OF CONDUCT, POLICIES AND PROCEDURES***

The purpose of this policy is to deter employees from improper conduct relating to the breach of HIPPA and/or the Corporate Compliance Plan.

I Guidelines:

An effective compliance program needs to include disciplinary procedures that set out the consequences of violating the agency's standards of HIPPA & corporate compliance conduct, policy and procedures. Intentional noncompliance will be viewed as requiring significant sanctions to the transgressor; yet the following procedures will be made on a fair and equitable basis. It is important that all employees be familiar with the Corporate Compliance Plan so that we are all able to recognize noncompliance as it may occur.

II Definition of Noncompliance:

Noncompliance to HIPPA or the Corporate Compliance Plan has the potential to take many forms. The following list provided here are just a few examples of noncompliance.

- Falsifying information on verbal or written reports
- Signing for a service that was not provided
- Falsifying a signature on any documentation.
- Removal of official documents from its' home file without authorization.
- Clocking In or Out for another employee.
- Missing and/or potential loss of Consumer funds.
- Providing confidential information to unauthorized persons.
- Destroying documents without permission.
- Failure to report witnessed noncompliance.

III Disciplinary Procedures:

Dependent upon the preliminary results of an investigation and/or the severity of the situation, targeted employee(s) may be suspended from duty or transferred to a different temporary position until final deliberation has been completed by the Chief Executive Officer.

Only a member of the agency's administrative staff (Director level) maintain the authority to initiate work suspension under this policy.

Upon any suspension of work duty, the Director for Human Resources and the appropriate Department Director will be contacted in order to ensure any further actions needed toward the continuity of service delivery.

Any employee who violates or knowingly obstructs the reporting of any violation of the Corporate Compliance Plan, HIPAA policy and/or any applicable law or regulation, agency policy, procedure or practice is subject to appropriate disciplinary action, up to and including termination. *Obstruction* in this case will include the following:

- Failure to report a suspected or witnessed incident of non-compliance;
- Leading, directing or encouraging the act of non-compliance with others;
- Destruction or removal of vital documents which may assist in the investigation of non-compliance reports.

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

Since the agency's commitment to compliance applies to all personnel, all levels of employees will be potentially subject to the same types of disciplinary action for the commission of similar offenses. This means that administrators, management and supervisors will be held accountable for failing to comply with, or for the foreseeable failure of their subordinates to adhere to, the applicable standards of the Corporate Compliance Plan.

IV Further Related Information:

See Living Resources' Personnel Policy & Procedures for the following:

- Code of Conduct (policy #40-08)
- Disciplinary Process (policy #40-09)
- Employment Agreement Handout upon Hire



Meeting Life's Challenges

TRAINING AND EDUCATION

The proper education and training of administrators, management, clinicians and the direct care personnel, and the continuing retraining of current personnel at all levels, are critical elements of an effective compliance program.

I Guidelines:

1. Specific compliance training will complement the agency's current orientation program which is regularly scheduled for all new employees. As part of the orientation process, a general overview of Living Resources' Corporate Compliance Program is implemented (see orientation power point presentation).
2. The orientation session noted above provides an overview of the agency's policy and commitment to complying with federal and state law, Medicaid & Medicare program requirements and various internal rules & systems. Great emphasis is placed on communication between the employee and the CEO or the Compliance Officer. The program will provide information on the importance of proper documentation, auditing protocols, reporting noncompliance, conflict of interest, and much more.
3. The Director for Corporate Planning in conjunction with the Assistant Director for Corporate Compliance is responsible for developing the compliance education curriculum and ensuring that compliance training and orientation meet the policy standards of the agency's Corporate Compliance Plan.
4. Educational materials are provided and updated to facilitate the compliance training sessions and ensure that a consistent message is delivered to all employees.
5. More specific training on issues such as claims development, submission processes, hiring and marketing practices will be targeted at those employees and contractors whose job requirements are relevant to such specialty job tasks. Due to some significant variations in the functions and responsibilities of different departments, training materials will be created and tailored to the compliance concerns associated with each particular departments operations and duties. Such specific training areas are instructed through the individual department.
6. It is the responsibility of each department Director to ensure that all employees' assigned work in his/her department is provided with the orientation and refresher courses needed under each staff member's job description.

7. Living Resources will also make use of current organizational publications in order to communicate new and/or updated information regarding compliance activities. Includes the use of the CEO's agency broadcast, memorandums, and postings which occur on a regular basis throughout the agency.
8. In all cases of presentation of corporate compliance material, Living Resources will assure that those Instructors are qualified to present the subject matter involved and sufficiently experienced in the issues presented to adequately field questions & coordinate discussions among those being trained.

II Corporate Compliance – Board Member Education:

Prior to working as a Board of Director, each Board member is provided with a one-on-one orientation with the CEO. As one component of this orientation, the Assistant Executive Director for Corporate Planning will present a thorough overview of the agencies Corporate Compliance & HIPAA program.

Upon each meeting of the Board's Program & Compliance Committee, Board members are provided with a corporate compliance status report from the Assistant Executive Director for Corporate Planning. This review is documented within the Committee meeting notes which is in turn submitted to the full Board in each meeting Board packet and presented by the Committee's Board Chairperson.



Meeting Life's Challenges

AUDITING/MONITORING

Living Resources will monitor overall service provisions throughout the agency in order to ensure an effective compliance program. The agency's audit and monitoring system will identify areas of regulatory non-compliance, quality of life concerns and/or procedural irregularities that impact the integrity of billing standards and quality of services.

I Administrative Financial Audit

Living Resources utilizes the auditing services of Cusack & Company, Latham, New York for its annual audit of the agency's *Consolidated Financial Report*. This audit is comprised of the agency's combined statements of financial position for the fiscal year and related combined statements of activities, cash flows and functional expenses.

II Corporate Compliance Office Audits

Conducted by the Assistant Director for Corporate Compliance at the direction and review of the Assistant Executive Director for Corporate Planning.

1. Billing Reviews:

A randomized selection of ten (10) consumers per month is audited on billing requirements, including documentation review, billing claims and programmatic requirements. An audit tool has been developed for each program which identifies the main components of billing standards. This monthly audit covers the following program services:

- Service Coordination
- Supported Employment
- Acquired Brain Injury (DOH)
- Intermediate Care Facilities
- HCBS Respite (After-School Program)
- HCBS Habilitation
 - Residential
 - Day (DCOP, SBDH, CHAC)
 - Community

2. Personal Allowance Reviews:

A randomized selection of fifteen (15) consumers per month is audited on the proper management of consumer funds as regulated by OPWDD. An audit tool has been developed and targets the accuracy of such areas as ledger documentation, PA transactions, internal management review, presence of receipts, capability, expenditure planning, etc.

3. *Billing and Verification Systems Review:*

On an annual basis, a meeting is held with the administrator (Director) for each program type and the corporate compliance office. This meeting is for the purpose of reviewing each program department's billing system and providing an update on any changes that may have taken place throughout the past year – such as laws/rules/regulations, paperwork (forms) utilized to submit billing and the procedures for inter-departmental monitoring of billing.

4. *Risk Assessment:*

An annual risk assessment is conducted for each program type within the agency. This assessment provides a review of past identified risks and solicits management discussion on the progress/status of these risks as well as the identification of new risks that might be present.

Members of the corporate compliance office meet with each Program Director in order to review and discuss status of each programs' operational system. This audit reviews such areas as number of participants served, number of employees assigned to the program, staff turnover, training, new developments and/or changes, billing process, employee error risks, technology, etc.

5. *Periodic Review/Miscellaneous:*

As part of day-to-day operations, the corporate compliance office is often made aware of non-compliance issues via internal and external resources. The compliance office is prepared and always ready to address concerns/issues reported through these venues:

- Serious Incident Review Committee findings and recommendations and/or other Quality Assurance identified concerns.
- OPWDD/DQI routine program survey findings
- Government audit findings (Hot Topics)
- Issues noted through identified/recognized trends
- CEO directive
- CFO directive
- Finance office referral/reports
- OMIG/OIG work plan, advisory reports and/or alerts
- Association newsletters, meetings (NYSACRA, NYSRA, HCA, etc.)
- Capital District coalition groups (QA, Compliance, MSC, Executive, etc.)
- OPWDD Administrative memorandums and/or alerts
- National and local news reports