

# North Country Transitional Living Services, Inc.

## CORPORATE COMPLIANCE POLICY

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### **Policy**

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

### **Commitment**

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

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

### **Responsibility**

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

### **Policies and Procedures**

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

### **Enforcement**

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

## **Agency Response**

Detected noncompliance, through any mechanism, i.e. compliance auditing procedures, confidential reporting, will be responded to in an expedient manner. We are dedicated to the resolution of such matters and will take all reasonable steps to prevent further similar violations, including any necessary modifications to the Compliance Plan.

## **Due Diligence**

The Agency will, at all times, exercise due diligence with regard to background and professional license investigations for all prospective employees, contractors, vendors, and members of the Board of Directors.

## **Code of Conduct and Philosophy**

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### **I. Vision**

Maximizing Independence through Wellness

- **Mission**

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

- **Expectations**

We ensure that all aspects of consumer care and business conduct are performed in compliance with our vision/mission statements, policies, and procedures, professional standards and applicable governmental laws, rules and regulations and other payer standards. The Agency expects every person who provides services to our consumers to adhere to the highest ethical standards and to promote ethical behavior. Any person whose behavior is found to violate ethical standards will be disciplined appropriately.

Employees may not engage in any conduct that conflicts – or is perceived to conflict – with the best interest of TLS. Employees must disclose any circumstances where the employee or his or her immediate family member is an employee, consultant, owner, contractor or investor in any entity that (i) engages in any business or maintains any relationship with TLS; (ii) provides to, or receives from, TLS any consumer referrals; or (iii) competes with TLS. Employees may not, without permission of the Compliance Officer accept, solicit or offer anything of value from anyone doing business with TLS.

Employees are expected to maintain complete, accurate and contemporaneous records as required by TLS. The term “records” includes all documents, both written and electronic, that relate to the provision of Agency services or provide support for the billing of TLS services. Records must reflect the actual service provided. Any records to be appropriately altered must reflect the date of the alteration, the name, signature and title of the person altering the document and the reason for the alteration if not apparent. No person shall ever sign the name of another person to any document. Signature stamps shall not be used. Backdating and predating documents is unacceptable and will lead to discipline up to and including termination.

When any person knows or reasonably suspects that the expectations above have not been met, this must be reported to immediate supervisors, the Compliance Officer (CO) or the Executive Director, so each situation may be appropriately dealt with. The CO may be reached by phone at **(315) 782-6519**; or anonymously at (315)755-6561, or Ext. 1066 from an internal TLS phone.

## **Education and Training**

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### **I. Expectations**

Education and training are critical elements of the Compliance Plan. Every employee and agent is expected to be familiar and knowledgeable about TLS's Compliance Plan and have a solid working knowledge of his or her responsibilities under the plan. Compliance policies and standards will be communicated to all employees through required participation in training programs.

#### **• Training Topics - General**

All personnel and members of the Board of Directors shall participate in training on the topics identified below:

- Government and private payer reimbursement principles;
- Government initiatives;
- History and background of Corporate Compliance;
- Legal principles regarding compliance and Board responsibilities related thereto;
- General prohibitions on paying or receiving remuneration to induce referrals and the importance of fair market value;
- Prohibitions against submitting a claim for services when documentation of the service does not exist to the extent required;
- Prohibitions against signing for the work of another employee;
- Prohibitions against alterations to medical records and appropriate methods of alteration;
- Prohibitions against rendering services without a signed physician's order or other prescription, if applicable;
- Proper documentation of services rendered; and
- Duty to report misconduct.

#### **• Training Topics - Targeted**

In addition to the above, targeted training will be provided to all managers and any other employees whose job responsibilities include activities related to compliance topics. Managers shall assist the CO in identifying areas that require specific training and are responsible for communication of the terms of this CP to all independent contractors doing business with Agency.

#### **• Orientation**

As part of their orientation, each employee and contractor shall receive instructions on where to locate the Compliance Plan, policies and specific standards of conduct that affect their position.

- **Attendance**

All education and training relating to the Compliance Plan will be verified by attendance and a signed acknowledgement of receipt of the Compliance Plan and standards.

Attendance at compliance training sessions is mandatory and is a condition of continued employment.

## **Effective Confidential Communication**

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### **II. Expectations**

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

- **Reporting Procedure**

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

- 1) in person at the CO office at 482 Black River Parkway, Watertown, NY, or;
- 2) by calling (315)755-6519; or, (315)755-6561, Ext. 1066 dedicated for the purpose of receiving such notification, or;
- 3) mailing information to the CO at North Country Transitional Living Services, 482 Black River Parkway, Watertown, NY 13601.

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

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

- **Protections**

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

- **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.

## **Enforcement of Compliance Standards**

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### **III. Background Investigations**

For all employees who have authority to make decisions that may involve compliance issues, TLS will conduct a reasonable and prudent background investigation, including a reference check, as part of every employment application.

- **Disciplinary Action - General**

Employees who fail to comply with the TLS's compliance policy and standards, or who have engaged in conduct that has the potential of impairing the Agency's status as a reliable, honest, and trustworthy service provider will be subject to disciplinary action, up to and including termination. Any discipline will be appropriately documented in the employee's personnel file, along with a written statement of reason(s) for imposing such discipline. The CO shall maintain a record of all disciplinary actions involving the Compliance Plan and report at least quarterly to the Board of Directors regarding such actions.

- **Performance Evaluation - Supervisory**

TLS's Compliance Program requires that the promotion of, and adherence to, the elements of the Compliance Program be a factor in evaluating the performance of TLS employees and contractors. They will be periodically trained in new compliance policies and procedures. In addition, all managers and supervisors will:

- a. Discuss with all supervised employees the compliance policies and legal requirements applicable to their function.
- b. Inform all supervised personnel that strict compliance with these policies and requirements is a condition of employment.
- c. Disclose to all supervised personnel that TLS will take disciplinary action up to and including termination or revocation of privileges for violation of these policies and requirements.

- **Disciplinary Action - Supervisory**

Managers and supervisors will be held responsible for failure to adequately instruct their subordinates, or for failing to detect noncompliance with applicable policies and legal requirements, where reasonable diligence on the part of the manager or supervisor would have led to the earlier discovery of any problems or violations and would have provided TLS with the opportunity to correct them.

## **Auditing and Monitoring of Compliance Activities**

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### **IV. Internal Audits**

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

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

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

- **Plan Integrity**

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

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

## **Detection and Response**

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### **V. Violation Detection**

The CO, Executive Director and the BCC shall determine whether there is any basis to suspect that a violation of the CP 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 CO, 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.

- **Reporting**

At the conclusion of an investigation involving legal counsel, he/she shall issue a report to the CO, Executive Director, and BCC 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 in attendance. Any additional action will be on the advice of counsel.

The CO shall report to the BCC regarding each investigation conducted.

- **Rectification**

If TLS 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 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.

- **Record Keeping**

Regardless of whether a report is made to a governmental agency, the CO 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 Executive Director or legal counsel.

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

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

### **Purpose:**

North Country Transitional Living Services, Inc. (sometimes referred to as “Agency” or “the Agency” or TLS) is committed to conducting its business ethically and in conformance with all federal and state laws, regulations, interpretations thereof, and TLS’s Code of Conduct. To support this commitment, TLS 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 TLS’s policies and procedures will be subject to appropriate disciplinary action, up to and including termination.
2. The following actions may result in disciplinary action:
  - Authorization of or participation in actions that violate the law, regulations and Corporate Compliance Program, including the Code of Conduct, and all related policies and procedures;
  - Failure to report a violation by a peer or subordinate;
  - Failure to cooperate in an investigation;
  - Retaliation against an individual for reporting a possible violation or participating in an investigation; and
  - Failure to act as an honest, reliable and trustworthy service provider.
3. Discipline will be appropriately documented in the disciplined employee’s personnel file (or in the independent contractor’s file), along with a written statement of reason(s) for imposing such discipline. Such documentation will be considered during regular and promotional evaluations.
4. The Compliance Officer and Director of Human Resources will be responsible for assuring that disciplinary actions related to non-compliance with the law, regulations and Corporate Compliance Program, including the Code of Conduct, are consistent with actions taken in similar instances of non-compliance.

### **Procedures:**

1. TLS management 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).



## Enforcement of Compliance Standards

2. To the extent possible, disciplinary action will be taken in accordance with the Agency's Employee Handbook.
3. When the determination is made that a compliance violation has occurred, the Compliance Officer will notify the Executive Director and the individual's supervisor or representative for independent contractors. If appropriate, the Compliance Officer may notify the Board or the Board 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 Director of Human Resources 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 and/or Director of Human Resources shall consult with the Board Corporate Compliance Committee, the Executive Director, and Inside or Outside Legal Counsel, as necessary to determine the appropriate disciplinary action to be taken.
6. The Director of Human Resources is responsible for reporting disciplinary actions taken as a result of violations of the TLS's Code of Conduct and/or Corporate Compliance Program to the Compliance Officer.
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 Board 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.

# North Country Transitional Living Services, Inc.

## CODE OF CONDUCT

### **Intent:**

The North Country Transitional Living Services (the Agency or TLS) Code of Conduct (the Code) applies to all employees, volunteers, Board of Directors and independent contractors.

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

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

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

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

### **Conflict of Interest:**

Employees, volunteers, Interns, Board of Directors and contractors must not allow any outside financial interest, or competing personal interest to influence their decisions or actions taken on behalf of TLS.

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

**Guidelines for employees, interns, volunteers, Board of Directors and contractors:**

It is a conflict of interest for you to personally take for yourself opportunities that are discovered through the use of TLS 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. (See Social Media Policy)
- Outside employment must not conflict in any way with your responsibilities to the Agency or its consumers. You may not compete against the Agency, work for its competitors, or have any ownership interest in a competitor. Any potential conflicts in this area must be noted on the Conflict of Interest Disclosure form upon hire, at the time of occurrence and annually for Supervisory staff.

Use of TLS Funds and Resources:

- The Agency's assets are to only be used for the benefit of TLS 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.

Confidentiality:

- During your employment, you may acquire confidential information about the Agency, 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 consumer information is very important and is extended beyond termination of employment.

Business Dealings Between the Agency and Employees:

- The Agency 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, consumer and financial information fully, accurately and honestly. Hand written or electronic 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 TLS' records or in any public record for any reason.
- You may not alter any permanent entries in TLS's records.
- You may only approve payments or receipts on behalf of the TLS that are described in documents supporting the transaction. "Slush funds" or similar of-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 TLS must always comply with legal and regulatory requirements and TLS policy.
- You may not destroy records pertaining to litigation or government investigations or audit without express written approval of the Compliance Officer.

**Protection of Confidential Information:**

TLS has developed policies and procedures to assure that the confidentiality of TLS 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 TLS's Privacy Policy. If you have any questions concerning confidential information or the Privacy Policy contact your immediate supervisor or the Compliance Officer.

**Guidelines for employees and contractors:**

You must treat all Agency records and information, which includes consumer 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 TLS that maybe of use to the TLS'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 TLS. Furthermore, staff may not share confidential Agency information with anyone, except where required for a legitimate business purpose.

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

Termination of Employment:

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

Information Security:

- You are responsible for properly using information stored and produced by all of the TLS's computer systems.
- Computers, Internet access, email, or other office communications systems are intended for business-related purposes only and not for uses that may be disruptive, offensive, harassing or harmful to others.
- Do not share your system user name or password with another person or allow another to access the computer with your password.
- All employees, volunteers and contractors are required to comply with the Agency's information technology policy and procedure. If you have any questions concerning information security, contact your immediate supervisor or Compliance Officer.

**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 form 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 unless reasonably related to a business purpose or relationship but is primarily intended to gain favor or to influence a business decision.

Agreements With Contractors and Vendors:

TLS 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:**

The Agency 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 TLS.

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

**Guidelines for Employees, Volunteers, Board of Directors and Contractors:**

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

You may not act as a representative of TLS 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 TLS.

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

**Employment Environment:**

TLS 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 TLS's most important values. Unlawful discrimination or harassment of any sort violates these values. All 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 TLS's commitment to a safe and professional work environment and to demonstrate appropriate behavior in the workplace.

All employees are prohibited from behaviors that include but are not limited to offensive language, jokes, physical, verbal, written, or pictorial conduct relating to 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 TLS policy and procedure to their immediate supervisor or the Compliance Officer. A Safety/Ethics Helpline is also available for confidential or anonymous reporting of such issues. The Safety/Ethics Helpline number can be anonymously reached at **315-755-6561, Ext. 1066**; or directly to the Compliance Officer at **315-755-6519**.

When an actual or suspected violation of this Code of Conduct, any applicable law or regulation, or any TLS policy and procedure is reported to any TLS employee, it must be promptly referred to the Compliance Officer. Steps will be taken to protect confidentiality and anonymity, when appropriate and warranted. TLS 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, TLS 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, TLS 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 Agency's Corporate Compliance Plan, Corporate Compliance Policies and Procedures, and Code of Conduct.
- ✓ Follow TLS'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, Director of Human Resources, Compliance Officer, or the Executive Director.



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

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

### **Purpose:**

North Country Transitional Living Services, Inc. (referred to as “Agency”, “the Agency” or TLS) 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 TLS 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;
  - Live-in companions;
  - 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 TLS 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 TLS; it does not pertain to actions between TLS and its employees, nor actions among TLS 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. TLS 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 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 TLS employees must receive prior approval from the Compliance Officer before extending business courtesies to potential referral sources and/or their immediate family members. The Compliance Officer will record any business courtesy extended to a potential referral source or his/her immediate family members. The Compliance Officer will ensure that the aggregate value of business courtesies does not exceed \$338 in a calendar year.

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

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

### **Purpose:**

North Country Transitional Living Services, Inc. (sometimes referred to as “Agency” or “the Agency” or TLS) is committed to maintaining high quality care and service as well as integrity in its financial and business operations. Therefore, TLS 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 TLS 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. TLS will conduct exclusion (sanction) screening of all current and proposed employees, Interns, independent contractors, Authorizing Physicians, volunteers and vendors.
3. TLS will verify that entities and businesses that provide and/or perform services for the Agency have not been the subject of adverse governmental actions and/or excluded from the federal healthcare programs.

### **Procedures:**

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

## Employee and Contractor Screening

5. The Compliance Officer will assure that exclusion checks of all employees, volunteers, Interns, vendors and independent contractors are conducted on a monthly basis.
6. If the exclusion check indicates that any individual or entity has been excluded from federal healthcare programs, the individual or entity cannot be employed by or conduct business with TLS.
7. In addition to exclusion screening, the credentials of medical/healthcare professionals employed by TLS or with whom they establish a contractual business relationship 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 TLS. The process will include, but not be limited to, physicians and other health care practitioners for which the license is required for the performance of their duties. The screening and verification will be conducted as part of the hiring process or prior to entering a contractual agreement and at least annually thereafter.
8. The Director of Human Resources and Finance staff shall maintain the annual results of all exclusion checks. These will be stored by the Compliance Officer after one year, and maintained for 10 years.
9. An annual audit of employment applications and business entities with which the Agency enters into a business 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.

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

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

### **Purpose:**

North Country Transitional Living Services, Inc. (the Agency or TLS) is committed to prompt, complete and accurate billing of all services provided to individuals. TLS 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 TLS to detect and prevent fraud, waste and abuse in federal healthcare programs in accordance with the False Claims Act. This policy applies to all employees, including management, and all contractors and agents.

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

The False Claims Act, 31 U.S.C. § 3729 *et seq.*, is a federal law designed to prevent and detect fraud, waste and abuse in federal healthcare programs, including Medicaid and Medicare. Under the False Claims Act, anyone who “knowingly” submits false claims to the Government is liable for damages up to three times the amount of the erroneous payment plus mandatory penalties of \$10,781 to \$21,563 for each false claim submitted.

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

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

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

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

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

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

The False Claims Act prohibits discrimination by the Agency 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 relief. Such relief may include reinstatement, double back pay, and compensation for any special damages.

## **Policy:**

1. TLS will provide training in this policy and procedure to all its employees, contractors and agents. This training will be provided to all new employees as part of the new employee orientation.
2. TLS will perform billing activities in a manner consistent with the regulations and requirements of third party payors, including Medicaid and Medicare.
3. TLS 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 TLS'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.

## **Procedures:**

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.
2. The Compliance Officer will assure that this policy and procedure is attached to any contract with outside contractors or agents.

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

## **Topic: *Reporting of Compliance Concerns and Non-Retaliation***

### **Purpose:**

North Country Transitional Living Services, Inc. (sometimes referred to as “Agency” or “the Agency” or TLS) 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, TLS 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:**

1. 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, TLS’s Corporate Compliance Plan or the Agency’s Code of Conduct.
2. The “open-door policy” will be maintained at all levels of management to encourage employees to report problems and concerns.
3. TLS will maintain the Safety/Ethics Helpline. Employees may report their compliance concerns confidentially to the Compliance Officer through use of the Safety/Ethics Helpline by calling 782-1777, Ext. 1066 or 1019.
4. Any form of retaliation against any employee who reports a perceived problem or concern in good faith is strictly prohibited.
5. Any employee who commits or condones any form of retaliation will be subject to discipline up to, and including, termination.
6. 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, Director of Human Resources, the Compliance Officer, or the Safety/Ethics Helpline.

2. Confidentiality will be maintained to the extent that is practical and allowable by law. Employees should be aware that TLS is legally required to report certain types of crimes or potential crimes and infractions to external governmental agencies.
3. Employees may report their compliance concerns confidentially to the Safety/Ethics Helpline 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 Safety/Ethics Helpline.
4. If the caller wishes to make the report anonymously to the Safety/Ethics Helpline, no attempt will be made to trace the source of the call or identify of the person making the call.
5. The Safety/Ethics Helpline number will be published and visibly posted in a manner consistent with employee notification in locations frequented by TLS employees.
6. TLS 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 TLS is governed. "Good faith" means that the individual believes that the potential violation actually occurred as he or she is actually reporting.
7. TLS 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 TLS is governed.
8. 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 Safety/Ethics Helpline. The report should include a thorough account of the incident(s) and should include the names, dates and specifics events, the names of any witnesses and the location or name of any document that supports the alleged retaliation.
9. Knowledge of a violation or potential violation of this policy must be reported directly to the Compliance Officer or the Safety/Ethics Helpline.

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



1. 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 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.
2. The Compliance Officer will report the results of an investigation into suspected retaliation to the governing entity deemed appropriate, such as the Board Corporate Compliance Committee or the Board of Directors.