

WARREN COUNTY HEALTH SERVICES
CORPORATE COMPLIANCE POLICY

TABLE OF CONTENTS

INTRODUCTION	3
COMPLIANCE OFFICERS	4
HEALTH SERVICES COMMITTEE	4
GENERAL POLICY	5
POLICY STATEMENTS	6
REFERRALS	7
BILLING AND CLAIMS; COST REPORTS	8
CONFIDENTIALITY	11
CODE OF CONDUCT/ETHICS	12
CONFLICTS OF INTEREST	13
EDUCATION AND TRAINING	14
REPORTING REQUIREMENTS	15
a. Reporting	15
c. Confidentiality	15
d. Investigations	15
e. Non-Retaliation	15
DISCIPLINARY PROCEDURES	16

Appendix: Federal & New York Statutes Relating To Filing False Claims

INTRODUCTION

Warren County Health Services (WCHS)* is devoted to meeting and maintaining the highest ethical and professional standards and to do so through compliance with all applicable laws in all actions regarding the operation of itself and all affiliates. This commitment and dedication is essential to WCHS achieving its mission and is critical because a significant portion of services are reimbursed through governmental programs which require that WCHS business be conducted with complete integrity and veracity. WCHS will adhere to our Corporate Compliance Program.

To ensure that WCHS operations are being conducted in compliance with applicable laws and the highest ethical standards, WCHS has developed a Compliance Program under the direction of our Compliance Officers. (See next page.)

*Warren County Health Services will be referred to as WCHS throughout this document. Offices are located at the Warren County Municipal Center, 1340 State RT 9, Lake George, NY 12845.

COMPLIANCE OFFICER

Compliance Officers in the course of exercising their duties as employees of WCHS also have a duty to develop, implement, review, maintain, promote, oversee, educate, monitor, audit, receive and give reports, investigate, and respond appropriately.

Corporate Compliance Officers:
Assistant Director of Public Health
Assistant Director of Patient Services

Health Service Committee:
Members of the Board of Supervisors in the course of exercising their duties also have a duty to comply, promote and oversee, be educated, cooperate, and respond appropriately regarding applicable aspects of the Compliance Program.

Matthew Sokol, Chairman
Edna Frasier
Peter McDevitt
Harold Taylor
Frank Thomas

Please direct any question, comments or concerns pertinent to Warren County Health Services to the Corporate Compliance Officers:

Division of Public Health: Ginelle Jones ADPH
Division of Home Care: Sharon Schaldone ADPS

Warren County Health Services
1340 State RT 9, Lake George, NY 12845
518-761-6580 Fax: 518-761-6422

Warren County Health Services functions as part of the overall Warren County Compliance Program.

County Compliance Officer: JoAnn McKinstry

GENERAL POLICY

The policy of WCHS is to provide services in compliance with all state and federal laws governing its operation and consistently do so with the highest standards of business and professional ethics. This policy is a sincere commitment to our clients, our staff, our community, and the governmental agencies that regulate WCHS.

All WCHS employees must carry out their duties in accordance with this policy. To assist all employees with their obligation to comply, this manual includes statements of WCHS policy for a number of applicable areas. Conduct that does not comply with these policy statements is not authorized by WCHS and is outside the scope of employment at WCHS.

Any violation of applicable law, policy statements contained in this manual, or deviation from appropriate ethical standards, will subject an employee to disciplinary action, which may include oral or written warning, disciplinary probation, suspension, demotion, dismissal from employment or revocation of privileges. Any supervisor who directs or approves the employee's improper actions, or is aware of those actions but does not act appropriately to correct them, or who otherwise fails to exercise appropriate supervision may also be disciplined accordingly.

If at any time an employee becomes aware of any violation of WCHS policies, he or she must report it in accordance with the reporting requirements of this manual. All persons making such reports are assured that such reports will be treated as confidential to the extent permissible and that such reports will be shared only on a need to know basis. WCHS will take no adverse action against persons making such reports in good faith and without malicious intent whether or not the report ultimately proves to be well founded. If an employee does not report conduct violating WCHS policies, the employee may be subject to disciplinary action up to and including termination of employment.

Laws affecting operation of WCHS activities are complex and many. This manual addresses in general terms only the more important legal and ethical principles affecting WCHS activities. Their mention in this manual is not intended to minimize the importance of other applicable laws, professional standards, or ethical principles. It is not expected that each employee will be fully versed in all laws of permissible activities involved in their work. Therefore, if an employee has a question regarding the legality or propriety of a course of action, and this manual does not answer that question the employee should seek guidance from his or her supervisor or from the Compliance Officer before taking any action.

POLICY STATEMENTS

It is WCHS policy to provide high quality care and services to its clients. WCHS believes that state and federal regulations governing WCHS operation provide a baseline of care standards which WCHS strives to exceed in the provision of care and services given to our clients by supplying them and their families with professional care and services.

Each client is entitled to a dignified existence, self determination and the provision of care and services in a manner and in an environment that promotes the maintenance or enhancement of a client's quality of life. It is WCHS policy to protect, promote and foster for each client his/her rights as a client of WCHS.

WCHS has developed policies and procedures to ensure quality of care and the protection and promotion of a client's rights that are to be adhered to by all WCHS staff. It is not the intent of this manual to set forth all such policies and procedures as they are available for review by all staff upon request.

It is the responsibility of all staff to ensure billing and payment for services reflects only those which have been approved and are provided accordingly. Signature on time sheets by clients and staff affirms the veracity of the document.

WCHS policies and procedures with regard to client rights and their care are available from the Compliance Officer or the Director of Health Services.

REFERRALS

Federal and State law prohibit WCHS and its employees from (1) soliciting or accepting or (2) offering or paying remuneration in exchange for referrals of patients eligible for Medicare, Medicaid or another federal health care program. Federal and State law also prohibit (1) the offering or payment or (2) the soliciting or receipt of remuneration in return for directly purchasing, leasing, ordering or recommending the purchase, lease or ordering of any goods, facilities, services or items covered under the benefits of Medicare, Medicaid or other federal health programs. The term "remuneration" broadly covers the transferring of anything of value in any form or manner whatsoever. Remuneration is not limited to bribes, kickbacks and rebates.

These federal and state laws are broadly written to prohibit WCHS and its employees from knowingly and willfully offering, paying, asking or receiving any money or other benefit, directly or indirectly, overtly or covertly, in cash or in kind. These laws are violated even if only one purpose of a payment arrangement is to influence referrals or the procuring of goods or services.

As a result all contracts and arrangements with actual or potential referral sources and all contracts and arrangements with vendors must comply with applicable state and federal laws and regulations. All personal service, management service and consulting service agreements must comply with applicable state and federal laws and regulations. Moreover, any other financial or other business arrangement between WCHS and other health care professionals or providers must be structured to comply with all applicable state and federal laws and regulations.

If questions arise regarding whether a proposed business arrangement, financial arrangement, or contract is in compliance with federal or state law, an employee is required to seek guidance from the Compliance Officers who in turn may seek appropriate guidance from legal counsel.

BILLING and CLAIMS; COST REPORTS

WCHS has an obligation to its clients, third party payers and the state and federal government to exercise diligence, care and integrity when submitting claims for payment. The right to bill the Medicaid program carries a responsibility that may not be abused. WCHS is committed to maintaining the accuracy of every claim it processes and submits. Each of the individuals responsible for entering charges and codes is expected to monitor compliance with applicable billing rules. Any false, inaccurate, or questionable claims should be reported immediately to the employee's supervisor or the Compliance Officer.

False billing is a serious offense. Medicaid rules prohibit knowingly and willfully making or causing to be made any false statement or representation of the material fact in an application for benefits or payment. It is also unlawful to conceal or fail to disclose the occurrence of an event affecting the right to payment with the intent to secure payment that is not due.

With respect to the submission of claims to the Medicaid program, it is WCHS policy that claims must: (1) be accurate and timely submitted, (2) be only for items or services that (a) are medically necessary, (b) fall within the coverage guidelines contained in applicable laws, rules and regulations, and (c) are documented in the clients medical record. In this regard:

1. Prior to submitting a claim for payment, it is necessary to verify that all documentation for services reflected on the claim, such as physician orders and prior approvals, are available in a proper and timely manner.
2. Claims may only be submitted when appropriate documentation supports the claim and only when such documentation is maintained and available for audit and review.
3. Documentation which serves as the basis for a claim must be appropriately organized in legible form so that such documentation may be audited and reviewed.
4. Diagnosis and procedures reported on reimbursement claims must be based on the medical record and other documentation.
5. Documentation necessary for accurate code assignment must be made available to all employees with coding responsibility.
6. Compensation for billing department coders and billing consultants shall not provide for any financial incentive to improperly code claims.

With regard to the filing of cost reports, it is WCHS policy that all Medicaid cost reports must be prepared utilizing generally accepted accounting principles based upon documents and reports that are maintained in WCHS day to day business. Cost reports must document only those costs that WCHS employees and/or agents believe in good faith are allowable. Employees and agents must provide accurate and complete documentation and reports in connection with the preparation of cost reports.

With regard to claim submissions and cost reporting, the following conduct is specifically prohibited:

1. Claims for payment or reimbursement of any kind that are false, fraudulent, inaccurate or fictitious.
2. Falsified medical records, time cards or other records used as the basis for submitting claims.
3. For services that must be coded, use of a code that does not accurately describe the documented service when there is a more accurate code that could have been used. This includes post-dating orders or signatures. Late entries should include an explanation of reason for delay in entry.
4. Bills submitted to Medicaid or applicable insurance plan for items or services which are known are not covered by Medicaid or applicable insurance plan.
5. Filing claims for the same item or service to more than one payer source whereby VNHC will receive duplicate or double payments.
6. Submission of claims without the availability of adequate documentation.
7. Falsification of any report or document used to document the cost of utilization of services by payer source.
8. Failure to report a known error or inaccuracy in any cost report or underlying document used to prepare a cost report.
9. Recording inappropriate, inaccurate, or non-allowable costs on a cost report.

Any employee who discovers an error or inaccuracy in any claim for payment for health care services or in any cost report that has been submitted or will be submitted should alert his or her supervisor, the Director or the Compliance Officer.

Audit and Monitoring Procedures:

To assist in efforts to detect and prevent fraud, waste, and abuse, WCHS conducts regular audit and monitoring procedures, both internally and externally when appropriate. Said audits will be utilized to identify compliance problems and correct those problems promptly and thoroughly, identifying potential compliance problems and instituting preventive measures, implementing procedures, policies and systems as necessary to reduce potential for recurrence.

Corrective Action:

If billing errors or requirement violations are discovered, WCHS will take steps to prevent any further similar violations. To the extent possible, WCHS shall take necessary steps to ensure any necessary refunds of any overpayments from third party payers are promptly completed. Corrective actions may include enhancing systems, providing feedback and education and if warranted, imposing disciplinary measures.

CONFIDENTIALITY

All WCHS employees possess sensitive, privileged information about clients and their care. Clients properly expect that this information will be kept confidential. WCHS takes very seriously any violation of their confidentiality. Discussing any client's medical condition or providing any information about them to anyone other than WCHS personnel who need the information or other authorized persons will result in disciplinary action. Employees are not to discuss clients outside of WCHS.

WCHS is required to maintain the confidentiality of each client's medical record. In this regard, medical records may not be released except with the consent of the client or in other limited circumstances as required by law. Special confidentiality requirements apply with regard to medical records relating to HIV infection and AIDS. Medical records should not be physically removed from WCHS, altered or destroyed. Employees who have access to medical records must exercise their best efforts to preserve their confidentiality and integrity and no employee is permitted access to the medical record of any client without a legitimate reason for doing so and proper authorization. If a question arises as to the permissibility of the release of a client's medical record or any information contained therein, the employee should seek guidance from the employee's supervisor, the Director of Nursing or the Compliance Officer. WCHS employees must comply with applicable regulations set forth in the Health Insurance Portability and Accountability Act (HIPAA).

Employees should respect WCHS assets as they would their own. No employee shall divulge to unauthorized persons, either during or after their employment, any information of a confidential nature connected with the business of WCHS.

CODE OF CONDUCT/ETHICS

All WCHS employees shall comply with Warren County Code of Ethics and Code of Conduct in accordance with Warren County Corporate Compliance Program policies.

CONFLICTS OF INTEREST

No employee should place him or herself or allow him or herself to be placed in a situation where the employee's personal interests might conflict with the interests of WCHS. WCHS recognizes and respects an individual employee's right to invest or participate in activities outside of his/her employment provided that these in no way conflict with WCHS interests or welfare and do not interfere with the employee's responsibilities to WCHS or the effectiveness of the employee's job performance.

EDUCATION AND TRAINING

To ensure all employees are familiar with their responsibilities under WCHS Compliance Program, WCHS has a written policy for the training of all employees, contractors or agents of the entity on the Federal False Claims Act (31 USC 3729-33). All affected employees and persons associated with WCHS including governing body members will be required to participate in any initial or periodic training sessions as determined by the Compliance Officer. Additionally, any periodic training sessions will also be required as determined by the Compliance Officer, for employees of certain departments with responsibilities for billing and coding or any other responsibilities that the Compliance Officer determines appropriate for periodic training. Such training shall be made a part of the orientation for a new employee, appointee or associate, and governing body members.

The Compliance Officer will distribute in writing and/or post in conspicuous places, any modifications of or amendments to the Compliance Manual. The Compliance Officer will also provide employees with written explanations of any substantial changes in the Compliance Manual or, if the Compliance Officer determines that written materials are insufficient, interim training sessions will be conducted.

Employees will be provided periodic information about WCHS Compliance Program, changes in applicable laws or ethical standards that may affect an employee's responsibilities through written memoranda, periodic training sessions or other appropriate forms of communication.

REPORTING REQUIREMENTS

A. Reporting

It is the responsibility of every employee to report any known instances of or reasonable suspicions of any violation of applicable state or federal law, ethical standards or WCHS policies, including the policy statements contained in this manual. To report a suspected violation, an employee is required to notify, either verbally or in writing, the Compliance Officer or the employee's immediate supervisor. Any supervisory staff personnel receiving a report of a suspected violation is required to immediately notify the Compliance Officer. If the suspected violation involves the employee's immediate supervisor, the employee should make the report directly to the Compliance Officer. If the suspected violation involves the Compliance Officer, the report should be made directly to WCHS Director. An employee may make a report of a suspected violation anonymously. Failure to report a suspected violation may result in disciplinary action.

B. Confidentiality:

To the extent permissible, WCHS shall treat all reports of suspected violations of Standards as confidential. However, it must be recognized that under certain circumstances the name of the individual making the report will be communicated to the Compliance Officer, if the report is made originally to the employee's supervisor, to an individual responsible for conducting an investigation of the suspected violation or to a governmental agency investigating any such suspected violation. Any such disclosure will only be made only on a need to know basis.

C. Investigations:

It is important to the integrity of WCHS operation that all suspected violations of Standards be thoroughly reviewed and investigated so that appropriate action can be taken as necessary. WCHS will promptly and thoroughly investigate any suspected violation and take appropriate disciplinary action if warranted. Investigations may be conducted internally by the Compliance Officer or externally by either accountants or lawyers engaged by WCHS. Employees are required to cooperate with the individual or individuals conducting an investigation of a suspected violation. Such cooperation may involve being interviewed by the individual or individuals conducting the investigation or supplying such individual or individuals with requested documentation. Failure to cooperate in an investigation of a suspected violation may result in disciplinary action being taken.

D. Non-Retaliation:

To ensure employee cooperation, neither WCHS nor its respective employees shall take any retaliatory action or retribution against any employee who has submitted a report of a suspected violation or who has participated in an investigation of a suspected violation. Any employee who takes retaliatory action or retribution against another employee who has either reported a suspected violation or participated in an investigation of a suspected violation will be subject to disciplinary action.

DISCIPLINARY PROCEDURES

All employees and professional staff members are required to comply with applicable state and federal law, ethical standards and WCHS policies, including the policy statements contained in this manual (hereinafter collectively "Standards"). Any employee or professional staff member who violates any of the foregoing Standards will be subject to disciplinary action, up to and including termination of employment.

Disciplinary action will be taken against an employee or professional staff member who:

- A. Authorizes or participates directly in a violation of a Standard B. Deliberately fails to report a violation of a Standard.
- C. Deliberately withholds relevant and material information concerning a violation of a Standard.
- D. Deliberately fails to cooperate in an investigation of a suspected violation of a Standard.
- E. Retaliates or seeks or causes retribution against any employee or professional staff member who has either reported a suspected violation of a Standard or participated in an investigation of a suspected violation of a Standard.
- F. Fails to participate in required training programs.

Disciplinary action may also be taken against any supervisory personnel who directs or approves an employee's actions which result in a violation of a Standard, is aware that an employee's actions which violate a Standard but fails to take appropriate corrective action or who otherwise fails to exercise appropriate supervision.

Disciplinary action may include oral or written warning, probation, suspension, demotion, termination from employment or suspension. Disciplinary action will be taken in accordance with WCHS personnel policies and procedures, county laws, and Civil Service requirements. Disciplinary action will be taken on a fair, equitable and consistent basis. Disciplinary action will be appropriate to the level of the employee's culpable conduct, that is, the more serious the level of culpable conduct (intentional conduct or reckless non-compliance) will result in more significant disciplinary action. Notwithstanding the foregoing, this statement is not a guaranty of progressive discipline and WCHS reserves the right to terminate an employee at any time for any lawful reason.