

Corporate Compliance Plan

INTRODUCTION

New York Families for Autistic Children, Inc. (NYFAC) is a professional organization committed to the philosophy that every person, regardless of his/her personal handicaps or developmental level must be treated with the utmost dignity and respect for privacy accorded to all human beings. It is our belief that every person with developmental disabilities should be afforded the opportunity to maximize his/her functional, social and intellectual potential through appropriate individualized programming, by living in as normal a home environment as possible, and by living in an atmosphere of acceptance, warmth, understanding, and security which upholds the rights of each individual and provides developmental opportunities on both individual and group bases to allow our individuals to learn, develop, and grow to their fullest potential.

NYFAC provides the following services to the members of our community:

- Non-Medicaid Service Coordination
- Community Habilitation
- Group Day Habilitation without Walls
- Supplemental Group Day Habilitation without Walls
- In-Home Respite
- Site-Based Respite
- Reimbursement for Goods and Services

NYFAC is committed to adhering to all federal, state and city laws, regulations and directives which address detecting and preventing fraud, waste and abuse in federal, New York State and New York City healthcare programs. (18 NYCRR § 521.3 (a)). Every effort must be extended to assure that all billings for services are prompt, complete and accurate. The purpose of this policy is to detect and correct billing errors both from accidental mistakes and from fraud. Systems are in place to ensure that all billings are made timely and accurately.

The policies enumerated in this plan apply to billings, payments, determinations of medical necessity and quality of care, governance, mandatory reporting, credential and license verification, and any other risk areas that are identified by NYFAC.

The policies enumerated in this Plan will be enforced by the NYFAC's Compliance Officer (CO). He/she will also be responsible for reviewing these policies periodically and revising them as necessary in collaboration with the QA/Compliance Committee.

The QA/Compliance Committee is appointed by the President of the Board of Directors, Chief Executive Officer, and Compliance Officer to advise and assist the Compliance Officer with the implementation of the Compliance Plan. The QA/Compliance Committee will provide oversight of the Compliance Officer's activities. The QA/Compliance Committee will meet at a minimum on a

quarterly basis. Minutes will be recorded. The Compliance Officer will maintain the minutes of all meetings.

The QA/Compliance Committee shall be responsible for the following:

- Analyze the regulatory environment where NYFAC does business, including legal requirements with which it must comply;
- Review and assess existing policies and procedures that address risk areas for possible incorporation into the Compliance Plan;
- Work with departments to develop standards and policies and procedures that address specific risk areas and to encourage compliance according to legal and ethical requirements;
- Develop internal systems and controls to carry out compliance standards and policies and procedures;
- Monitor internal and external audits to identify potential issues related to non-compliance;
- Implement corrective and preventative action plans and follow-up to determine effectiveness; and
- Develop a process to solicit, evaluate, and respond to complaints and problems.

This plan also enumerates policies which protect an employee's right to disclose improper practices of the NYFAC without fear of intimidation and retaliation.

Under New York Codes, Rules and Regulations (NYCRR) 18 Part 521.3 (c), compliance programs shall include the following elements:

- (1) written policies and procedures that describe compliance expectations
- (2) designate an employee vested with responsibility for the day-to-day operation of the compliance program;
- (3) training and education
- (4) lines of communication to the responsible compliance officer
- (5) disciplinary policies to encourage good faith participation in the compliance
- (6) a system for routine identification of compliance risk areas
- (7) a system for identifying, responding to, investigating and reporting compliance issues as they are raised;
- (8) a policy of non-intimidation and non-retaliation for good faith participation in the compliance program,

In addition, 18 NYCRR § 521.3 (a) identifies seven areas that all compliance programs must be applicable to:

1. Billings
2. Payments
3. Medical necessity and quality of care
4. Governance
5. Mandatory reporting
6. Credentialing
7. Other risk areas that are or should with due diligence be identified by the provider

APPLICABILITY

These policies are applicable to all employees of New York Families for Autistic Children, Inc., the Board of Directors, volunteers, and contractors.

STATUTORY BASIS

There are various federal laws, ranging from the law originally passed during the Civil War and updated by various laws ending with the Deficit Reduction Act of 2007. These laws are designed to prevent and detect fraud, waste and abuse in federal healthcare programs. Anyone who knowingly submits false claims to the Government is liable for damages and penalties. In addition, there are protections for employees who come forward and report misconduct involving false claims; however, these protections apply only if the employee first brought up the matter with a supervisor and gave the employer a reasonable opportunity to correct the alleged violation, unless the danger is imminent to the public or patient and the employee believes in good faith that reporting to a supervisor would not result in corrective action.

There are also several New York State Civil, Administrative and Criminal laws which parallel the federal laws and, in some instances, expand upon them.

Fraud is an intentional act to deceive, meaning that someone intended to misrepresent, omit or hide information which results in an incorrect payment of funds. It is a crime to knowingly cause a false claim to be submitted.

A summary of the various laws follows:

FEDERAL & NEW YORK STATUTES RELATING TO FILING FALSE CLAIMS

Federal False Claims Act

The False Claims Act (FCA) imposes liability on any person who submits a claim to the federal government that he or she knows (or should know) is false. An example may be a physician who submits a bill to Medicare for medical services she knows she has not provided.

The False Claims Act also imposes liability on an individual who may knowingly submit a false record in order to obtain payment from the government. An example of this may include a government contractor who submits records that he knows (or should know) are false and that indicate compliance with certain contractual or regulatory requirements. The third area of liability includes those instances in which someone may obtain money from the federal government to which he may not be entitled, and then uses false statements or records in order to retain the money. An example of this so-called "reverse false claim" may include a hospital that obtains interim payments from Medicare or Medicaid throughout the year, and then knowingly files a false cost report at the end of the year in order to avoid making a refund to the Medicare program or Medicaid program.

Under the text of the FCA, those who submit fraudulent claims to the government are subject to a civil penalty of between \$11,000 and \$23,000 per claim. In addition to these civil penalties, the government is entitled to recover treble damages, or triple the amount of any money it may have lost due to a false claim.

While the False Claims Act imposes liability only when the claimant acts "knowingly," it does not require that the person submitting the claim have actual knowledge that the claim is false. A person who acts in reckless disregard or in deliberate ignorance of the truth or falsity of the information also can be found liable. In addition to its substantive provisions, the FCA provides that private parties may bring an action on behalf of the United States. These private parties,

known as "qui tam relators," may share in a percentage of the proceeds from an FCA action or settlement.

Section 3730(d)(1) of the FCA provides, with some exceptions, that a qui tam relator, when the Government has intervened in the lawsuit, shall receive at least 15 percent but not more than 25 percent of the proceeds of the FCA action depending upon the extent to which the relator substantially contributed to the prosecution of the action. When the Government does not intervene, section 3730(d) (2) provides that the relator shall receive an amount that the court decides is reasonable and shall be not less than 25 percent and not more than 30 percent.

The current FCA can be found in the United States Code, Title 31, Sections 3729 through 3733:

US Code Title 31 Chapter 37

Background

The FCA dates back to the Civil War. During the Civil War, some defense contractors defrauded the Union government, and Congress enacted the FCA in response to these scandals.

Who is Liable?

The FCA makes anyone who submits (or causes someone else to submit) a false or misleading claim liable for penalties and fines.

What is a claim?

A claim is simply some demand for money or property, where the federal government provides any portion of the money or property requested. Because the federal government funds part of New York's Medicaid program, the FCA covers claims or bills to Medicaid in New York, including claims or bills for Medicaid-funded services or goods provided by OPWDD or provided by OPWDD-funded agencies or persons.

How Does This Work?

If a Medicaid claim or bill is untrue (or "false"), it will bring liability upon the person who said it was true. The penalties and fines under the FCA will vary for each claim and can include the government's costs in pursuing a lawsuit against the person. Some of the things included in the FCA are falsifying billing records, billing for services not rendered, billing for goods not provided, billing for a more expensive service than the one actually provided (often called "upcoding") and duplicating billing to obtain double payment. No proof of specific intent to defraud the government is required to be held liable under the FCA. All that is required is that the person has actual knowledge, or has acted with deliberate ignorance or reckless disregard of the truth or falsity of his or her claim. Basically, the defense of "I didn't know it was illegal" does not work.

The FCA also has incentives for employees to come forward and report misconduct. Generally, a person who knows about the false claims (*the whistleblower*) may sue on behalf of the government for a violation of the FCA. After the whistleblower files a lawsuit, the government can pursue the suit on its own, or decline and allow the whistleblower to continue. The government may elect to move forward with the suit as is, change it to a criminal or administrative case, settle it, or request a dismissal. The whistleblower can participate in the lawsuit along with the government, but the judge can limit who the whistleblower calls as witnesses, how long they testify

and how much the whistleblower can cross examine witnesses if the whistleblower is just harassing the defendant or is interfering with or duplicating the government's case.

Depending on the outcome of the case and the whistleblower's involvement in the prosecution of the case, the whistleblower can receive a percent of the proceeds of the action or settlement. The whistleblower only gets this money if the government recovers money from the defendant as a result of the FCA lawsuit. The whistleblower's award may be reduced if the judge decides that the whistleblower planned and initiated the violation. A whistleblower who files a frivolous lawsuit can be forced to reimburse the defendant for all the costs of defending the lawsuit, including attorneys' fees.

Is there a Statute of Limitations?

Yes. A lawsuit to enforce the FCA must be brought within six years of the violation, or, if the government brings the suit, within three years of when the government knew or should have known the facts about the violation. A suit can never be brought later than ten years after the date the violation was committed.

Administrative Remedies for False Claims

This federal statute allows for administrative recoveries by federal agencies. If a person submits a claim that the person knows is false or contains false information, or omits material information, then the agency receiving the claim may impose a penalty and additional amounts for the claim.

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

For reference purposes, the full code may be accessed in the United States Code, Title 31 Chapter 38 Sections 3801-3812: Administrative Remedies for False Claims and Statements.

New York False Claims Act

New York's false claims laws fall into two categories: civil and administrative; and criminal laws. Some apply to recipient false claims and some apply to provider false claims, and while most are specific to healthcare or Medicaid, some of the "common law" crimes apply to areas of interaction with the government.

The NYS False Claims Act closely tracks the Federal False Claims Act. It imposes penalties and fines on individuals and entities that file false or fraudulent claims for payment from any state or local government, including health care programs such as Medicaid. It also has a provision regarding reverse false claims similar to the federal FCA such that a person or entity will be liable in those instances in which the person obtains money from a state or local government to which he may not be entitled, and then uses false statements or records in order to retain the money.

Violators of the False Claims Act are liable for three (3) times the amount of damages the Government sustained as a result of the fraud, plus civil penalties between \$6,000 and \$12,000 for each violation. In addition, the false claim filer may have to pay the government's legal fees.

The Act allows private individuals to file lawsuits in state court, just as if they were state or local government parties, subject to some limitations imposed by the State Attorney General or a local government. If the suit eventually concludes with payments back to the government, the person who started the case can recover a percentage of the proceeds, amounts of which are dependent upon whether the government did or did not participate in the suit. (25% - 30% if the government did not participate in the suit, and 15% - 25% if the government did participate in the suit). For reference purposes, the full state law may be found in Article XIII: New York False Claims Act, Sections 187-194: State Finance Law §§187-194

New York Social Services Law

In addition to New York's False Claims Act, there are other state laws which address false claims. These laws fall into two categories: civil and administrative; and criminal laws. Some apply to recipient false claims and some apply to provider false claims, and while most are specific to healthcare or Medicaid, some of the "common law" crimes apply to areas of interaction with the government. Specifics relating to false claims in the NYS Social Services Laws may be found in Article 5, Title 1.

Civil and Administrative Laws:

Social Services Law §145-b False Statements

It is a violation to knowingly obtain or attempt to obtain payment for items or services furnished under any Social Services program, including Medicaid, by use of a false statement, deliberate concealment or other fraudulent scheme or device. The state or the local Social Services district may recover three times the amount incorrectly paid. In addition, the Department of Health may impose a civil penalty of up to ten thousand dollars per violation. If repeat violations occur within five years, a penalty of up to thirty thousand dollars per violation may be imposed if the repeat violations involve more serious violations of Medicaid rules, billing for services not rendered, or providing excessive services.

Social Services Law §145-c Sanctions

If any person applies for or receives public assistance, including Medicaid, by intentionally making a false or misleading statement, or intending to do so, the needs of the individual or that of his family shall not be taken into account for the purpose of determining his or her needs or that of his family for six months if a first offense, for twelve months if a second offense (or if benefits wrongfully received are at least one thousand dollars but not more than three thousand nine hundred dollars), for eighteen months if a third offense (or if benefits wrongfully received are in excess of three thousand nine hundred dollars), and five years for any subsequent occasion of any such offense.

Criminal Laws

Social Services Law §145 Penalties

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

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

- a. Any person who obtains or attempts to obtain, for himself or others, Medicaid by means of a false statement, concealment of material facts, impersonation or other fraudulent means is guilty of a class A misdemeanor.
- b. Any person who, with intent to defraud, presents for payment a false or fraudulent claim for furnishing services, knowingly submits false information to obtain greater Medicaid compensation, or knowingly submits false information in order to obtain authorization to provide items or services is guilty of a class A misdemeanor.

New York Penal Law

The following references are from the NYS Penal Laws: NYS PENAL LAW Articles 155, 175, 176, 177

Penal Law Article 155, Larceny.

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

Penal Law Article 175, False Written Statements.

Several sections in this Article relate to filing false information or claims and have been applied in Medicaid fraud prosecutions:

- a. §175.05 - Falsifying business records - involves entering false information, omitting material information or altering an enterprise's business records with the intent to defraud.
- b. § 175.10 - Falsifying business records in the first degree - includes the elements of 175.05 and the intent to commit another crime or conceal its commission.
- c. §175.30 - Offering a false instrument for filing in the second degree - involves presenting a written instrument, including a claim for payment, to a public office knowing that it contains false information.
- d. §175.35 - Offering a false instrument for filing in the first degree - includes the elements of §175.30 and an intent to defraud the state or a political subdivision.

Penal Law Article 176, Insurance Fraud

Applies to claims for insurance payment, including Medicaid or other health insurance and contains six crimes involving filing false insurance claims and committing insurance fraud.

Penal Law Article 177, Health Care Fraud.

This statute, enacted in 2006, applies to health care fraud crimes. It was designed to address the specific conduct by health care providers who defraud the system including any publicly or privately funded health insurance or managed care plan or contract, under which any health care item or service is provided. Medicaid is considered to be a single health plan under this statute. This law primarily applies to claims by providers for insurance payment, including Medicaid payment, and it includes five crimes.

- a. Health care fraud in the 5th degree - a person is guilty of this crime when, with intent to defraud a health plan, he or she knowingly and willfully provides materially false

information or omits material information for the purpose of requesting payment from a health plan.

- b. Health care fraud in the 4th degree - a person is guilty of this crime upon filing such false claims on more than one occasion and annually receives more than three thousand dollars.
- c. Health care fraud in the 3rd degree - a person is guilty of this crime upon filing such false claims on more than one occasion and annually receiving over ten thousand dollars.
- d. Health care fraud in the 2nd degree - a person is guilty of this crime upon filing such false claims on more than one occasion and annually receiving over fifty thousand dollars.
- e. Health care fraud in the 1st degree - a person is guilty of this crime upon filing such false claims on more than one occasion and annually receiving over one million dollars.

Whistleblower Protections

Federal False Claims Act (31 U.S.C. §3730(h))

The Federal False Claims Act provides protection to qui tam relators (individuals who commence a False Claims action) who are discharged, demoted, suspended, threatened, harassed, or in any other manner discriminated against in the terms and conditions of their employment as a result of their furtherance of an action under the FCA. 31 U.S.C. 3730(h). Remedies include reinstatement with comparable seniority as the qui tam relator would have had but for the discrimination, two times the amount of any back pay, interest on any back pay, and compensation for any special damages sustained as a result of the discrimination, including litigation costs and reasonable attorneys' fees.

New York State False Claim Act (State Finance Law §191)

The New York State False Claim Act also provides protection to qui tam relators (individuals who commence a False Claims action) who are discharged, demoted, suspended, threatened, harassed, or in any other manner discriminated against in the terms and conditions of their employment as a result of their furtherance of an action under the Act. Remedies include reinstatement with comparable seniority as the qui tam relator would have had but for the discrimination, two times the amount of any back pay, interest on any back pay, and compensation for any special damages sustained as a result of the discrimination, including litigation costs and reasonable attorneys' fees.

New York State Labor Law, Article 20-C

In addition to New York's False Claims Act, there are other state laws which address false claims and provide employees with protection against retaliation. The following references are from the NYS Labor Law which can be found in the Consolidated Laws of the State of New York, Labor (LAB): Consolidated Laws of the State of New York, Labor (LAB)

New York State Labor Law, Section 740

An employer may not take any retaliatory action against an employee if the employee discloses information about the employer's policies, practices or activities to a regulatory, law enforcement or other similar agency or public official. Protected disclosures are those that assert that the employer is in violation of a law that creates a substantial and specific danger to the public health and safety or which constitutes health care fraud under Penal Law §177 (knowingly filing, with intent to defraud, a claim for payment that intentionally has false information or omissions). The employee's disclosure is protected only if the employee first brought up the matter with a supervisor and gave the employer a reasonable opportunity to correct the alleged violation. If an employer takes a retaliatory action against the employee, the employee may sue in state court for reinstatement to the same, or an equivalent position, any lost back wages and benefits and attorneys' fees. If the employer is a health provider and the court finds that the employer's retaliatory action was in bad faith, it may impose a civil penalty of \$10,000 on the employer.

New York State Labor Law, Section 741

A health care employer may not take any retaliatory action against an employee if the employee discloses certain information about the employer's policies, practices or activities to a regulatory, law enforcement or other similar agency or public official. Protected disclosures are those that assert that, in good faith, the employee believes constitute improper quality of patient care. The employee's disclosure is protected only if the employee first brought up the matter with a supervisor and gave the employer a reasonable opportunity to correct the alleged violation, unless the danger is imminent to the public or patient and the employee believes in good faith that reporting to a supervisor would not result in corrective action. If an employer takes a retaliatory action against the employee, the employee may sue in state court for reinstatement to the same, or an equivalent position, any lost back wages and benefits and attorneys' fees. If the employer is a health provider and the court finds that the employer's retaliatory action was in bad faith, it may impose a civil penalty of \$10,000 on the employer.

Code of Conduct/Ethics Policy

Everyone employed by the NYFAC shall maintain the highest level of honesty and integrity in all his/her actions performed on behalf of NYFAC. Please refer to NYFAC's Code of Conduct/Ethics Policy contained in the NYFAC Employee Handbook.

If a relative of a member of the Board of Directors or a key employee such as the Chief Executive Officer wants to be hired by NYFAC, this could be a conflict of interest. Precautions have to be taken to ensure that this person is the most qualified person for the position and his/her salary is commensurate with what others in the same position are receiving. In addition, the member of the Board of Directors or the key employee must recuse himself/herself from any decision to hire or any decision in the future to promote the relative. Conflict of Interest Attestations are processed on an annual basis for Board of Directors and Senior Management team members.

CORPORATE COMPLIANCE PROGRAM OVERVIEW

All programs are required to adhere to Medicaid and NYFAC rules prior to billing for services provided. The Fiscal Department has an Accounting Manual which prescribes how to bill for the various programs. The Fiscal Department must make sure to keep this manual current so that it covers all programs. In addition, there are Administrative Memoranda and the New York State

Regulations issued by OPWDD for all of the various programs which prescribe the documentation needed to bill for each program.

NYFAC's internal compliance controls, to ensure that there are no erroneous or inappropriate billings include routine reviews of documentation in support of billing by Waiver program managers and NYFAC's Medicaid Billing Coordinator. OPWDD memoranda and NYS regulations delineate which documentation supports billing.

Waiver program managers/supervisors review, on a bi-weekly basis, Waiver Habilitation documentation to ensure that staff has recorded service provision accurately.

The Program Coordinator, Billing consultant or designee reviews all billing rosters received from managers to check for irregularities and other potential issues.

The CO and management team will conduct periodic reviews of select records at minimum on a quarterly basis and report the results to the Board of Directors and QA/Compliance Committee.

In the course of any of the reviews described in this plan, the scope of the review could be expanded to make sure that all potential issues are identified and that corrective procedures are put in place to prevent any recurrence.

Upon notification of a potential billing documentation error or concern, the Corporate Compliance Officer will determine the appropriate course of action and investigate the scope of the error and report the results to the Board of Directors and QA/Compliance Committee.

All candidates for employment who have regular and substantial contact with the service participants are required to undergo a Criminal Background Check (CBC) prior to working unsupervised, one on one with the service participants.

If a position requires a certain educational background or license, the Human Resource Department will verify with the school and/or state the validity of the diploma and/or license.

The Human Resource Department will make the required checks with the State Central Registry as well as the Justice Center (SEL and Section 1834) prior to allowing the potential employee to work unsupervised with the individuals.

The Human Resource Department will also verify that any candidate for employment is not on the state or federal 'excluded provider' lists. In addition, all employees, Board members, and contractors of NYFAC will be screened against both 'excluded provider' lists upon hire/appointment, and on a monthly basis thereafter. The HR designee will share any "confirmed hits" with the CO and the QA/Compliance Committee.

Use of Agency Funds and Resources:

Controls must be established to ensure that NYFAC's funds are not spent for items or services unrelated to NYFAC business. All NYFAC vehicles have mileage logs which are regularly reviewed to ensure that they are not used for personal business. Staff in bookkeeping reviews all requests for reimbursement of travel expenses to make sure they were used for NYFAC business.

Purchasing/Competitive Bidding:

All purchases must be prudent, reasonable and related to the care of the service participants and/or to the operations of the NYFAC. Purchase orders are required for all major purchases. NYFAC has procedures in place for managerial approval of all vouchers which are used to make purchases from NYFAC approved vendors. For all purchases over \$5,000.00, competitive bids must be obtained from, at least, three vendors. No bid may be opened until after the deadline for submitting bids has passed. Written records of the competitive bidding process must be maintained. Note: for purchases between \$5,000.00 and \$15,000.00, bids may be obtained orally but a written record of each oral solicitation must be kept.

It is the stated policy of NYFAC to comply with the provisions of N.Y.S. Executive Law Article 15-A and 5NYCRR § 140 - 143, which pertains to the Minority/Women Business Enterprises - Disabilities Equal Employment Opportunity (MWBE-EEO) Program, as further clarified by the guidelines and goals expressed by OPWDD in its Guidance Bulletins.

Medical Necessity/Quality of Care

All individuals receiving services must have a medical necessity for them. This will usually be established through completion/annual certification of the ICF/MR - LEVEL OF CARE ELIGIBILITY DETERMINATION FORM. The QA Department, as part of the NYFAC's process, assures that all requirements for entitlement to services have been met and continue to be met.

All staff are required to adhere to the standards of care required by OPWDD regulations, all other governmental regulations and NYFAC requirements.

All individuals hired by NYFAC will be given the necessary training in order to properly perform his/her duties. He/she will be given follow up training periodically both as refresher training and to train them on new policies and procedures.

GOVERNANCE

The Board of Directors is responsible for the oversight of the Compliance Program and ensuring that NYFAC complies with relevant federal, NYS and local laws.

1. The Board of Directors is responsible, through the senior staff of NYFAC, for ensuring that all programmatic and administrative policies and procedures are developed, reviewed, approved, implemented and updated, as needed.
2. The Board of Directors will receive Corporate Compliance training and orientation and understand its role upon appointment and on an annual basis thereafter.
3. The Board of Directors must review and approve NYFAC's finances. This includes revenue and expenditures, assets and liabilities and annual budgets. Members of the Board of Directors are appointed to the Board's Finance/Audit Committee to perform said duties of the Board of Directors.

DUTIES OF THE BOARD OF DIRECTORS

1. The Board of Directors must undertake reasonable efforts to ensure that compliance programs are in place and are effective.

2. The Board of Directors must follow up on systemic failures. This should be accomplished through proper interaction with the senior staff member responsible for the particular area in question.
3. The Board of Directors should request and receive information regarding NYFAC's compliance activities including results of risk assessments, internal auditing and monitoring, and compliance investigations and mitigation. Holding an Executive session with the Compliance Officer at least once a year is expected.
4. The Board of Directors is mandated to annually review the Conflict of Interest Policy and sign the Annual Conflict of Interest Statement.

EXECUTIVE COMPENSATION: BOARD OF DIRECTOR'S RESPONSIBILITY

1. The Board of Directors must ensure the reasonableness of the compensation packages of the Executives of NYFAC as determined by a market value survey from comparable organizations or its equivalence.
2. The above data should be reviewed and recommended by the Board of Director's Finance/Audit Committee and discussed at a Board meeting and documented in the Board minutes.
3. The full compensation package should be included in the evaluation and in discussions with the Executive (e.g., deferred compensation, expense allowances, etc.). This should be, preferably, reduced to writing.
4. The Board of Directors must vote on the above compensation package. At least 2/3's of the Board must be present for the vote.

WRITTEN POLICIES AND PROCEDURES

18 NYCRR 521.3 (c):

...(1) written policies and procedures that describe compliance expectations as embodied in a code of conduct or code of ethics, implement the operation of the compliance program, provide guidance to employees and others on dealing with potential compliance issues, identify how to communicate compliance issues to appropriate compliance personnel and describe how potential compliance problems are investigated and resolved;

All employees are expected to live up to NYFAC's Code of Conduct/Ethics Policy as enumerated in this Plan in addition to following the required federal and state rules and regulations. This plan applies to all employees of NYFAC including management and supervisory staff, as well as the Board of Directors, volunteers, contractors and agents. NYFAC has compliance related policies and procedures in place to provide guidance to all entities about expectations and standards that must be met in order to maintain an effective compliance program. Compliance related policies and procedures will be developed and reviewed by the QA/Compliance Committee and Board of Directors on an annual basis.

CORPORATE COMPLIANCE OFFICER

18NYCRR 521.3 (c):

...(2) designate an employee vested with the responsibility for the day-to-day operation of the compliance program; such employee's duties may solely relate to compliance or may be combined with other duties so long as compliance responsibilities are satisfactorily carried out; such employee shall report directly to the entity's chief executive and shall periodically report directly to the governing body on the activities of the compliance program...

The Compliance Officer is responsible for the oversight of NYFAC's corporate compliance program. If any allegations of impropriety are made, he/she will investigate the allegation, institute any corrective actions as appropriate, and insure that any improperly received monies are refunded. The Compliance Officer will be responsible for ensuring that all staff are periodically trained on corporate compliance. This includes volunteers and the Board of Directors. He/she will be responsible for reporting any issues or concerns to the Chief Executive Officer and the Board of Directors. Staff will be made available to him/her to assist with any reviews and/or investigations which are needed.

TRAINING AND EDUCATION

18 NYCRR 521.3 (c):

...(3) training and education of all affected employees and persons associated the the provider, including executives and governing body members, on compliance issues, expectations and the compliance program operation; such training shall occur periodically and shall be made part of the orientation for a new employee, appointee or associate, executive and governing body member;...

All employees both paid and volunteers and including the Board of Directors will be trained on his/her rights and responsibilities under corporate compliance.

All new employees will receive initial training on corporate compliance as part of his/her initial orientation during the hiring process. During the following six months he/she will attend a mandatory training session on Corporate Compliance. Subsequent to that, there will be periodic training sessions to refresh the staff's knowledge of NYFAC's Corporate Compliance Policies and to train them on any changes which occur as a result of federal or state policy changes or which occur because of self-monitoring audits or audits by regulatory agencies. All training will be documented by sign-in sheets.

Independent contractors will be given the latest copy of the NYFAC's Corporate Compliance Plan as part of his/her contract. Annually thereafter, independent contractors and vendors will be informed about the Compliance Plan.

OPEN LINES OF COMMUNICATION FOR THE COMPLIANCE DEPARTMENT

18NYCRR 521.3 (C):

...(4) communication lines to the responsible compliance position, as described in paragraph (2) of this subdivision, that are accessible to all employees, persons associated with the provider, executives and governing body members, to allow compliance issues to be reported; such communication lines shall include a method of anonymous and confidential good faith reporting of potential compliance issues as they are identified;...

All employees have the responsibility to report if something improper is happening. The success of the Corporate Compliance Plan is contingent on employees being able to engage in good faith reporting of compliance issues or concerns and bring forward any suspected violation of the Compliance Plan without fear of intimidation or retaliation. It is an expected good practice, when one is comfortable with it and thinks it is appropriate under the circumstances, for concerns to be raised first with a supervisor. If this is not comfortable or not a viable option, employees are encouraged to contact Angela Woods, Compliance Officer at corporatecompliance@asfl.org, or

the Agency Internal Reporting Line at 877-333-2735, to report anonymously *67 877-333-2735 (*67 hides the caller ID). This designated telephone line allows callers to report suspected violations of laws, standards, internal policies, and other concerns through a confidential and anonymous channel without the fear of retribution. NYFAC encourages open communication through a variety of methods including but not limited to: telephone, emailing the Compliance Officer at corporatecompliance@asfl.org, interoffice mail, regular mail, face-to-face interaction, drop box, and any other reasonable means to communicate. There are two drop box locations: the ground floor by the employee lockers, and second floor across from the copy room. Although such reports may be made anonymously, callers are urged to leave detailed information so that a full investigation can be made.

The Compliance Officer can also be contacted to ask questions regarding any compliance issue. If the caller leaves his/her name and telephone number, he/she will receive a response within no more than ten business days.

If an employee has a concern about the Chief Executive Officer, this should be reported directly to the Compliance Officer. If the concern is about the Compliance Officer, this should be reported to the Chief Executive Officer.

Questions or concerns about any ethical or legal issue may be raised without concern for disciplinary or retaliatory action as long as they are made in good faith. Employees will not be subject to reprisals or retaliatory actions for reporting or supplying information about potential violations, except in cases where those employees are responsible for the violation or when deliberate false reporting has occurred. All staff are required to assist in the resolution of any and all compliance issues. Failure to do so may result in disciplinary action up to and including termination.

DISCIPLINARY POLICIES AND PROCEDURES TO ENCOURAGE GOOD FAITH REPORTING

18NYCRR 521.3 (C):

...(5) discipline polices to encourage good faith participation in the compliance program by all affected individuals, including policies that articulate expectations for reporting compliance issues and assist in their resolution and outline sanctions for: (i) failing to report suspected problems; (ii) participating in non-compliant behavior; or (iii) encouraging, directing, facilitating or permitting either actively or passively non-compliant behavior; such disciplinary policies shall be fairly and firmly enforced;...

New York Families for Autistic Children (NYFAC) is committed to conducting its business ethically and in conformance with all Federal and State laws, regulations, interpretations thereof, and the NYFAC's Code of Conduct/Ethics Policy. To support this commitment, New York Families for Autistic Children has developed procedures for disciplinary actions to be taken for violations of the Compliance Program, Code of Conduct/Ethics Policy and/or Conflict of Interest Policy by employees and/or independent contractors.

Employees and independent contractors who, upon investigation, are found to have committed violations of applicable laws and regulations, the Compliance Program, the Code of Conduct/Ethics Policy, Conflict of Interest Policy or the NYFAC's policies and procedures will be subject to appropriate disciplinary action, up to and including termination. 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.

Conduct which may result in disciplinary action may include but are not limited to the following:

- Authorization of or participation in actions that violate the law, regulations, and Compliance Program, including the Code of Conduct/Ethics Policy, Conflict of Interest Policy, including falsification of documentation and all related policies and procedures;
- Failure to comply with NYFAC's policies governing the prevention, detection, or reporting of fraud and abuse;
- Failure to report a violation by a peer or subordinate;
- Failure to cooperate in an investigation;
- Retaliation against an individual for reporting a possible violation or participating in an investigation; and
- Any form of intimidation against an individual deterring his/her good faith participation in the compliance program, or communicating compliance concerns/issues is strictly prohibited;
- Failure to act as an honest, reliable, and trustworthy service provider.

NYFAC will make every effort to ensure that its billings for Medicaid services are as accurate as humanly possible.

SYSTEMIC AND ROUTINE IDENTIFICATION OF COMPLIANCE RISK AREAS

18 NYCRR 521.3 (c):

... (6) a system for routine identification of compliance risk areas specific to the provider type, for self-evaluation of such risk areas, including but not limited to internal audits and as appropriate external audits, and for evaluation of potential or actual non-compliance as a result of such self-evaluations and audits, credentialing of providers and persons associated with providers, mandatory reporting, governance, and quality of care of medical assistance program beneficiaries;...

NYFAC will conduct an agency wide risk assessment on an annual basis. The results of which will be presented to the QA/Compliance Committee, program managers and the Board of Directors. The results will be incorporated into the Annual Compliance workplan. The Compliance Officer in conjunction with the QA/Compliance Committee will be responsible for ascertaining any risk areas which need oversight. Internal auditing and monitoring will include quarterly reviews of program records. The Annual Compliance Workplan will be based on the results of agency wide risk assessment, results of internal and external audits, OIG and OMIG workplans, and changes in regulations.

SYSTEM FOR RESPONDING TO COMPLIANCE ISSUES AS THEY ARE RAISED

18 NYCRR 521.3 (c):

... (7) a system for responding to compliance issues as they are raised; for investigating potential compliance problems; responding to compliance problems as identified in the course of self-evaluations and audits; correcting such problems promptly and thoroughly and implementing procedures, policies and systems necessary to reduce the potential for recurrence; identifying and reporting compliance issues to the department or the office of Medicaid inspector general; and refunding overpayments...

As any compliance issues are raised, the Compliance Officer, together with any assigned staff, will take any or all the following steps:

1. If the health and/or safety of anyone is affected, they will take all necessary steps to protect them.
2. A thorough investigation of the issues raised will be undertaken. All evidence will be secured and all appropriate parties will be interviewed.
3. All investigations will be handled as expeditiously as possible.
4. All employees are required to cooperate with any staff assisting the Compliance Officer in an investigation. Refusal to cooperate with an investigation may lead to disciplinary action up to and including termination.
5. A final report will be issued to the Chief Executive Officer and the Board of Directors summing up the process and the results. If corrective action is appropriate, the Compliance Officer will follow up to ensure that it takes place.
6. The Compliance Officer will ensure that any erroneous billings are voided or adjusted following the 60-day rule for Overpayments. Where warranted, formal self-disclosure to the OMIG will be enacted.
7. The Compliance Officer, together with the administrative, management and supervisory staff, will ensure that there is no retaliation against any employee who, in good faith, reports fraudulent or incorrect activities on the part of any of the staff.

NON-INTIMIDATION AND NON-RETALIATION POLICIES FOR REPORTING

18 NYCRR 521.3 (c):

...(8) a policy of non-intimidation and non-retaliation for good faith participation in the compliance program, including but not limited to reporting potential issues, investigation issues, self-evaluations, audits, and remedial actions, and reporting to appropriate officials as provided in sections 740 and 741 of the Labor Law.

New York Families for Autistic Children (NYFAC) 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 NYFAC's ethical and business policies. An effective compliance program is dependent on good faith participation of its employees, contractors and other entities, which includes reporting of compliance concerns and cooperating and participating in investigations and remedial action.

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

Any form of intimidation against an employee deterring his/her participation in the compliance program, who reports a perceived problem or concern in good faith is strictly prohibited.

- a) Intimidation is an act to manipulate another person and/or is an intentional behavior that causes a person of ordinary sensibilities to have feelings of fear or inadequacy. Generally, an act of intimidation would include a deliberate act or behavior such as threats, hostile physical posturing, yelling/screaming, physical violence, etc., meant to deter an individual from reporting a compliance concern or participating and cooperating with an investigation.

b) Retaliation, is a negative action against a current or former employee that takes the form of punishment, creates a hostile, threatening or uncomfortable work environment as a result of the employee's good faith reporting of concerns/complaint such as: giving a poor performance evaluation, disciplining, reassignment of job duties/demotion, harassing, bullying, reducing pay, termination of the employee, etc.

Any employee who commits or condones **any** form of retaliation or intimidation will be subject to discipline up to, and including, termination.

SELF-DISCLOSURE

The Office of the Medicaid Inspector General (OMIG) has set up a protocol for self-disclosure of improper or fraudulent billings. Self-disclosure is proper in the following situations:

- Substantial routine errors
- Systematic errors
- Patterns of errors
- Potential violation of fraud and abuse laws

If such a situation occurs, the Compliance Officer will conduct a full investigation covering all areas outlined in the OMIG's Self-Disclosure Guidance <https://omig.ny.gov/provider-resources/self-disclosure>. The Compliance Officer will then contact the director of OPWDD's Division of Quality Management and proceed further as per his instructions regarding following the 60-day rule for Overpayments. Where warranted, formal self-disclosure to the OMIG will be enacted.

OTHER IMPORTANT POLICIES AND PROCEDURES

1. The NYFACs independent audit firm should not provide non-auditing services on a regular basis (e.g., bookkeeping, legal services, etc.) to avoid a conflict of interest.
2. Form 990, which is publicly available, should be understood by the Chief Executive Officer, the CFO and the members of the Board of Directors. The Compliance Officer of NYFAC, who serves as the NYFAC's Internal Auditor as well, will provide the necessary assistance to accomplish this practice.
3. No loan may be made to any employee, member of the Board of Directors or to executives of the organization.
4. It is a clear policy that Corporate Compliance is a mainstay of NYFAC, and as such this message will be disseminated from the top, i.e., the Chief Executive Officer and the Board of Director

OTHER POLICIES:

For other relevant policies such as the Code of Conduct/Ethics policy, please refer to the NYFAC Employee Handbook.

Reporting a Compliance Issue

Angela Woods

COMPLIANCE OFFICER

corporatecompliance@asfl.org

Agency Internal Reporting Line: 877-333-2735 (ASFL)

Report Anonymously: *67 877-333-2735 (ASFL)

(*67 hides the caller ID)

Contact any Supervisor

- ✓ **By Phone or Voicemail**
- ✓ **Mail or Email**
- ✓ **By Direct In-Person Reports**