



**HARMONY HEALTHCARE LONG ISLAND**  
**Compliance Manual**

## TABLE OF CONTENTS

	<b>Page</b>
I. INTRODUCTION	1
II. COMPLIANCE COMMITTEE AND COMPLIANCE OFFICER	1
III. GENERAL POLICY	3
IV. CODE OF ETHICS AND STANDARDS OF CONDUCT	4
A. Legal and Ethical Standards.....	4
B. Conflicts of Interest.....	5
C. Restrictions on Confidential Information .....	6
D. Privacy Officer.....	7
E. Accurate Reporting and Accounting Practices .....	7
F. Entertainment and Business Gifts.....	8
G. Political Contributions .....	9
H. Communication with News Media .....	9
I. Subpoenas, Inquiries and Investigations.....	9
V. HEALTH CARE COMPLIANCE STANDARDS	10
A. Referrals.....	10
B. Billing and Claims; Cost Reports .....	12
C. Non-Discrimination in Patient/Client Services and Charges.....	14
VI. EDUCATION AND TRAINING	14
A. Initial and Annual Training.....	15
B. Periodic Training .....	15
C. Failure to Attend Required Training.....	15
D. Ongoing Communication and Changes in Compliance Manual.....	15
VII. REPORTING REQUIREMENTS	15
A. Reporting.....	15
B. Examples of Activities to be Reported .....	16
C. Confidentiality .....	16
D. Investigations .....	16
E. Non-Retaliation.....	17
VIII. DISCIPLINARY PROCEDURES	17
IX. MONITORING AND REVIEW	18

## **I. INTRODUCTION**

This Compliance Manual (“**Manual**”) applies to “all affected individuals” as defined below, including all employees and independent professionals of Harmony Healthcare Long Island (the “**Centers**”). The Centers are dedicated and committed to meeting high ethical standards and compliance with all applicable laws in all activities regarding the operation of the Centers. This commitment and dedication is essential to the Centers meeting its mission and is critically important because a significant portion of the Center’s services are reimbursed through governmental and third-party payor programs which require that the Center’s business be conducted with complete integrity.

To assure that the Center’s operations are being conducted in compliance with applicable law and the highest ethical standards, the Centers has established a Compliance Program (the “**Program**”) under the direction of the Chief Executive Officer and executed by the Compliance Officer. The Compliance Officer shall be charged with the responsibility and authority to oversee all activities of the Program, except as otherwise set forth in this Manual. As is detailed within this Manual, it is the duty of all “affected individuals” (including, employees, officers/executives, members of the Facility’s governing body, and vendors/contractors) working in Medicaid-funded programs to comply with the codes of ethical conduct and health care compliance policies applicable to their individual areas of employment or service. This Manual also advises all such affected individuals of the procedures to be used in educating staff regarding such standards and how violations are to be reported within the framework of a compliance protocol.

## **II. COMPLIANCE OFFICER AND COMPLIANCE COMMITTEE**

The Compliance Officer is Sunny Brown. The Compliance Officer is responsible for oversight and the day-to-day operation of the compliance program. Responsibilities include the following activities:

1. communicating any direct compliance issues to the Chief Executive Officer and generating reports of compliance issues to the Chief Executive Officer;
2. reporting directly, on a regular basis, but no less frequently than quarterly, to the Board of Directors, Chief Executive, and compliance committee on the progress of adopting, implementing, and maintaining the compliance program;
3. monitoring the Center’s Hotline;
4. investigating and independently acting on matters related to the compliance program, including designing and coordinating internal investigations and documenting, reporting, coordinating, and pursuing any resulting corrective action with all internal departments, contractors and the State;

5. assisting in establishing methods to improve, efficiency, quality of services, and reducing vulnerability to fraud, waste and abuse;
6. ensuring all affected individuals (including contractors/vendors as relevant to their area of risk) complete their annual compliance training;
7. developing and updating compliance documents, including policies and procedures for the Centers;
8. drafting, implementing, and updating no less frequently than annually or, as otherwise necessary, to conform to changes to Federal and State laws, rule, regulations, policies and standards, a compliance work plan which shall outline the required provider's proposed strategy for meeting the requirements of this section for the coming year;
9. providing the Center's Board of Directors annual compliance training;
10. obtaining signed conflict of interest forms from each Board member;
11. assuring that posters are mounted in each Centers site, with contact numbers for submitting a complaint; and
120. collaborating on internal auditing and developing plan of correction, as needed.

The Compliance Committee advises the Compliance Officer and assists in the development and implementation of the Program. Members of the Compliance Committee reflect the various functional components of the Centers, providing necessary subject matter support in identifying and responding to compliance risk areas.

The members of the Compliance Committee shall include representatives from the Center's major departments, and its permanent members shall include the Compliance Officer, Chief Executive Officer, Chief Operating Officer, Chief Medical Officer and Risk Manager, and Chief Financial Officer. Representatives from Nassau University Medical Centers, and Sun River Healthcare will be invited as non-voting members.

The Compliance Committee shall hold regular meetings on a quarterly basis and meet more frequently as requested by the Compliance Officer, Chief Executive Officer, or the Center's Board of Directors. If a member is not able to attend a meeting, said member shall notify the Compliance Officer and may elect to send a designee in his or her place. The Compliance Officer shall serve as chair of the Compliance Committee. The Compliance Committee shall report directly to the Chief Executive Officer and the Board of Directors.

The Compliance Committee is responsible for the following activities:

1. coordinating with the Compliance Officer to ensure that the written policies and procedures, and standards of conduct required by subdivision (a) of this section are current, accurate and complete, and that the training topics required by subdivision (d) of this section are timely completed;
2. coordinating with the compliance officer to ensure communication and cooperation by affected individuals on compliance related issues, internal or external audits, or any other function or activity required by this Subpart;
3. advocating for the allocation of sufficient funding, resources and staff for the compliance officer to fully perform their responsibilities;
4. ensuring that the required provider has effective systems and processes in place to identify compliance program risks, overpayments and other issues, and effective policies and procedures for correcting and reporting such issues;
5. advocating for adoption and implementation of required modifications to the compliance program and no less frequently than annually, review and update the compliance committee charter.
6. reviewing audits and actions taken, including, but not limited to, quarterly audit of billing coding, annual audit of HR records for I-9 compliance, ongoing vendor compliance review and sanction clearance on the state and OIG, 340B audits, and information security issues relating to compliance;
7. reviewing guidance from regulatory agencies;
8. reviewing annual staff education;
9. overseeing the information technology subcommittee.

### **III. GENERAL POLICY**

It is the policy of the Centers to provide services in compliance with all state and federal laws governing its operation and consistent with the highest standards of business and professional ethics. This policy is a solemn commitment to its patient/clients, the community, the governmental agencies that regulate the Centers and to itself.

All the Centers employees and independent professionals, as well as those who provide supportive services to the physicians and other practitioners, and all other affected individuals, must carry out their duties for the Centers in accordance with this policy. To assist these individuals with their obligation to comply with this policy, this Manual includes statements of the Center's policy in a number of specific areas. Conduct that does not comply with these policy statements is not authorized by the Centers and is outside the scope of duties to be provided by employees and independent professionals on behalf of the Centers.

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

If, at any time, an affected individual becomes aware of any apparent violation of the Center's policies, he or she must report it in accordance with the reporting requirements in 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 bona fide need to know basis. The Centers 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 affected individual does not report conduct violating the Center's policies, the affected individual may be subject to disciplinary action up to and including termination of employment or termination of contract.

The laws affecting the operation of the Center's activities are varied and complex. In addition, this Manual addresses, in general terms, only several of the more important legal and ethical principles affecting the Center's activities. The mention in this Manual is not intended to minimize the importance of other applicable laws, professional standards or ethical principles.

#### **IV. CODE OF ETHICS AND STANDARDS OF CONDUCT**

The Centers has always been strongly committed to a policy of compliance with the law and the maintenance of high ethical standards. By following this policy, the Centers has achieved a reputation for honesty and integrity. As affected individuals, all share in the continuing responsibility to maintain this reputation.

The purpose of the Code of Ethics and Standards of Conduct (the "**Code**") is to present some of the standards that the Centers expects its affected individual to follow in their daily conduct on behalf of the Centers. Please read this document carefully and retain it for future reference. Please remember that the Code is applicable to all affected individuals of the Centers.

The Code is distributed to all management and supervisory personnel, as well as all employees and independent professionals and other affected individuals. It is the responsibility of supervisory staff to communicate the contents of the Code to all affected individuals and to impress upon them our commitment to these policies.

##### **A. Legal and Ethical Standards**

The policy of the Centers is one of strict observance of, and compliance with, all laws governing the conduct of the Center's operations. The applicable laws affecting the operation of Centers continue to grow in number and complexity. It is not expected that affected individuals will be fully versed in all laws of permissible activities involved in their work. Therefore, if an affected individual has a question regarding the legality or propriety of a course of action, the

affected individual should seek guidance from his or her supervisor or from the Compliance Officer before taking any action.

It is also the Center's policy to comply with the highest standards of business ethics. This imposes upon each affected individual a standard of ethical conduct of a higher order than that required by mere compliance with the law. In all of our dealings with others we must exercise the highest degree of honesty and integrity.

## **B. Conflicts of Interest**

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

Although it is difficult to set forth all possible situations which might be considered as conflicting with the Center's interests, the following are examples of situations affected individual, including their immediate family members, must avoid:

1. No individual should perform any outside employment or engage in any outside activities which interfere with the effective performance of his or her duties as an employee or independent professional of the Centers;
2. No individual shall have a financial interest in a firm or entity which is doing, or seeking to do, business with the Centers or which is a competitor of the Centers. However, ownership of less than 1% of the securities of a publicly traded company shall not be considered significant or contrary to this policy;
3. No individual should render services in any capacity, such as a director, officer, employee or consultant to any person or firm that is competitive with the Centers, provides services to the Centers or is a third-party payor with regard to services provided at the Centers;
4. No individual should use his or her position at the Centers for personal gain such as by soliciting or accepting for personal benefit business opportunities that might otherwise accrue to the benefit of the Centers;
5. No individual should use his or her position at the Centers for his or her personal benefit, or disclose to unauthorized persons, any confidential or proprietary information about the Centers or its operation;
6. No individual should borrow money from individuals or firms (other than banks and/or lending institutions) doing, or seeking to do, business with the Centers;

7. No individual should compete with the Centers by selling or leasing or offering to sell or lease services or products similar to those services or products offered by the Centers;
8. No individual should purchase services or products for the Centers from their family members or from business organizations with which they or their family members are associated, without first obtaining written permission from the Compliance Officer;
9. No individual should accept unusual or significant gifts, discounts or other preferred personal treatment from any person associated with a present or prospective customer, competitor or supplier of the Centers. Affected individuals must report all unusual gifts to their immediate supervisor;
10. No individual should have outside employment or business interests that place him or her in a position of appearing to represent the Centers; and
11. No individual may use the Center's assets for personal benefit or personal business purposes.

Any personal or business activities by an affected individual that may raise such concerns must be reviewed in advance and in writing by the Compliance Officer.

Each affected individual shall disclose in writing to the Compliance Officer on at least an annual basis, any potential conflict of interest and, if applicable, how such conflict could be avoided or mitigated. Each affected individual will sign any forms requested by the Centers to comply with their conflict of interest disclosure requirements.

### **C. Restrictions on Confidential Information**

Affected individuals possess sensitive, privileged information about patients/clients and their care. Patients/clients accordingly expect that this information will be kept confidential. The Centers takes very seriously any violation of a patient/client's confidentiality. Discussing the medical condition of a patient/client or providing any information about a patient/client to anyone other than the Centers who need the information or other authorized persons will result in disciplinary action. Affected individuals should not discuss patients/clients outside the Centers or with their families.

The Centers is required to maintain the confidentiality of the medical record of each patient/client. In this regard, medical records may not be released except with the consent of the patient/client or in other limited circumstances as required by law. Affected individuals shall comply with all applicable standards for the confidentiality, security, and use of protected health information, including without limitation, Health Insurance Portability and Accountability Act ("HIPAA") and any related requirements under other applicable federal, state, and local laws, rules or regulations, including, without limitation, Article 33 of the New York Mental Hygiene Law, Public Health Law Section 2780 et seq. and 10 NYCRR part 63, or under the Center's own policies and procedures. Special confidentiality requirements apply with regard to medical records relating to substance use, HIV infection and AIDS. Affected individuals who have access to



medical records must exercise their best efforts to preserve their confidentiality and integrity and no employee or independent professional is permitted access to the medical record of any patient/client without a legitimate reason for doing so. Medical records should not be physically removed from the Centers, altered or destroyed except as allowed under written computer use policies and/or record keeping policies.

Confidentiality obligations for affected individuals must also be maintained even after their employment or termination of contract with the Centers. It is expected that affected individuals will not disclose such confidential information unless required to do so by law. Issues concerning confidentiality of the medical record of a patient/client should be addressed initially to the Privacy Officer appointed by the Centers under HIPAA. If a question arises as to the permissibility of the release of the medical record of any patient/client or any information contained therein, the individual should seek guidance from his or her supervisor or the Compliance Officer.

Additionally, affected individuals are to treat, as confidential, the Center's proprietary business assets including: valuable ideas, business plans, and other information about the Center's business. The Center's affected individuals should respect the Center's assets as they would their own. No employee or independent professional shall divulge to unauthorized persons, either during or after their employment or termination of contract, any information of a confidential nature connected with the business of the Centers. Examples of confidential business information include any and all information (whether written, oral, or contained on audio tapes, video tapes, or on computer drives) relating to the governance, business, operation, and financial condition of the Centers and/or any of its vendors or collaboration partners, as well as any other information determined to be confidential.

#### **D. Privacy Officer**

The Privacy Officer of the Centers is the Compliance Officer.

#### **E. Accurate Reporting and Accounting Practices**

Most employees and independent professionals report data of some kind in connection with their job. All reporting of information should be a fair presentation of the facts. Some forms of inaccurate reporting are illegal (e.g., listing a fictitious expense on an expense account or petty cash voucher or reporting overtime hours not actually worked).

It is of critical importance to the Centers that its affected individuals shall at all times comply with the Center's accounting rules and internal control policies. These rules and policies include the following prohibitions:

1. No false or misleading entries shall be made in the Center's books or records;
2. No payment on the Center's behalf shall be made without adequate supporting documentation or for any purpose other than as described in the documentation;
3. No undisclosed or unrecorded personal account or fund shall be established for any purpose;

4. No resources of the Centers shall be used for any unlawful or improper purpose, whether or not disclosed; and
5. All clinical records shall accurately reflect the care, services and supplies provided to the Center's patients/clients, as well as the medical necessity therefore, and shall be entered onto such records in accordance with standards established by the Centers. Any errors or necessary modifications to such records shall set forth the modification and correction along with the date and identity of the person making such change.

In general, all transactions should be conducted so as to be recorded and traceable in the normal course of business.

#### **F. Entertainment and Business Gifts**

Improper or illegal remuneration of any kind to government officials, suppliers and others are strictly prohibited. The Centers recognizes that business dealings may include shared meals or other similar social occasions which may be proper business expenses and activities. More extensive entertainment, however, is not consistent with the Center's policy and should be reviewed and approved in advance by the Compliance Officer before the individual may partake in or offer such entertainment.

Affected individuals may not receive any gift from any person or entity under circumstances that could be construed as an improper attempt to influence the Center's decisions or actions. Moreover, affected individuals may not receive any such gift(s) from any vendor who provides services to the Centers or is seeking to provide services to the Centers or from any actual or potential patient referral sources. If an affected individual receives a gift that violates this policy, the gift should immediately be returned to the donor and the event reported to the Compliance Officer. Gifts may be received by affected individuals when they are of such nominal value that they would not reasonably be perceived by anyone as an attempt to affect the judgment of the recipient, for example, token promotional gratuities from suppliers, such as advertising novelties marked with the donor's name, are not prohibited under this policy.

No affected individual may make a cash gift or non-cash gift of more than nominal value to any officer, director or employee of a firm or entity or any individual that is an actual or prospective vendor of the Centers or an actual or potential source of referrals.

Under no circumstances may an affected individual of the Centers pay for the meals, refreshment, travel, lodging expenses or give anything of value to a government employee (state, federal or local) who in the course of his or her official conduct may investigate, survey or otherwise deal with the Centers.

Moreover, no affected individual may charge, solicit, accept or receive a gift, money, donation or other consideration from a patient/client or organization or person related to a patient/client as a pre-condition of admission or as a requirement for treatment at the Centers.

If an affected individual has any question as to whether the receipt of a gift or offering of a gift or the participation in an entertainment event or the offering to another the opportunity to

participate in an entertainment event violates this policy, the individual is required to seek guidance from the Compliance Officer.

#### **G. Political Contributions**

Political contributions by the Centers are prohibited. The term “political contributions” means direct or indirect cash payments in support of political candidates, officeholders or political parties. In addition to cash payments, these include the use of personnel during paid working hours, the purchase of tickets to fund-raising events, or the payment for advertisements, printing or other campaign expenses.

#### **H. Communication with News Media**

With the exception of the Chief Executive Officer, no employee or independent professional should discuss any aspect of the Center’s business activities or internal operations with the news media without prior coordination with the Chief Executive Officer.

#### **I. Subpoenas, Inquiries and Investigations**

From time to time, government agencies may wish to subpoena business records and information from the Centers. It is the Center’s policy to cooperate with such requests through the Compliance Officer and legal counsel. In order to do so in a way that acknowledges the government’s legitimate need for information, and the Center’s own rights and the rights of the organizations served by the Centers, all subpoenas, as well as other requests for information, must be referred in the first instance to the Compliance Officer. In addition to subpoenas, this includes requests for information, whether formal or informal (e.g., by telephone), from investigators or investigative agencies. By referring all requests to the Compliance Officer, the Centers will have the opportunity, where appropriate, to consult legal counsel to assure that the rights of all parties are respected and that appropriate and correct responses are submitted.

The same procedure must be followed with respect to any request for information from a third party that is not a routine part of the ordinary course of business.

### **V. HEALTH CARE COMPLIANCE STANDARDS**

In addition to general ethical practices and standards of conduct, the Centers is also obligated to follow many federal and state rules and regulations which assure that health care services are furnished to patients/clients properly and that reimbursement under health care benefit programs is properly made. This section of the Manual sets forth some of the more significant program areas involved in the delivery and billing for services and supplies offered by the Centers. In addition to the areas noted below, all employees and staff are expected to follow the policies and procedures set forth within their own scope of responsibilities.

#### **A. Referrals**

Federal and New York State laws prohibit the Centers and its employees or independent professionals from soliciting, accepting, offering, or paying remuneration in exchange for referrals

of patients/clients eligible for Medicare, Medicaid or another federal health care program. Federal and New York State laws also prohibit the offering, payment, 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 laws are broadly written to prohibit the Centers and its employees and independent professionals 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.

There are many transactions that may violate these laws. It is impossible to list each and every potential violation of these laws. For your benefit, the following examples are illustrative of prohibitive activity under these laws:

1. Receiving free goods or services from a vendor in exchange for the purchase of other goods and services;
2. The routine waiver of co-insurance payments and deductibles;
3. The offering or making of gifts, loans, rebates, services or payments of any kind to an individual or entity that is an actual or prospective referral source; or
4. Entering into a professional service, management service or consulting service agreement where payment is based on other than fair market value or is based on the volume or value of referrals, i.e., percentage of revenue generated.

Federal regulations known as the “Safe Harbor” regulations provide that certain payment practices will not violate these laws if the Centers adheres to the regulatory requirements for such payment practices. The “Safe Harbor” regulations are intended to help providers protect against abusive payment practices while permitting legitimate ones. If an arrangement fits within a “Safe Harbor” it will not create a risk of criminal penalties and exclusion from the Medicare, Medicaid or other federal health care programs. “Safe Harbor” protections include, but are not limited to, the following payment practices:

1. Investment interest;
2. Space rental;
3. Equipment rental;
4. Personal service and management contracts;
5. Sale of practice;
6. Referral services;

7. Warranties;
8. Discounts;
9. Payments to employees;
10. Group purchasing organizations;
11. Certain waivers of beneficiary co-insurance and deductible amounts by hospital;
12. Increased coverage, reduced cost sharing amounts or reduced premium amounts offered by health plans; or
13. Price reductions offered to health plans.

Analysis of payment practices under these laws and the “Safe Harbor” regulations is complex and depends on the specific facts and circumstances of each transaction. affected individual should not make unilateral judgments on the availability of a “Safe Harbor” for a payment practice, investment, discount or other arrangement. These situations should be brought to the attention of the Compliance Officer for review with legal counsel.

As a result of the foregoing, 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 the Centers 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 affected individual is required to seek guidance from the Compliance Officer who in turn may seek appropriate guidance from legal counsel.

## **B. Billing and Claims; Cost Reports**

The Centers has an obligation to its patients/clients, third-party payors and the state and federal governments to exercise diligence, care and integrity when submitting claims for payment. The right to bill the Medicare and Medicaid and third-party payor programs carries a responsibility that may not be abused. The Centers is committed to maintaining the accuracy of every claim they process and submit. Many employees and independent professionals have responsibility for entering charges and procedure codes. Each of these individuals 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. Medicare and 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. Examples of false claims include:

1. Claiming reimbursement for services that have not been rendered;
2. Filing duplicate claims;
3. “Upcoding” a condition to a higher reimbursement category;
4. Including inappropriate or inaccurate costs on cost reports to be submitted under the Medicare or Medicaid programs;
5. Billing for services or items that are not medically necessary;
6. Failing to provide medically necessary services or items; or
7. Billing excessive charges.

With respect to the submission of claims to the Medicare or Medicaid program, it is the Center’s policy that claims must: (1) be accurate and timely submitted; and (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 patient’s/client’s 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 certificates of medical necessity have been completed properly and 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; and
6. Compensation for billing department coders and billing consultants shall not provide for any financial incentive to improperly up-coding claims.

With regard to the filing of cost reports, it is the Center’s policy that all Medicare and Medicaid cost reports must be prepared utilizing generally accepted accounting principles based upon documents and reports that are maintained in the day-to-day business of the Centers. Cost

reports must document only those costs which the Center's affected individuals believe in good faith are allowable. Affected individuals must provide accurate and complete documentation and reports to the business office 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, timecards 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 Medicare, Medicaid or applicable insurance plan for items or services which are known are not covered by Medicaid, Medicare or applicable insurance plan;
5. Filing claims for the same item or service to more than one payor source whereby the Centers 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 payor source;
8. Failure to report a known error or inaccuracy in any cost report or underlying document used to prepare a cost report; and
9. Recording inappropriate, inaccurate, or non-allowable costs on a cost report.

Any affected individual 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 or the Compliance Officer.

### **C. Non-Discrimination in Patient/Client Services and Charges**

It is the Center's policy, as required by federal and state law, not to discriminate in the retention and care of patients/clients because of race, color, disability, national origin, sex, sexual preference, religion, sponsorship or source of payment. Each patient/client will receive medically-necessary items and services that, in the opinion of the care group and as set forth in the clinical record, are required to assure the proper care and treatment. In addition to, and complimentary to, any continuous quality improvement committee activity, the Compliance program shall periodically assess and assure the care and service provided are of high quality.

Under appropriate circumstances, the Centers may provide financial accommodation (such as allowing monthly payments over time or reduction of charges by charity discount) or may waive copayment or deductible amounts owed by the patient/client based on an assessment of the financial condition of the individual patient/client and a determination that the payment of such copayment and/or deductible amount would cause a financial hardship for the patient/client. Any such financial accommodation must be based on financial hardship, documented in writing and approved by the Center's management as required by the Center's written internal policies. Any approved waiver of copayment and/or deductible amounts must be appropriately disclosed to all third-party payors sent a claim for such items or services.

## **VI. EDUCATION AND TRAINING**

To ensure that all affected individuals are familiar with their responsibilities under the Program, the Centers will implement an ongoing educational and training program. All current and new employees will be required to participate in initial and annual training sessions. Additionally, periodic training sessions will be required for new employees and, as determined by the Compliance Officer, for employees of certain departments with responsibilities for purchasing, billing and coding or any other responsibilities that the Compliance Officer determines appropriate for periodic training. All other affected individuals shall have training on at least an annual basis. In addition, the training will include the mandated Deficit Reduction Act training regarding Federal and State statutes and regulations addressing fraud, abuse, and waste, false claim acts and employee/whistleblower protections under federal and state laws.

### **A. Initial and Annual Training**

Initial and annual training sessions will focus on the requirements of the Program as set forth in this Manual and the legal and ethical standards generally required of all affected individuals. Each affected individual will be required to sign a certification acknowledging attendance at the initial and each annual Compliance Training which certification will be maintained within the compliance system, MedTrainer.

### **B. Periodic Training**

Periodic training sessions will highlight federal and state laws that affect the applicable area of responsibility. For example, periodic training will be held in areas involving: federal and state anti-kickback statutes; current billing requirements; and current coding requirements. Affected individuals required to attend periodic training sessions will be documented within the compliance system, MedTrainer.

### **C. Failure to Attend Required Training**

Any affected individual who fails to complete mandatory trainings will be subject to disciplinary action, including, but not limited to, termination of employment or contract.



#### **D. Ongoing Communication and Changes in Compliance Manual**

The Compliance Officer will distribute the Compliance Manual and make it available in the compliance system when there are any modifications of or amendments to the Manual. The Compliance Officer will also provide affected individuals with written explanations of any substantial changes in this Manual or, if the Compliance Officer determines that written materials are insufficient, interim training sessions will be conducted.

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

### **VII. REPORTING REQUIREMENTS**

#### **A. Reporting**

It is the responsibility of every affected individual to report any known instances of or reasonable suspicions of any violation of applicable state or federal law, ethical standards or the Center's policies, including the policy statements contained in this Manual. To report a suspected violation, the individual is required to notify, either verbally or in writing, his or her supervisor or the Compliance Officer. Any supervisory staff receiving a report of a suspected violation is required to immediately notify the Compliance Officer. If the suspected violation involves the individual's immediate supervisor, the individual should make the report directly to the Compliance Officer. If the suspected violation involves the Compliance Officer, the report should be made directly to the Chief Executive Officer or a member of the Compliance Committee. An affected individual may make a report of a suspected violation anonymously by calling the 24 hour Compliance Hotline at (516) 546-4044 or submitting through the incident reporting system (MedTrainer). Failure to report a suspected violation may result in disciplinary action.

#### **B. Examples of Activities to be Reported**

The following list of activities that should be reported is not an all-inclusive list but is designed to illustrate the types of conduct that should be reported:

1. the acquisition of any information that gives an employee reason to believe that another employee or contractor is engaged in or plans to engage in any conduct prohibited by applicable law, ethical standards or the policies of the Centers, including the policy statements contained herein (collectively, the "**Standards**");
2. the acquisition of any information indicating that any other person or entity associated with the Centers plans to violate any of the foregoing Standards; and
3. an affected individual is instructed, directed or requested to engage in conduct which violates any of the foregoing Standards.
4. an affected individual is the subject of intimidation or retaliation for participating in Compliance Program reporting or other activities;

### **C. Confidentiality**

To the extent permissible, the Centers 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 individual'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 on a bona fide need to know basis.

### **D. Investigations**

It is important to the integrity of the Center's operation that all suspected violations of the Code be thoroughly reviewed and investigated so that appropriate action can be taken as necessary. The Centers 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 the Centers. Affected individuals 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.

### **E. Non-Retaliation and Non-Intimidation**

To ensure cooperation, the Centers and its Board, officers, managers, supervisors, employees, contractors or vendors shall not take any retaliatory action or retribution against nor intimidate any affected individual, including any employee or independent professional, who has participated in good-faith in the Compliance Program, including but not limited to reporting potential compliance issues internally, participating in investigations, conducting self-evaluations, participating in audits and remedial actions, and reporting incidents of retaliation or intimidation, and reporting potential fraud, waste or abuse to the appropriate State or Federal entities. Any person who takes retaliatory action or retribution against, or intimidates such person who has participated in the compliance program, including reporting a violation or as part of an investigation, will be subject to disciplinary action.

## **VIII. DISCIPLINARY PROCEDURES**

All affected individuals are required to comply with the Standards. Any affected individual who violates any of the foregoing Standards will be subject to disciplinary action, up to and including termination of employment or the contract.

Disciplinary action will be taken against an affected individual who:

1. Authorizes or participates directly in a violation of this Manual or the Code;
2. Deliberately fails to report a violation of this Manual or the Code;

3. Deliberately withholds relevant and material information concerning a violation of this Manual or the Code;
4. Deliberately fails to cooperate in an investigation of a suspected violation of this Manual or the Code;
5. Retaliates or seeks or causes retribution or intimidation against any affected individual who has either reported a suspected violation of this Manual or the Code or participated in an investigation of a suspected violation of this Manual or the Code;
6. Encourages, directs, facilitates, or permits either actively or passively non-compliant behavior; and
7. Fails to participate in required training programs.

Disciplinary action may also be taken against any supervisory personnel who direct or approve an individual's actions which result in a violation of this Manual or the Code, is aware that an individual's actions which violate this Manual or the Code, 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 contract termination. Disciplinary action will be taken in accordance with the Center's personnel policies and procedures. Disciplinary action will be taken on a fair, equitable and consistent basis. Disciplinary action will be appropriate to the level of the affected individual'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 the Centers reserve the right to terminate an employee at any time for any lawful reason.

## **IX. MONITORING AND REVIEW**

The Centers will have methods for routinely identifying compliance risk areas and for self-evaluation including internal and external reviews as needed. It is intended that this process will result in continuous improvement in professional, business and operational practices.

The Centers for Medicare and Medicaid Services ("CMS"), OIG, New York State's survey enforcement and fraud control units have made information on the Medicare and Medicaid programs available online. The Centers will utilize such resources in operating the Program and continuing to monitor the progress of the Program.

The Center's internal review and monitoring system will include:

1. documented standard operating procedures;
2. assistance in the resolution of deficiencies;

3. recommended best practices and corrective actions;
4. quality of care reviews (apart from quality assurance reviews);
5. credentialing of professional staff and monthly checks for programmatic exclusions (including vendors and contractors);
6. record retention;
7. vendor and contractor compliance and contract monitoring;
8. audits and necessary billing adjustments; and
9. trend analysis.

All affected individuals, inclusive of vendors and agents of the Centers, will be required to cooperate with the Program and the Center's policies and procedures. The Centers will also be expected to comply with the responsibilities of its affiliates in the area of compliance and quality assurance reviews.

# HARMONY HEALTHCARE LONG ISLAND

## Compliance Manual

### STATEMENT OF COMPLIANCE

I have read the Compliance Manual of Harmony Healthcare Long Island. I certify that I have received the Compliance Manual and the Compliance Program has been explained to me. I promise to comply with the terms of the Compliance Program, and I understand that violation of the terms may lead to disciplinary action, including the termination of my employment or contract termination.

I affirm to the best of my knowledge and information that there have been no violations of any of the provisions of the Compliance Manual.

Signature \_\_\_\_\_

Name \_\_\_\_\_

Date \_\_\_\_\_

\*\*\* List any disclosures, conflicts, or exceptions below:

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