

**HEALTH CARE & REHABILITATION SERVICES
OF SOUTHEASTERN VERMONT**

CORPORATE COMPLIANCE PROGRAM

Revised 4.24.2019

I. INTRODUCTION

It is the policy of HCRS to comply fully with all applicable federal and state laws and regulations through the HCRS Standards of Conduct, the HCRS Policy on Ethical Behavior, and recognized principles of business and healthcare ethics. To that end, we have developed this Compliance Plan.

This plan explains HCRS' basic values and expectations for professional behavior of its employees. While we could not possibly anticipate every problem or dilemma our employees may encounter, this plan, together with the management and resources of HCRS' administration, Human Resources, the Clinical Standards Committee, the Compliance Officer, and division directors and managers, shall help to guide employees in making difficult decisions.

HCRS has designated a Compliance Officer and the Clinical Standards Committee to oversee and coordinate HCRS' efforts to abide by the principles set forth in this Compliance Plan. The Compliance Officer shall report on the status of HCRS' efforts directly to the Board of Directors and senior management.

This Compliance Plan shall be updated and revised from time to time to stay current with both internal and external changes.

Compliance with HCRS' Standards of Conduct and Policy on Ethical Behavior is a condition of employment at HCRS. Any employee who fails to meet the Standards of Conduct as explained in this document, or the Policy on Ethical Behavior, and any manager or supervisor who attempts to retaliate against or dissuade a subordinate from raising questions, will be subject to discipline up to and including dismissal. We are confident that working together, we will achieve the goals set forth in this plan.

II. STANDARDS OF CONDUCT

Health Care & Rehabilitation Services of Southeastern Vermont is committed to fully complying with all applicable federal and state laws, rules, and regulations with a goal of preventing noncompliance. To achieve this goal HCRS:

- Adopted the following Standards of Conduct to guide its Board members and employees in their business conduct.
- Adopted a Policy on Ethical Behavior. (See Policy 1.A.4)
- Adopted Procedures for Ethical Behavior. (See Procedure 1.A.4a and 1.A.4b)
- Provides educational materials/training on the Deficit Reduction Act of 2005. (See HCRS Annual Training Plan).

HCRS Board members and employees are responsible for knowing and upholding these Standards and adhering to the expectations expressed in the Policy on Ethical Behavior.

1. Duty to Act in an Ethical Manner:

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All Board members, employees and independent contractors of HCRS shall conduct business activities in an ethical manner and shall only engage in business practices that are consistent with sound fiscal, business, or medical standards and HCRS' policies.

2. Duty to Comply:

All employees have a duty to comply with all applicable laws, rules, regulations, and all policies of HCRS either currently in effect or as developed in the future. All Board members have a duty to comply with all applicable laws, rules, regulations, and HCRS Board by-laws either currently in effect or as developed in the future. No employee has any authority to act contrary to the provisions of the compliance program, or contrary to any federal or state law or regulation or to authorize, direct, or condone violations of law offered by any other employee. HCRS policies prohibit the employment of any individual convicted of a criminal offense related to health care or who is listed as debarred, excluded, or otherwise ineligible for participation in federal health care programs.

3. Duty to Educate and Train:

HCRS is committed to educating all Board members, employees and independent contractors about the potential risk of noncompliance relative to each employee's areas of responsibility. HCRS will conduct periodic training and education sessions and use other means of communication as necessary to regularly remind and update Board members, employees, and independent contractors about the risk of noncompliance. It is the responsibility of each Board member, employee, and independent contractor to participate in training and education programs relative to his or her areas of responsibility and to be aware of the potential risk of noncompliance as communicated through updated newsletters and other forms of communication.

4. Duty to Report:

HCRS has established a confidential reporting mechanism to receive reports of suspected incidents of noncompliance. HCRS' policy prohibits anyone from taking action against a Board member, employee, or independent contractor for making such a report and prohibits anyone from dissuading a Board member, employee, or independent contractor from making such a report. It is the responsibility of Board members, employees, or independent contractors to report suspected noncompliance to the Compliance Officer.

5. Duty to Investigate:

HCRS will investigate reported or discovered occurrences of noncompliance with any federal or state law, rule, and regulation or HCRS' policy.

6. Duty to Detect Noncompliance:

HCRS has implemented and will maintain a regularly scheduled program of auditing and monitoring designed to detect occurrences of noncompliance. It is the responsibility of employees and independent contractors to cooperate fully in the auditing and monitoring process.

7. Duty to Respond to Violations:

In the event there is an identified occurrence of noncompliance, HCRS will act promptly to implement the necessary procedural changes, education programs, and disciplinary policies to prevent future violations. When required by law, HCRS shall report violations to the appropriate authorities.

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8. Duty to Maintain a Compliance Plan:

HCRS has established this comprehensive Compliance Plan to include policies and procedures necessary to implement these Standards of Conduct. This Compliance Plan will be the subject of regular review and updating as needed.

III. ROLE OF THE COMPLIANCE OFFICER

HCRS will designate a staff person as the Compliance Officer to be responsible for the implementation and operation of the Compliance Plan. This individual shall be a member of the Senior Leadership Team and shall report directly to the Chief Executive Officer. The Compliance Officer will be permitted to interact with the Board or the Chair of the Board without permission from the CEO. Employment decisions related to the Compliance Officer shall not be made without input or oversight from the Board Chair or Board Executive committee.

IV. AGENCY OVERSIGHT

The Compliance & Securities Committee in partnership with the Senior Leadership Team, acting through and with the assistance of the Compliance Officer, are empowered to:

1. Investigate, evaluate, and report facts, and make recommendations to Management of possible responses or initiatives, including disciplinary or other adverse action for misconduct by HCRS employees or agents;
2. Review and evaluate the information developed by the Compliance Officer and the recommendations made by the Compliance Officer;
3. Review and advise the Compliance Officer on compliance training needs within HCRS;
4. Assist the Compliance Officer with developing organizational policies supporting the Compliance Program, its design and content;
5. Advise the Compliance Officer in connection with ongoing risk assessment and the need for and design of compliance review within HCRS;
6. Assist the Compliance Officer with implementation of recommendations to resolve compliance concerns;
7. Assist the Compliance Officer with evaluation of the effectiveness of the Agency;
8. Review and provide sufficient resources to fulfill the operational needs of the Agency.

Meetings. The Committees shall meet periodically to review and consider any inquiries conducted or supervised by the Compliance Officer. The Chief Executive Officer or the Compliance Officer may call special meetings of the Committee. Meetings that may be conducted in person or by telephonic communication and must include a written record of its proceedings. The Committee shall submit to the Board a written report of its activities on a semi-annual basis or more frequently if needed.

V. COMMUNICATION OF THE STANDARDS OF CONDUCT

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HCRS is committed to educating Board members, employees, and independent contractors about potential risk of noncompliance relative to each individual's areas of responsibility, in particular the Deficit Reduction Act of 2005. To achieve this goal HCRS is committed to the following specifics:

1. The Compliance Officer, working collaboratively with the Chief Executive Officer and Board President, shall develop and assist in the implementation of an initial education plan for Board members, and of an on-going education plan for new Board members.
2. The Compliance Officer, working collaboratively with the Chief Executive Officer, Chief Financial Officer, and SLT Committee, shall develop and direct the implementation of an initial education plan, and of an on-going education plan for agency employees, independent contractors, and volunteers. This plan shall include providing staff members with a copy of relevant pages of this Compliance Plan document.
3. The Compliance Officer shall direct the implementation of a plan for educating new agency employees, independent contractors, and volunteers about the potential risk of noncompliance relative to their area of responsibility. The Compliance Officer will work collaboratively with the Human Resources Director and others in presenting this plan to all new staff.
4. Periodic updates, comments, and directives regarding compliance will be included in internal agency communications.

Because of the importance of understanding and abiding by all of HCRS' standards and procedures, the Compliance Officer shall make available to all employees copies of HCRS' Compliance Policies through the online policy and procedure page on the HCRS intranet.

All recipients of the policies shall provide to the Compliance Officer a written notation which confirms that the recipient:

- (i) Has read and understood the policies;
- (ii) Has had the opportunity to ask questions regarding the policies; and
- (i) Agrees to be bound by and to comply with the Compliance Policies.

All staff shall be able to readily access pertinent information and shall be held accountable for knowledge of compliance procedures.

VI. IMPLEMENTATION OF COMPLIANCE POLICIES

1. Annual Performance Reviews:

Annual performance reviews shall include an assessment of the individual's knowledge of and job performance to support the Compliance Plan.

Any employee failing in the area of compliance shall be assessed for the need for additional training, as appropriate.

2. Circumstances Requiring Immediate Response

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HCRS recognizes that there may be circumstances when it is concluded that a staff member has violated the Compliance Plan, Compliance Policies, and/or the Policy on Ethical Behavior. In such circumstances, the agency's Personnel Policies will determine the process for any corrective action to be taken.

3. Mechanisms For Reporting Suspected Non Compliance

HCRS has implemented and maintains mechanisms for answering questions related to its Compliance Plan and shall encourage the use of such mechanisms. HCRS shall also maintain a mechanism for the anonymous reporting of suspected violations of the Standards of Conduct. The Compliance Officers name and anonymous hotline will be posted on the HCRS intranet page for easy access for all employees.

- a. The Compliance Officer shall be available to anyone within the agency to answer inquiries related to noncompliance including but not limited to inquiries about the Standards of Conduct, the Compliance Plan, compliance training and applicable laws, rules, and regulations.
- b. The Compliance Officer will respond in a timely fashion to all inquiries related to noncompliance.
- c. The Compliance Officer will receive any reports of noncompliance.
- d. Reports may be made anonymously by leaving a message on the anonymous reporting line. This number shall be included in employee orientation material as well as on the HCRS Intranet Page.
- e. Reports may also be made anonymously in writing to the Compliance Officer by any other means of delivery including the interoffice mail system. The address of the Compliance Officer shall be included in employee orientation material and on the HCRS Intranet page.
- f. Consistent with the whistleblower provisions of the False Claims Act, discrimination, retaliation, penalty or retribution against an employee who has made a report of suspected noncompliance in good faith will not be tolerated by HCRS.
- g. HCRS shall respond to suspected and confirmed violations in accordance with the procedures set forth in Section IX of this plan.
- h. All files of inquiries shall be marked "Confidential" and maintained by the Compliance Officer on a confidential basis. They shall not be disclosed except to: (1) members of the Compliance & Securities Committee; (2) HCRS legal counsel (3) members of management or management representatives having a need to know; and (4) as may be required by law or order of a court of competent jurisdiction.

VII. DETECTION, AUDITING AND MONITORING

The Compliance Officer shall collaborate with the Chief Financial Officer to develop, maintain, direct and update appropriate internal audit and monitoring procedures to detect noncompliance and to address instances of noncompliance through education and/or investigation, consistent with the Deficit Reduction Act of 2005, False Claims Act. These procedures shall include:

1. Timely review of chart documentation and billing information for completeness and agreement.
2. Monthly monitoring of waiver services against budgeted services.
3. Periodic monitoring of case rate services against expectations, as established by the Departments of Aging and Independent Living and Mental Health Services.

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4. The evaluation of current activity for compliance after past compliance deficiencies have been addressed.
5. Examination of agency client complaint logs to detect potential compliance concerns.
6. Collaboration with the Human Resources Director regarding employee complaints or grievances or credentialing issues which may identify potential compliance concerns.
7. Collaboration with the Human Resources Director to ensure that all current and new employees and independent contractors have successfully completed the HCRS Credentialing Process as appropriate to their job title and are checked against the OIG's List of Excluded Individuals/Entities.

Audit and monitoring results shall be reported as specified below in Section IX, *Response to Suspected and Confirmed Compliance Concerns*.

VIII. RECORD RETENTION

In addition to maintaining appropriate and thorough medical records on the clients served by the agency, HCRS is committed to maintaining the appropriate retention of all records and documentation required for participation in federal, state, and private health care programs as follows:

1. All record and documentation retention and destruction shall comply with applicable federal, state, and local laws, rules, and regulations. In the absence of such standards, retention and destruction shall comply with industry standards for Vermont.
2. All records and documentation, whether electronic and/or hard copy, shall be kept in a secure environment. Security measures for electronic media shall include the use of individual passwords for access to records, and retention of appropriate electronic back-up. Security measures for hard copy media shall include retention of such records in a secure environment with access limited to those having a valid business need to know such information.
3. All efforts to comply with applicable laws, rules, and regulations shall be documented. These shall include maintaining appropriate files for any written report of suspected non-compliance and response, and either written confirmation of oral report of suspected non-compliance or maintaining a written log of any oral report of suspected non-compliance and response.
4. All records and documentation relevant to any internal audit or monitoring efforts, and any action plans developed to address noted deficiencies, shall fall within the scope of this retention policy.

IX. RESPONSE TO SUSPECTED AND CONFIRMED COMPLIANCE CONCERNS

When the Compliance Officer receives a report of a suspected compliance violation, either through internal detection and prevention mechanisms or a report by a staff member or other entity he/she shall:

1. Report the suspected violation within 24 hours to the Chief Executive Officer and, should the suspicion be of a sufficiently serious nature, to legal counsel for HCRS, as appropriate.
2. Collaborate with the CEO and legal counsel, as appropriate, on developing a mechanism for investigating the reported suspected violation, and either personally conduct or oversee such investigation as appropriate. During such investigation any employee suspected of violation of compliance policy or procedure may be subject to suspension as detailed in the HCRS Personnel Policies.

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3. Report the results of the investigation to the CEO and to legal counsel, and the Board President and/or Board Subcommittee, as appropriate.
4. Communicate to any individuals who reported a suspected compliance violation that the investigation has been completed and provide information to them as determined to be appropriate
5. In conducting investigations, the Compliance Officer, Compliance & Securities Committee and SLT Committee shall respect the confidentiality of the reporting individual, to the fullest extent possible, and of privileged records and information, and shall comply with applicable confidentiality laws and ethical standards.

Should an investigation into a report of suspected violation of compliance confirm that a material violation has occurred, the Compliance Officer shall:

1. Develop a response plan in collaboration with the Chief Executive Officer, Chief Financial Officer, Program Director, and legal counsel as appropriate.
2. Develop and oversee the presentation of appropriate education and training to prevent future violations of a similar nature.
3. Develop modifications to agency policy or procedures as indicated by the investigation, in collaboration with the CEO, CFO, and appropriate program directors and department managers.
4. Report to the Board of HCRS.
5. Consider all mitigation and reporting requirements under state and federal law and pursuant to contract. HCRS shall accordingly report to appropriate authorities noncompliant conduct, including any overpayments received.

X. EXTERNAL INVESTIGATIONS

Any and all inquiries from a governmental authority shall be directed to the Compliance Officer or, if not available, to the office of the Chief Executive Officer. The Compliance Officer will verify the investigator's identification and agency affiliation. The Compliance Officer will promptly notify the Chief Executive Officer and the Board chair concerning the nature of the inquiry. The Compliance Officer may engage outside legal counsel, auditors, or health care experts to assist in a response to the inquiry. In no event shall any documents be destroyed for any reason, until the inquiry is resolved.

If an employee is contacted outside of the Agency by a government investigator, employees should always be polite and respectful. Generally, an employee is not obligated to speak informally with a government investigator. If an employee does agree to speak with a government investigator, the employee may dictate the time and place for the conversation and, if desired, request that legal counsel and/or a HCRS representative be present.

Employees are encouraged to document questions asked by the investigator. The employee should inform the Compliance Officer of the interview and investigation and the information sought. An employee should not discuss the investigation or his/her interview with co-workers.

No employee other than the Chief Executive Officer shall have the right to volunteer access to any records of HCRS. The receipt of a subpoena or a court order should be directed to the office of the Chief Executive Officer in accordance with established policies of HCRS. Note that a subpoena is not a court order and is ordinarily issued without judicial review or consideration of requestor's right to obtain records or a client's right of confidentiality.

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Absent clear evidence of client authorization or legal mandate, medical records and client information may not be released except in accordance with established policies of HCRS.

Approved:

George Karabakakis, Ph.D _____ Date: _____
Chief Executive Officer

Emily Mastaler, MA, MBA _____ Date: _____
Chief Operations Officer
HCRS Compliance Officer

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APPENDICES

APPENDIX A

List of Current Members of SLT Committee

APPENDIX B

HCRS Policies & Procedures Related to Compliance

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APPENDIX A

**LIST OF CURRENT MEMBERS OF
SENIOR LEADERSHIP TEAM (SLT)**

George Karabakakis, Ph.D.
Chief Executive Officer

Emily Mastaler, MA, MBA
Chief Operating Officer (& Corporate Compliance Officer)

Edmund (Hal) Moore, IV
Chief Financial Officer

G. Roland Ransom
Chief Human Resources Officer

Theresa Earl
Director, Developmental Services

Jennifer Smith, LICSW
Director, Children, Youth, and Families Division

Kate Lamphere, LICSW
Director, Adult Outpatient and Substance Abuse Division

Paul Boutin, M.D.
Medical Director

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**APPENDIX B
HCRS POLICIES & PROCEDURES RELATED TO COMPLIANCE**

- 1.C.1 Corporate Compliance Plan Policy (1-2-2019)
 - 1.C.1.A Corporate Compliance Procedure (1-2-2019)
 - 1.C.1.B Corporate Compliance Program (4.24.2019)
 - 1.C.1.C Incident To Billing - Medicare Procedure (1-2-2019)
 - 1.C.1.D Records Retention & Destruction Procedure (1-2-2019)
 - 1.C.1.E Supervised Billing Procedure (4.24.2019)

- 1.C.2 Compliance with the US Secretary of Health & Human Services Policy (1-2-2019)
 - 1.C.2.A Compliance with the US Secretary of Health & Human Services Procedure (1-2-2019)

- 1.C.3 Consent for Use of Protected Health Information Policy (1-2-2019)
 - 1.C.3.A Consent for Use of Protected Health Information Procedure (1-2-2019)
 - 1.C.3.B HIPAA Consent Form (Revised 1-9-2019)
 - 1.C.3.D Distribution of Notice of Privacy Practices and Client Consent Procedure (1-2-2019)
 - 1.C.3.D.1 HCRS Notice of Privacy Practices (2019)

- 1.C.4 Compliance with Security Privacy and Confidentiality Policy (1-2-2019)
 - 1.C.4.A Compliance with Security Privacy and Confidentiality Procedure (1-2-2019)

- 1.D.1 Information Systems Security Policy (2-2-2019)
 - 1.D.1.A Information Systems Control Procedure (1-3-2019)
 - 1.D.1.B Information Systems Security Training Procedure (1-3-19)
 - 1.D.1.C Password Control Procedure (1-3-2019)
 - 1.D.1.E Information Technology Audit Procedure (1-3-2019)
 - 1.D.1.F Information Technology Business Continuity and Disaster Recovery Procedure (1-3-2019)
 - 1.D.1.G Information Technology Electronic Backup and Recovery Procedure (1-3-2019)