



Corporate Compliance/QA Dept.
35 Academy Street
P. O. Box 490
Oneonta, NY 13820
607-433-8445

The Arc Otsego New York
Our Commitment to Ethical Standards



**Corporate Compliance
Handbook**

Effective 4/24/19

The Arc Otsego

Vision Statement

Our vision is that all people with intellectual and other developmental disabilities will be afforded the same rights and opportunities as all citizens and will be accepted by and enjoy participation in the full spectrum of community life.

Mission Statement

The Arc Otsego creates opportunities and provides supports to assist people with intellectual and other developmental disabilities to fulfill their personal dreams and ambitions.

Core Values

We affirm the rights and dignity of all people and believe that each individual, through his or her unique abilities, makes a valuable contribution to the community in which he or she lives.

We are committed to the use of sound and ethical business practices.

The Arc Otsego

Corporate Compliance Handbook *Our Commitment to Ethical Standards*

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Corporate compliance is a complex and sometimes puzzling topic that impacts on everything The Arc Otsego does. It is hoped that this handbook will help you better understand the meaning of corporate compliance and your role in maintaining The Arc Otsego's ethical principles.

Any questions concerning
Corporate Compliance
should be addressed to:

The Arc Otsego
Director of Corporate Compliance/QA
35 Academy Street
P.O. Box 490
Oneonta, NY 13820

Phone 607-433-8445
Hotline 607-353-7314

SECTION 14 continued

What are The Arc Otsego Standards of Conduct?

19. Pharmaceutical products will be properly handled and distributed only as prescribed. Unauthorized access to medications is prohibited.
20. All research involving people served by the agency must be pre-approved by the agency Human Rights Committee, the Executive Director, and the local Developmental Disability Services Office.
21. Employees must distinguish between personal and agency political activities.
22. Information obtained during the course of employment must remain confidential.
23. Records retention and destruction schedules must be followed.
24. Agency procedures must be followed for the release of information for investigations by any government agencies.
25. The violation of any of these standards of conduct will result in disciplinary action up to and including termination from employment or contract with the agency with no regard to the person's position within the agency.
26. The failure to detect or to report violations of any of these standards of conduct may also result in disciplinary action up to and including termination from employment or contract with the agency with no regard to the person's position within the agency.

We do...



...the right thing!

SECTION 14 continued

not for private use unless appropriately authorized.

11. Only fundraising or solicitation of funds that results in a benefit to the agency and is approved by the Executive Director is permitted on agency property or with the use of the agency name.
12. No personal financial transactions between people receiving services and employees, volunteers, contractors, consultants, and/or providers are permitted.
13. Stealing, taking, converting, consuming, or using agency property, services, and funds, or those belonging to any company or private person for personal use without the owner's consent or proper authorization is not permitted.
14. All employees must abide by the rules, regulations, and policies for equal employment opportunity. Harassment and discrimination are prohibited.
15. Conflicts of interest by agency employees and contractors must be avoided. Anything that may give the appearance of a conflict of interest must be disclosed to the Compliance Officer. The Executive Director and board members who are aware of any actual or perceived conflicts of interest on their part must disclose them to the Board President.
16. The agency will comply fully with all applicable labor laws and other statutes regulating the employer-employee relationship and the workplace environment.
17. Only persons who are legally authorized to work in the United States will be hired to work for the agency.
18. All employees who deal with hazardous materials and regulated medical waste must comply with environmental laws and regulations.
20. All research involving people served by the agency must be pre-approved by the agency Human Rights Committee, the Executive

Corporate Compliance Handbook

SECTION 1 Introduction

This handbook is required reading for all employees of The Arc Otsego. It is also required for its independent contractors and any others who work for, or do business with the agency. The purpose of this handbook is to summarize the key components of our agency's corporate compliance plan, highlight a few of the laws that govern how we do business, and let you know the standards of conduct expected of everyone associated with this agency.

SECTION 2 Commitment to Corporate Compliance

The Arc Otsego is committed to conducting its business affairs with integrity and based on sound ethical standards. All employees, independent contractors, vendors, members of the Board of Directors, and other associates are held to the same standards.

We ask your assistance in ensuring that everyone complies with all applicable federal, state, and local laws and regulations, as well as agency policies and procedures, and that everyone adheres to the standards of conduct outlined in this handbook.

To ensure that the rules, regulations, and laws are followed, The Arc Otsego has created a compliance program in line with federal guidelines to prevent, detect, and respond to misconduct committed by employees and other agents of the agency.

What is my responsibility?

SECTION 3 You have three primary responsibilities:

1. To know and follow the legal requirements of your job role.*
2. To know and follow the agency standards of conduct.**
3. To report misconduct by others.

*You will be taught the requirements of your job.

** See Section 14 of this handbook.

How does The Arc Otsego protect the privacy of information?

SECTION 4 What should I do if I am aware of violations?

If you are aware of a violation—or something that you suspect to be a violation—you should do the following:

1. Follow the agency chain of command. Speak to your supervisor or director, who will check out the situation and take corrective action.
2. If the supervisor or director does not correct the problem, or may be involved in the problem, contact The Arc Otsego compliance hotline at 607-353-7314, use the compliance notification form on the agency intranet site, or mail your concern to Director of Corporate Compliance/QA, P.O. Box 490, Oneonta, NY 13820 .

There will be no retaliation against you for any issue brought in good faith.

What is the compliance hotline?

SECTION 5

The Arc Otsego maintains a confidential 24-hour phone hotline for taking compliance complaints or questions. All calls are followed up, even if it is determined that the call was not compliance-related.



All calls to the hotline are confidential, and the identity of the caller will be protected to the fullest extent of the law. Anyone making a good-faith call to the hotline will be protected under the agency's policy against retaliation. The caller does not have to provide his/her name, but should leave sufficient information so the issue can be investigated.

The hotline number is 607-353-7314

What is the compliance notification form?

SECTION 6

Employees can access the compliance notification form over the agency intranet site. On your desktop computer, click on The Arc Otsego intranet logo. Then click on "Compliance" on the bar across the top of the opening screen. "Compliance Notification" will be one of your choices. Fill out the simple form, giving sufficient information so that the issue can be investigated. Your message will be sent to the Compliance Officer without your name or e-mail address.

SECTION 14 What are The Arc Otsego Standards of Conduct?

It is the policy of The Arc Otsego to conduct all business in accordance with uncompromising ethical standards in adherence to all applicable laws, regulations, and agency policies and procedures. The Arc Otsego will not tolerate any form of unlawful or unethical behavior by anyone associated with the agency and expects everyone to follow these standards of conduct:

1. No dishonest statements or misrepresentation of facts are to be made in the transaction of agency business.
2. All billing activities and financial reports will be accurate and performed consistent with all applicable laws and regulations.
3. All employees and contracted practitioners will be familiar with the regulations governing his/her area, and alert his/her supervisor or the person to whom he/she reports of any instances of possible noncompliance.
4. No false statements will be made about the conditions or operation of any program operated by the agency.
5. Confidential information, including prices, salaries, fees, rates, consumer information, etc., received either from within the agency or from other organizations will be kept confidential unless appropriately authorized to be disclosed.
6. No kickbacks, bribes, rebates, gifts, entertainment, or anything of value are to be given or received by individual employees, contracted practitioners, or board members to influence decisions about product use, referral of consumers, or other agency business.
7. The agency's sales tax exemption is to be used only for legitimate agency activities.
8. All appropriate taxes will be withheld from employee wages.
9. Independent contractor status will be granted only to those who meet the legal requirements.
10. Agency property, equipment, materials, proprietary information, and intellectual property will be used for legitimate agency activities, and not for private use unless appropriately authorized.

SECTION 13

In the course of performing your responsibilities, you may be exposed to information regarding the agency, individuals served by the agency, or its employees.

Confidential information includes, but is not limited to, employee social security numbers, addresses, phone numbers, names of family members, and medical history. It also includes the identity of people served by the agency, their social security numbers, addresses, phone numbers, names of family members, medical history, and treatment plans. In addition, confidential information includes any other information regarding the agency's operations.

No materials containing confidential information, including, but not limited to, documents, files, records, computer files, or similar material may be removed from the agency's premises without permission from agency administration.

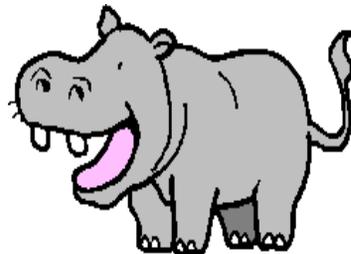
Furthermore, the confidential information with which you come in contact in connection with your job may not be disclosed to anyone, except where required for business purposes, and authorized by law.

Staff are required to know and follow the agency policies and procedures put in place to comply with the federal HIPAA Privacy and Security Rules and any other federal or state laws or regulations governing the privacy of information.

Any questions concerning these rules and the agency policies should be addressed to the agency Privacy Officer (Director of Corporate Compliance/QA) at 607-433-8445.

HIPAA the Hippo says...

"Keep it to yourself!"



SECTION 7 What are the consequences for non-compliance?

The Arc Otsego is very clear about the consequences for non-compliance by staff, independent contractors, and other associates of the agency. Failure to comply will result in disciplinary action, up to and including termination. Depending on the nature of the non-compliance, criminal prosecution is a possibility.

The Arc Otsego takes non-compliance seriously, because the consequences for the agency and the people served are very serious. Non-compliance can lead to large fines, loss of funding, loss of services, loss of jobs, and negative publicity for the agency.

Who sets and enforces the rules?

SECTION 8

The Arc Otsego is governed by laws and regulations set by the federal, state, and local governments. The agency board of directors approves the policies and procedures put in place to address the laws and regulations that govern us. Some laws and regulations apply to all of our programs and some apply to specific programs. There are many entities authorized to review our compliance with these laws and regulations and enforce the rules.

Some of the entities that enforce the rules are:

New York State

- Office of the Medicaid Inspector General
- Attorney General
- Office for People With Developmental Disabilities
- Commission on Quality of Care and Advocacy for Persons with Disabilities

Federal Government

- Health & Human Services Office of the Inspector General
- HHS Centers for Medicaid & Medicare Services
- Dept. of Justice, U.S. Attorneys
- Federal Bureau of Investigation

What are The Arc Otsego Standards of Conduct?

SECTION 9 What is the Federal False Claims Act and NYS False Claims Act?



While there are many federal, state, and local laws that affect us, one that you need to know is the Federal False Claims Act. This law covers Medicaid and Medicare billing claims, and prohibits:

- Billing for services not provided
- Falsifying treatment plans or time records to maximize payments
- Billing for medically unnecessary services
- Failing to report overpayments or credit balances
- Charging more than once for the same service
- Unlawfully giving or receiving inducements in exchange for referrals for service

Penalties under the Federal False Claims Act are severe. They range from \$5,500 to \$11,000 per false claim, plus three times the original claim.

The Federal False Claims Act provides protections for whistleblowers (people who bring alleged wrongdoing to the attention of management or outside authorities). Under this act, whistleblowers can share in the recovery of monies received fraudulently by organizations.

The New York State False Claims Act is also important. It was modeled after the Federal False Claims Act and has similar provisions.

What is Exclusion Status Checking?

SECTION 10 The Arc Otsego is not permitted by law to employ anyone, or do business with any firm that has been excluded from participation in Medicaid/Medicare. Consequently, we run periodic checks on employees, independent contractors, and vendors to ensure that they do not appear on government listings of excluded individuals and firms.

SECTION 11 What else does the agency do to detect and prevent fraud, waste, and abuse of Medicaid monies?

In addition to the compliance hotline, compliance notification form, exclusion status and other background checks on employees, independent contractors and others, The Arc Otsego also has the following systems in place:

- All employees and others receive their initial training on compliance as part of their orientation to the agency. Ongoing training occurs several ways, including through e-mail of Compliance Tidbits, Compliance News, in-service training sessions, and staff meetings.
- All divisions and departments of The Arc Otsego implement systemic processes to assess compliance issues, take corrective measures, and continually monitor compliance.
- Ongoing auditing by the Compliance Dept. includes but is not limited to review of : (1) documentation and billing related to Medicaid claims; (2) independent contractor status; (3) Dept. of Labor exempt/non-exempt status; and (4) policies and procedures.
- There is a Compliance Committee that advises and assists the Compliance Officer with the implementation of the Compliance Plan.

Why is auditing and monitoring important?

SECTION 12 Whether the auditing and monitoring is done by each agency division/department or the Compliance Dept., it is important because:

- It helps determine areas of risk.
- It assists in implementing effective internal controls and improvements in processes and systems.

“Fraud occurs when you become aware of something and you don’t do anything about it, or you intentionally ignore an ongoing mistake.”

(Seth Lundy, Health Care Attorney with Fulbright & Jaworski, Washington, D.C.)