

SEVEN COUNTIES SERVICES, INC.'S CORPORATE COMPLIANCE PLAN

Revised September 2013

INTRODUCTION

As approved by the Seven Counties Services, Inc. Board of Directors, this plan is intended to serve as a guide for each employee's and volunteer's day-to-day conduct so that Seven Counties fulfills its obligations to observe laws and public policies affecting its business, and works fairly with the organization's clients, family members, employees, volunteers, and the communities in which it operates. This plan constitutes Seven Counties' policies and procedures for detecting and preventing fraud, waste and abuse.¹

It is the responsibility of every employee as a condition of employment to know about and adhere to the Corporate Compliance Plan. All employees and volunteers must understand that it is their obligation to assure they are adequately educated to perform their jobs in full compliance with the law and organizational policies and procedures. A goal of these written standards is to prevent and detect fraud, waste and abuse in the provision of healthcare items and services to patients and customers and in the payment or reimbursement of these items and services by Medicare or Medicaid.

The standards of conduct described in this plan are intended to generally define the scope of conduct that the plan covers. The standards of conduct in this plan cannot, nor were they intended to, cover every situation that a Seven Counties' employee and volunteer may encounter. In many cases, these standards exceed the standards required by law. However, no set of standards can substitute for the personal integrity, good judgment and common sense required to meet the challenges of daily work.

Failure to observe the provisions of this plan can result in serious consequences to an employee and volunteer, up to and including termination and criminal charges, and to the organization, up to and including criminal prosecution, substantial monetary fines, and the loss of organizational integrity.

Every employee and volunteer will have access to a copy of the Corporate Compliance Plan (posted on Seven Central and the SCS web page). In addition, every Seven Counties site will have access to organizational policies and procedures relating to compliance.

When the best course of action is unclear or if an employee, volunteer or affiliate observes a violation of standards, persons are urged to seek the guidance of or report the violations to their supervisors, Seven Counties' Vice President of Compliance and Quality or the telephone hotline-589-8615 x 81265. Calls to the hotline are confidential and may, at the caller's request, be anonymous, as discussed on page 8 of this plan. All Seven Counties employees and volunteers have the responsibility to report any actions that they believe, in good faith, may violate the standards of conduct in this plan or damage public trust. It is Seven Counties' duty to protect those who report potential incidents of malfeasance. Employees and volunteers having knowledge of retribution or retaliation due to the reporting of malfeasance should promptly report the information to the Compliance Hotline or appropriate supervisor.

As an organization, Seven Counties' accountability is then evidenced by:

- Taking disciplinary action against employees and volunteers who have violated internal compliance procedures or applicable laws or who have engaged in wrongdoing
- Investigating and remedying identified systemic and personnel problems
- Promoting and adhering to compliance as an element in evaluating all staff

¹ This is in accordance with the intent of Section 6032 of the Deficit Reduction Act of 2005.

This plan is a living document that will be reviewed annually and revised as needed. If an employee or volunteer has suggestions for improvements in this plan, please contact the Vice President of Compliance and Quality.

BOARD POLICY STATEMENT

In keeping with the recommendations made by the organization's independent auditor, KPMG, Seven Counties Services has developed a Corporate Compliance Plan to guide the organization's observation of the laws and public policies affecting its business, and to ensure fairness for its clients, family members, employees, volunteers, affiliates and general community in which it functions. The Corporate Compliance Plan is available on the SCS web page.

MISSION STATEMENT

The mission of Seven Counties Services is to build healthy communities by helping individuals and families who are affected by mental illness, intellectual and developmental disabilities, addictions and abuse realize their potential.

The vision of Seven Counties Services is that all persons affected by mental illness, intellectual and developmental disabilities, addictions and abuse live satisfying, productive and valued lives in our community.

PHILOSOPHY

We believe in the dignity and worth of all individuals, and all our actions shall reflect this belief.

We believe that, in order to develop effective and efficient services, the community must be actively involved in the service planning, fund procurement, resource allocation, service delivery, and evaluation of those activities.

We believe that services are best directed at self-sufficiency, independence and/or interdependence, habilitation, and health.

We believe services are best provided in the least restrictive, most culturally normative setting.

We believe that services should enable the natural support systems of family, friends, school, etc. to function, and interventions should be no more intrusive and last no longer than necessary.

We believe that services should be available, accessible, appropriate, and of high quality to all persons in our community without regard to race, creed, religion, sex or handicapping conditions.

We believe that recipients of service should be responsible for payment for service up to their ability to pay. We believe that when individuals do not have the capability to pay for services, the community has a responsibility to pay for their services.

We believe that our organization is responsible for efficient and effective utilization of resources, and it should communicate its efforts and effectiveness in meeting its mission to its community in a timely, understandable and consistent manner.

We believe that total compliance with applicable laws and payer rules and limitations is compatible with and necessary to the fulfillment of our mission.

ORGANIZATIONAL GOALS AND VALUES

We believe Seven Counties Services, Inc. can best recognize and respond to needs, opportunities, and concerns related to our mission by pursuing annual strategic goals as adopted by the Board of Directors.

CODE OF ETHICS

All Seven Counties Services Board members and employees will subscribe to the SCS Code of Ethics. (can be found on Seven Central: Compliance/QI; Corporate Compliance: Code of Ethics and on the SCS Web page)

ORGANIZATIONAL RESPONSIBILITIES

While all Seven Counties Services employees and volunteers must follow the Corporate Compliance Plan, our leaders, including the board of directors and management and supervisory staff, set the example that promotes the highest standards of ethics and compliance. They must ensure that staff and volunteers have enough information to comply with law, regulation, and policy, as well as the resources to resolve ethical dilemmas. They also must create a culture within Seven Counties that encourages everyone involved with the organization to raise concerns when they occur. They also must never sacrifice ethical behavior in the pursuit of business objectives.

OUR FUNDAMENTAL COMMITMENT TO STAKEHOLDERS

We affirm the following:

To our clients: We are committed to providing quality care that is sensitive, compassionate, promptly delivered, and cost-effective.

To our Seven Counties Services employees: We are committed to a work setting that treats all employees with fairness, dignity, and respect; and affords them an opportunity to develop professionally and to work in a team environment in which all ideas are considered.

To our funding sources: We are committed to working with our funding sources in a way that demonstrates our commitment to contractual obligations and reflects our shared concern for quality, efficiency and cost-effective healthcare.

To regulatory agencies and accrediting bodies: We are committed to an environment in which compliance with rules, regulations, and sound business practices is woven into the corporate culture. We accept the responsibility to self-govern and monitor adherence to the requirements of law and to our Corporate Compliance Plan.

To our healthcare partners: We are committed to performing fully our responsibility to manage our shared initiatives in a manner that reflects the mission and values of each of our organizations.

To the communities we serve: We are committed to understanding the needs of the communities we serve and to providing these communities quality, cost-effective healthcare. We realize as an organization that we have a responsibility to help those in need.

To our suppliers of goods and services: We are committed to fair competition among prospective suppliers and the sense of responsibility required of a good customer.

To our volunteers: We acknowledge that voluntary assistance to meet the needs of clients and their families is an integral part of the fabric of healthcare. We are committed to ensuring that our volunteers feel a sense of meaningfulness from their volunteer work and receive recognition for their volunteer efforts.

CORPORATE ETHICS AND COMPLIANCE PROGRAM

The Corporate Compliance Plan is intended to demonstrate in the clearest possible terms the absolute commitment of the organization to high standards of ethics and compliance. This commitment permeates all levels of the organization, including the Board of Directors.

THE CORPORATE COMPLIANCE COMMITTEE AND VICE PRESIDENT OF COMPLIANCE AND QUALITY

In an effort to ensure the highest ethical conduct, Seven Counties' Board of Directors, through the CEO, has adopted a formal Corporate Compliance Program. To oversee and implement this Program, the organization has established roles for a Vice President of Compliance and Quality and a Corporate Compliance Committee.

The Board has approved the creation of a Vice President of Compliance and Quality and a Corporate Compliance Committee. The members of the committee shall be selected on the basis of their commitment to honesty, integrity and high ethical standards, and of their knowledge and understanding of the applicable laws and regulations. The Vice President of Compliance and Quality will serve as an official member and chair of the Corporate Compliance Committee. The name of the Vice President of Compliance and Quality and a list of current members of the Corporate Compliance Committee will be available to all staff and volunteers (addendum A).

THE DUTIES AND RESPONSIBILITIES OF THE VICE PRESIDENT OF COMPLIANCE AND QUALITY AND CORPORATE COMPLIANCE COMMITTEE

The duties and responsibilities of the Vice President of Compliance and Quality and Corporate Compliance Committee, in consultation with the Board, CEO, and in-house and external legal counsel, are the following:

Compliance Officer

- Oversees the development of agency procedures as they relate to compliance
- Oversees overall Corporate Compliance Program development, implementation and monitoring throughout the organization including policies and procedures to ensure compliance with applicable federal and state laws and regulations
- Maintains awareness of laws and regulations, keeping abreast of current changes that may affect health care systems
- Leads the Corporate Compliance Committee
- Reviews results of compliance monitoring, including internal reviews of compliance, as well as independent and external compliance audits
- Serves as spokesperson for the Corporate Compliance Committee, handling questions, suggestions, and complaints about the program
- Reports, as needed to the Board, CEO, and Corporate Compliance Committee on compliance initiatives, corrective actions, and recommendations for improvement in the overall compliance program
- Directs efforts to communicate to all employees and volunteers the Corporate Compliance Program to promote understanding of compliance issues, laws and regulations, and consequences of non-compliance

- Interacts with in-house and external legal counsel to discuss the organization's initiatives on regulatory compliance
- Recommends and oversees corrective action plans, as necessary, to address non-compliance
- Coordinates personnel issues with the Seven Counties Human Resources Office as they relate to compliance
- Coordinates with Seven Counties' Risk Reduction Committee on pertinent issues, as they relate to compliance
- Investigates any compliance related allegation of unethical or improper practices by the organization and/or employees, volunteers or affiliates and recommends corrective action when necessary
- Provides routine compliance reports to Corporate Compliance Committee and CEO
- Ensures that appropriate compliance related ethical practices are followed at Seven Counties Services.
- Handles inquiries by employees, volunteers, affiliates, consumers and family members regarding compliance issues

Corporate Compliance Committee

- Assists in the implementation of the Corporate Compliance Plan
- Develops data collection processes and identifies reporting mechanisms under the direction of the Vice President of Compliance and Quality to define and track compliance indicators
- Assures implementation of compliance training based on the Corporate Compliance Plan
- Assists in the development of agency procedures as they relate to compliance
- Supports regular corporate compliance reviews of Seven Counties' operations
- Reviews compliance reports and makes recommendations
- Performs other duties and responsibilities as the Board, CEO and Vice President of Compliance and Quality may request

AUDITING AND MONITORING

Seven Counties is committed to monitoring compliance with its policies and procedures. The organization will conduct periodic reviews to monitor the accuracy of documentation, claims and other information reported to all payers, as well as compliance with applicable procedures and regulations.

The Vice President of Compliance and Quality will prepare and submit reports to the CEO and Corporate Compliance Committee to ensure management is aware of the results and can promptly take steps necessary to correct problems and prevent them from re-occurring (risk reduction and quality improvement to sustain efforts). The reports will identify areas where corrective actions are needed, and when subsequent reviews would be advisable to ensure that recommended corrective actions have been implemented and are successful.

TRAINING AND EDUCATION

The Corporate Compliance Program promotes Seven Counties' adherence to the highest level of professional and ethical standards. Seven Counties will make available appropriate orientation, training programs and resources to ensure that all staff, volunteers and affiliates are thoroughly familiar with those areas of law that apply to their job functions, and will document employee and volunteer participation.

The Training Institute, with guidance and input from the Vice President of Compliance and Quality, is responsible for the development and implementation of the orientation program for the Corporate Compliance Plan. The program is intended to provide each employee and volunteer with an appropriate level of information and instruction regarding ethical and legal standards. Every employee and volunteer will have access to a copy of the Corporate Compliance Plan (SCS web page and Seven Central). Training will be conducted as part of ongoing

training plan for employees developed by the Training Institute. Additional training may be developed for particular groups of staff within the agency. Determination of the level of training required by a particular employee, class of employees and volunteers will be made by the Vice President of Compliance and Quality. Employee training will occur:

- at the start of employment
- as part of ongoing training
- when changes occur in the code of conduct or particular compliance issues arise

The Vice President of Compliance and Quality and Corporate Compliance Team are responsible for the development and implementation of additional education regarding ethical and legal standards. Education may take place in a variety of formats, e.g. newsletter, emails, SCS web page, in person consultation, etc.

SUBJECT MATTER OF EDUCATION PROGRAM

The education program will provide information regarding ethical and legal standards and the applicability of pertinent laws. Standards covered will, at minimum, include those of documentation, coding, billing, competitive practices, and the obligation to report suspected violations, reporting procedures, and the consequences of non-compliance. In compliance with the Deficit Reduction Act of 2005 and Seven Counties' obligations as a Medicaid provider, education programs will include a specific component that addresses false claims laws and whistleblower protections. These laws are set forth in greater detail below. As additional legal or ethical issues are identified by the Vice President of Compliance and Quality, those areas will be included in the education program. Each education and/or training program conducted within the organization will reinforce the fact that strict compliance with the law and with the organization's policies and procedures is a condition of practice.

Education about False Claims Laws and Whistleblower Protections

Seven Counties holds all employees, agents and contractors responsible for compliance with federal and state laws that prohibit the making of false claims and for otherwise conducting our affairs lawfully. We are providing you with detailed information about these laws in order to guide you further in recognizing and/or reporting suspected false claims activity, as well as fraud, waste and abuse. This information is not intended to outline every law that concerns healthcare providers. It *is* intended, however, to highlight certain wrongful activity that the federal and state governments have specifically targeted in the healthcare profession. Unlawful activity, such as false claims, could jeopardize Seven Counties' ability to continue to serve our clients, customers and the community.

Federal and State False Claims Laws

The *Federal False Claims Act*, 31 U.S.C. §§ 3729-3733, imposes liability on persons, companies, facilities, or institutions, that make or cause to be made false or fraudulent claims to the government for payment or who knowingly make, use or cause to be made or used, a false record or statement to get a false or fraudulent claim paid by the government. These laws apply to Medicare and Medicaid reimbursement. While the False Claims Act imposes liability only when the person or entity 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 under the Act. 31 U.S.C. 3729(b). The *Program Fraud Civil Remedies Act of 1986* ("PFCRA"), 38 U.S.C. § 3801 to 3812, sets forth administrative remedies for false claims and written statements submitted to a federal agency. It is similar to the Federal FCA.

The *Kentucky Control of Fraud and Abuse Law*, Ky. Rev. Stat. §§ 205.8451 to 205.8483, applies to Medicaid reimbursements and prohibits false, fictitious, or fraudulent statements, representations, or entries in any application, claim, report, or document used to determine payment under the Medicaid program. Our contracts with managed care providers and other third-party payers also may contain similar prohibitions on false claims.

The types of activities or conduct that these false claims laws prohibit are set forth in more detail below.

False Claims and Statements

Seven Counties' employees, contractors and agents shall not knowingly and willfully make, or cause to be made any false, fraudulent or misleading statement or representation of material fact in any claim application, or report under any health care program or health benefit plan. Under the *Federal False Claims Act*, knowingly or willfully means that the person has actual knowledge, or has acted with deliberate ignorance or reckless disregard of the truth or falsity of the claim.

Examples of prohibited conduct include, but are not limited to, the following:

- a) Making inaccurate, false or improper entries in medical records, cost reports and any other records used to support reimbursement;
- b) Billing for services that are not documented or misrepresenting the services that were provided;
- c) Billing for services that were not medically necessary or for services that fail to meet professionally recognized standards for health care;
- d) Billing for a non-covered service or characterizing a non-covered service, item or cost in a way that leads to reimbursement from a government program;
- e) "Up-coding," which means to use a code to bill for a higher level of service or procedure, causing an increase in the reimbursement rate, when the medical record reflects that a lower level of service or procedure was actually provided to the patient;
- f) "Unbundling," which means to bill separately for each component of a group of procedures that are commonly used together and for which Medicare and/or Medicaid provide a special "bundled" reimbursement rate;
- g) Double billing, which means to bill more than once for the same service or item;
- h) Billing for services or items that were not actually provided;
- i) Charging rates in excess of established Medicare or Medicaid rates;
- j) Accepting a gift, money, donation or other compensation as a condition of admission or continued stay in the facility;
- k) Failing to seek payment from beneficiaries who may have other primary payment sources;
- l) Failing to refund overpayments made by a federal or state health care program;
- m) Participating in kickbacks, bribes or rebates in exchange for referring goods, facilities, services or items that are reimbursed by government programs;
- n) Altering, falsifying, destroying, or concealing medical records, income and expenditure reports or any other records that support reimbursement;
- o) Making false statements to governmental agencies about Seven Counties' compliance with any state or federal statutes or regulations;
- p) Making false statements concerning the condition or operation of Seven Counties' services or departments for which certification is required;
- q) Repeatedly violating the terms of any applicable federal participation agreements;
- r) Knowingly concealing or covering up any of the above types of conduct or other conduct that would be considered a false claim in the Medicare or Medicaid programs

Civil and Criminal Penalties.

A violation of the *Federal False Claims Act* may result in civil penalties ranging from \$5,500 to \$11,000 for each false claim *plus* three times the amount of damages the government sustains, and exclusion from the Medicare and Medicaid programs. There are also criminal consequences under federal law for intentional participation in the submission of a false claim.

A violation of the *Kentucky Fraud and Abuse Control Law* may result in civil penalties of up to \$500 for each false claim, three times the amount unlawfully received plus interest, payment of the government's legal fees and costs to pursue reimbursement, and exclusion from the Medicaid program for up to five years. Any licensed medical provider found guilty of the criminal false claims provisions must forfeit his or her license to practice his or her profession for at least five years. Anyone charged with Medicaid fraud also could face criminal misdemeanor or felony charges depending on the type of fraud involved and/or the amount of money unlawfully received.

Qui Tam Action

A *qui tam* action is a lawsuit that an individual files on behalf of the government alleging misconduct involving false claims. A *qui tam* action is often referred to as a "whistleblower action." The government has a right to decide whether to join in or allow the plaintiff to continue the *qui tam* lawsuit without the government as a party.

The *Federal False Claims Act* permits individuals who know about false claims in the Medicare or Medicaid program to bring a *qui tam* or civil action for a violation of the Federal False Claims Act. Once the government decides whether or not to join in the action and the individual's case goes forward, no one else can bring a separate action later alleging the same misconduct. Depending on whether the government joined the lawsuit, the lawsuit's outcome and the extent of the whistleblower's involvement in the illegal acts associated with the false claims, the whistleblower may be entitled to between 15 and 30 percent of the total recovery from the defendant, whether through a favorable judgment or settlement.

The *Kentucky Fraud and Abuse Control Law* does not give individuals a right to file a *qui tam* or civil action on behalf of the government and share in recoveries. Only the Attorney General of the Commonwealth may file civil or criminal proceedings against an individual, company, facility or institution in order to enforce the Kentucky Fraud and Abuse Control Law.

Whistleblower Protections

The *Federal False Claims Act* prohibits employers from retaliating against any employee who is discharged, demoted, harassed, or otherwise discriminated against because of reporting violations of the Federal False Claims Act. This prohibition is what is generally referred to as "whistleblower" or anti-retaliation protections. If an employee experiences prohibited retaliation, he or she is entitled under the Federal False Claims Act to all relief necessary to make the employee whole such as reinstatement with the same seniority status, two times back pay, interest on the back pay, costs and attorney's fees.

Kentucky's Fraud and Abuse Control Law also provides protection for whistleblowers. Specifically, employers are prohibited from discharging or in any manner discriminating or retaliating against any person who in good faith reports a false Medicaid claim to a state governmental authority, or who testifies or is about to testify in any proceeding regarding any report or investigation of a false Medicaid claim. An employee who is injured by an employer's retaliatory action in violation of the Kentucky Fraud and Abuse Control Law may bring a civil action in a state court to enjoin further violations, and to recover actual damages sustained, together with the costs and reasonable attorney fees of the lawsuit.

Seven Counties prohibits any Seven Counties' personnel or affiliate from taking adverse action or engaging in retribution of any kind against an employee because he or she reports in good faith a suspected violation of the Compliance Program or of these false claims laws.

Kentucky law requires any person who knows or has reasonable cause to believe that a violation of the Kentucky false claims law has been or is being committed by any person, corporation or entity, to report such information to the Kentucky Medicaid Fraud Control Unit, or to the Medicaid Fraud and Abuse hotline, 1-800-372-2970. Seven Counties encourages employees to first report such information to Seven Counties so that Seven Counties can undertake an investigation and any necessary corrective action under the Seven Counties Compliance Plan.

ESTABLISHMENT OF A HOTLINE

The organization has established a voice mailbox hotline for such reporting. **The telephone number for the hotline is 589-8615 x 13800.**

The Corporate Compliance Plan and telephone number for the hotline will be posted in various locations throughout the organization for easy access to everyone.

REPORTING BY VICE PRESIDENT OF COMPLIANCE AND QUALITY AND CORPORATE COMPLIANCE COMMITTEE

Recommendations from the Corporate Compliance Committee and/or Vice President of Compliance and Quality regarding compliance indicators that fall below accepted benchmarks will be directed to the appropriate officer, manager or supervisor. If compliance indicators cannot be raised to acceptable levels within an agreed upon time frame, then the Vice President of Compliance and Quality and/or Corporate Compliance Committee will forward such concern to the CEO, who will secure a plan of corrective action from the responsible officer, manager or supervisor.

REPORTS OF VIOLATIONS AND SUSPECTED VIOLATIONS

The Vice President of Compliance and Quality and Corporate Compliance Committee members will have an "open door" policy with respect to receiving reports of violations and suspected violations. Reports of violations and suspected violations may come from staff, clients, volunteers, affiliates or others whether or not associated with Seven Counties. Reports of violations and suspected violations can be made in person to the Vice President of Compliance and Quality, in writing in care of the Vice President of Compliance and Quality or Corporate Compliance Committee, or via the hotline. The use of E-mail is strongly discouraged due to its confidentiality limitations.

Seven Counties will make every effort to maintain the confidentiality of the identity of any individual who reports possible misconduct. There will be no retribution or discipline for anyone who reports a possible violation in good faith. Any employee, volunteer or affiliate who deliberately makes a false accusation with the purpose of harming or retaliating against another employee, volunteer or affiliate will be subject to discipline.

All reports of suspected fraud, waste and abuse are investigated. Reporting will be completed at various times and to various levels of the organization, including:

- Summary of all reported / suspected allegations fraud, waste & abuse:
 - Monthly report from Compliance Officer to CEO and CFO
 - Annual report from Compliance Officer to the Board of Directors

- All substantiated allegations of fraud, waste and abuse
 - immediate report to the CEO and CFO from the Compliance Officer
 - as applicable reports are also made by the CFO or CEO to: police, insurance carrier, and auditor
- All substantiated allegations of Management Fraud, Waste, Abuse
 - immediate report to the Board of Directors Chair
 - *Note:* management = Division Director and above; including Vice President, Senior Vice President, CEO
- All substantiated allegations of Employee Fraud, Waste, Abuse of occurrences of \$5,000 or more and / or fraud, waste abuse was occurring for 6 months or longer
 - Compliance Officer to report at next scheduled Finance Committee meeting
- All substantiated allegations of External fraud, waste and abuse
 - Compliance Officer to report at next scheduled Finance Committee meeting
- Any occurrence of fraud, waste and abuse that involves potential prosecution, arrests, and external publicity
 - Immediate report by CEO or designee to the Board Chair

PERSONAL OBLIGATION TO REPORT

Seven Counties is committed to ethical and legal conduct that is compliant with all relevant laws and regulations and to correcting wrongdoing wherever it may occur in the organization. Each employee and volunteer has responsibility for reporting fraud, waste and abuse or any activities by any employee, volunteer, affiliate, subcontractor, vendor or others that appears to violate applicable laws, rules, regulations, or this plan.

INTERNAL INVESTIGATIONS

Seven Counties is committed to investigating all reported concerns promptly and confidentially to the extent possible. There will be an immediate internal investigation when these are identified: (a) a systemic or repetitive billing or coding error; (b) a significant documentation deficiency; (c) the submission of bills for services not rendered; (d) an allegation of fraudulent activity; (e) an anti-kickback or clinician self-referral issue; or (f) potential exposure under the False Claims Act (submitting bills with deliberate indifference or reckless disregard as to truth or falsity) or other applicable issues such as breach of ethics.

The Vice President of Compliance and Quality will coordinate any findings from the investigations and immediately recommend corrective action. Seven Counties expects all employees, volunteers and affiliates to cooperate with investigation efforts. Employees and volunteers who fail to cooperate with an investigation may be subject to disciplinary action. Seven Counties has every right to expect that supervisory and managerial staff will cooperate.

If the Vice President of Compliance and Quality believes the integrity of an investigation may be at stake because of the presence of employee(s) or volunteer (s) or affiliate(s) under investigation, then the employee(s), volunteer(s) or affiliate(s) allegedly involved in the misconduct can, at the discretion of the CEO and/or Board, be removed from his or her current work activity or duties until the investigation is completed. Seven Counties and the Vice President of Compliance and Quality will take all steps necessary to prevent the destruction of documents or other evidence relevant to the investigation. Once an investigation is completed, if disciplinary action is warranted, it will be immediately pursued in accordance with the organization's written standards on disciplinary action.

CORRECTIVE ACTION

When an internal investigation substantiates a reported violation, the organization via responsible manager will initiate corrective action. This includes, as appropriate, making prompt restitution of any overpayment amounts; notifying the appropriate governmental agency; instituting whatever disciplinary action is necessary, and implementing systemic changes to prevent a similar violation from recurring.

DISCIPLINE

As an integral component of this program, disciplinary action will be taken for failure to comply with or participate in the compliance efforts of Seven Counties, including the failure to comply with applicable laws and regulations, the failure to report suspected violations of the program or applicable laws or regulations, and retaliation of any kind against an employee, volunteer, affiliate, client or family member, vendors or others who make a good faith report of suspected wrongdoing. Discipline may include any or all of the following depending on the severity of the situation: written warning or reprimand, required educational training, suspension, demotion, discharge, and voluntary disclosure by Seven Counties to the appropriate federal and/or state governmental agencies and licensing boards.

DISCIPLINED INDIVIDUALS

Seven Counties will not knowingly employ any individual, or contract with any person or entity, who has been convicted of a criminal offense related to health care or who is listed by a Federal agency as debarred, excluded or otherwise ineligible for participation in federally funded health care programs. In addition, until resolution of such criminal charges or proposed debarment or exclusion, any individual who is charged with criminal offenses related to health care or proposed for exclusion or debarment will be removed from direct responsibility for, or involvement in documentation, coding, billing or competitive practices. Items or services furnished, ordered, or prescribed by such an individual shall not be billed to any federally funded health care program.

ACKNOWLEDGMENT PROCESS

Seven Counties requires all employees and volunteers to sign a form acknowledging that they have received the Corporate Compliance Plan and that they understand that it represents mandatory policies of Seven Counties. New employees and volunteers will be required to sign this acknowledgment as a condition for successful completion of orientation. Adherence to and support of Seven Counties' Corporate Compliance Plan and participation in related activities and training will be considered in decisions regarding hiring, promotion, and compensation for all candidates and employees.