



Corporate Compliance Plan

I. Organization Overview

Mill Neck Services, Inc. has many years of experience assisting individuals with developmentally disabilities living in the New York Metropolitan Region. Our agency is committed to providing services that help individuals reach their highest level of independent living possible. Our comprehensive programs fall under seven main categories of service:

- Family Support Services
- Habilitation Services
- Service Coordination
- Transitional Services
- Interpreting
- Employment Services
- Individual Support, and other Ancillary Services

II. Mission Statement

The mission of Mill Neck Services, Inc is to enhance the quality of life for people who are Deaf, or who have other special communication needs, through excellence in individually designed educational, vocational or habilitative programs and services.

III. Vision Statement

Mill Neck Services, Inc. will continue to be the recognized leader in education, interpreting, habilitative and employment services for the Deaf on Long Island, a regional and national leader in resources and partnerships throughout New York State.

IV. Corporate Compliance Overview

Mill Neck Services, Inc. has established a Corporate Compliance Plan tailored to the agency's principle lines of business. We are dedicated to managing and operating its programs in keeping with the highest of business, ethical and moral principals. Each employee, agent, member of the Board of Directors, consultant, and volunteer contributes to achieving these principals by conducting business activities for the agency with integrity and high ethical standards. Supervisors and managers also contribute to achieving these principles by exercising good leadership and being a good example in creating and promoting a workplace environment in which compliance and ethical business conduct are expected.

Mill Neck Services, Inc. has adopted the following definition of Corporate Compliance:

"A Corporate Compliance plan is a system which is designed to detect and prevent violations of law, as well as the likelihood of unethical activity by agency employees, volunteers, contractors, officers and directors."

Mill Neck Services, Inc. will transact its business in compliance with the laws of the jurisdiction in which it does business, including local, state and federal jurisdictions. As a not-for-profit agency, Mill Neck Services, Inc. will conduct business in compliance with all IRS regulations governing tax-exempt organizations and refrain from any private inurement and benefit issues. Instances where questions arise concerning interpretation or applications of laws and regulations should be referred to the Executive Director or Corporate Compliance Officer. Applicable law includes, but is not limited to, anti-kickback statutes, labor laws, tax code and regulations, antitrust laws, copyright laws, false claim laws, consumer rights laws and environmental laws.

As used in this Corporate Compliance Plan, the following definitions apply:

1. Mill Neck Services, Inc. Representatives: Employees, agents, board members, committee members, volunteers, contractors, and others working for or on behalf of Mill Neck Services, Inc.
2. Agency: Mill Neck Services, Inc.

V. Code of Business Conduct & Ethics

A. Overview

The Code of Business Conduct & Ethics provides Mill Neck Services, Inc. employees, agents, member of the Board of Directors, consultants, and volunteers with information necessary to adhere to the high ethical principles the agency lives by. Mill Neck Services, Inc. is accountable for compliance not only with the Code of Business Conduct & Ethics, but also with all laws and regulations applicable to our activities, and other policies and procedures prepared by our agency and oversight bodies.

B. Honesty and Integrity

Honest and Integrity are what this Code of Business Conduct & Ethics is all about; they define our relationships with consumers, outside agencies, business partners, and each other. By maintaining the highest level of corporate integrity through open, honest and fair dealings, we earn trust for our services and ourselves from everyone with whom we come in contact.

C. Standards of Conduct

Mill Neck Services, Inc. representatives are expected to comply with the following standards:

1. Business Principles

A. Maintain the Confidentiality of Agency Records

The agency is responsible and accountable for the integrity and protection of its business information. All agency records and documents (in any form or media) are the sole property of the agency and thereby considered confidential by its nature, except as provided by law or regulation. No Mill Neck Services representative shall disclose to others any confidential information obtained during the course of employment, work (paid

or unpaid) or receipt of reports, which have not been published or disclosed, to the public. Documents and electronic media containing sensitive information on consumers, staff, consultants, volunteers, board members and other representatives of the agency must be carefully handled and properly secured. If any Mill Neck Services representative observes or becomes aware of a breach of this policy including misuse of confidential information, or an unauthorized or unrecognized individual using a computer terminal in an area familiar to you, immediately contact a supervisor.

B. Avoid Unauthorized Use of Agency Assets

It is the obligation of all agency representatives to protect the assets of the agency. Agency property, such as office supplies, office equipment, and property, may not be used for personal reasons. Any misuse or misappropriations of agency funds, information, equipment, facilities or other assets may be considered criminal behavior and can bring severe employment and legal consequences.

C. Maintain the Corporate Image

The agency's reputation and identity are among its most valuable assets. All agency representatives are expected to conduct themselves in a manner that reflects positively on the agency's image and identity, both internal and external. No one should act in a way that adversely affects the reputation or image of the agency with employees, volunteers, consumers or with the community at large.

Each agency representative should endeavor to deal fairly with the agency's consumers, consultants, suppliers, competitors and other employees. No one should take advantage of anyone else through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or other unfair- dealing practice.

D. Have Job Accountability

Each employee is responsible for knowing and executing the responsibilities of his or her job. This means the individual is held accountable for the quality of the work he or she produces. In addition, management is responsible for ensuring that they have provided their employees with the necessary information to do their jobs.

E. Avoid Conflicts of Interests

Each agency's representative has a primary business responsibility to the agency and is expected to avoid any activity that may interfere or have the appearance of interfering with their performance. A conflict of interest exists if an agency's representative outside business or other interests may affect adversely, or have the potential to affect adversely, his or her motivation, objectivity, loyalty or performance. In addition, a potential conflict of interest occurs when an individual's personal or private interests might lead an independent observer to reasonably question whether the individual's professional actions or decisions are influenced by significant personal interest, financial or otherwise.

Agency representatives shall not participate in the selection, award or administration of a contract supported by Federal funds if a real or apparent conflict of interest would be involved. Such a conflict would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or when the agency employs or is about to employ any of the parties indicated herein, has a financial or other interest in the firm selected for an award.

Some additional situations in which employees might encounter conflicts of interests are:

- Having a relationship with a consumer outside of the workplace and/or employment by a consumer or family member of a consumer;
- The employment of family members or close personal friends as contractors, suppliers or employees of the agency;
- Romantic relationships between ~ supervisor and a subordinate;
- Using agency assets, including agency time, name, information equipment or facilities, for personal use;
- Misuse of information obtained by an employee during the course of his or her employment.
- Soliciting personal cash or non-cash gifts of any amount or value from any person or business that has a relationship with the Agency.
- Accepting personal cash gifts of any amount from any person or business that has a relationship with the Agency.
- Accepting personal non-cash gifts valued at more than \$50.00 from any person or business which has a financial relationship with the Agency, or accepting any non-cash gift from a person or business that expects that they may receive preferred services or business from the Agency representative or the Agency.

The above list is not all inclusive. Agency representatives are expected to exercise good judgment and be mindful of how their personal relationships and outside activities may be affecting the workplace. If any matter exists that might be a conflict of interest or creates the appearance of a conflict of interest, agency representatives should consult their supervisor or Human Resources Representative to assess whether a problem exists.

Additional information concerning conflicts of interest can be located in the Administrative Policy and Procedures and Personnel Policy and Procedure Manual.

F. Adhere to the Agency Media Communication Policy

It is the agency's policy to provide open, accurate, and consistent communication with the public. To maintain the consistency and accuracy of the information, agency spokespersons are designated to respond to all inquiries. Only these designated spokespersons are authorized and responsible for releasing information at the appropriate time and for guarding against the inadvertent disclosure of confidential information. All inquiries regarding the Media Communication Policy should be directed to the Director of Advancement or Executive Director.

2. Quality of Care

A. Refrain from Abuse

Agency representatives shall not engage in any activities that constitute abuse of persons receiving services as defined in the regulations of the Commissioner of OMRDD. Failure to exercise one's duty to intercede or to report any activity which may be considered abuse will constitute abuse.

B. Follow a Consumer's Service Plan

Agency employees are expected to comply with a consumer's service plan and communicate any changes in the plan to the necessary parties in accordance with regulatory requirements and program policies and procedures.

It is not acceptable for consumers to carry out the duties of employees unless such tasks are described in their plan of services by their program planning team and for the purpose of increasing their skills.

C. Maintain Appropriate Interactions with Consumers

Agency representatives must maintain professional relationships with the consumers they serve. There shall be no personal financial transactions between agency representatives and consumers or their family/responsible party. Financial transactions, which may be construed as exploitation or result in greater benefit to the employee or agency representative than the person receiving services will be considered abuse.

The receipt of any personal gift by any agency representative from any consumer receiving services or their family member/responsible party is discouraged and needs to be avoided. Depending on the circumstances a gift of nominal value (\$50.00 or less) may be allowed. Any gift must be disclosed to the supervisor to determine whether the gift may or may not be accepted to avoid a conflict of interest. Should a family member/responsible party be interested in donating to the agency they should contact the Director of Advancement.

All agency representatives are expected to maintain a professional demeanor with consumers. It is also expected that employees shall model appropriate and acceptable behavior while in the presence of consumers.

D. Safeguard Consumer Privacy

Agency representatives shall treat all consumer and program information as confidential and utilize such information in a professional manner at all times. Access to consumer information must be limited to the extent permitted by the agency policies and procedure pursuant to state and federal law. In addition, release of information pertaining to HIV/AIDS is subject to additional regulatory requirements and should not be released without proper authorization from the Director or Associate Director of Mill Neck Services. Any Mill Neck Services representative who engages in unauthorized disclosure, access to, or misuse of information in violation of the privacy rights of our consumers, or others may be subject to disciplinary action in addition to civil or criminal sanctions. Any Mill Neck Services representative who becomes aware of such unauthorized disclosure should immediately report this to their supervisor, Executive Director or Corporate Compliance Officer.

3. Medical Practices

A. Follow Regulations Regarding Control of Medications

It is the agency policy that all Mill Neck Services representatives shall be diligent in discharging their obligations regarding prescription drugs and controlled substances in accordance with applicable laws, regulations and agency policies and procedures.

The agency is legally responsible for the proper distribution, handling of and prevention of unauthorized access to pharmaceutical products. The diversion of any prescription drug or controlled substance, including a drug sample, in any amount for any reason to an unauthorized individual or entity is forbidden.

Mill Neck Services representatives may not use drugs stored in agency programs intended for the use of consumers.

4. Legal Obligations & Compliance

A. To Maintain a Safe and Healthful Workplace

The agency has a commitment to maintain a safe and healthful workplace for agency representatives and people receiving services. As part of this commitment, the agency maintains reasonable safety rules, practices and procedures for all employees. At the same time, the agency expects employees to be efficient and productive in performing their job assignments.

The agency provides a safe and healthy work environment by adhering to the laws, regulations and commonly accepted safe practices in accordance with federal and state laws regarding occupational and environmental safety.

Laws and policies regarding hazardous materials, pollutants and medical waste must be strictly followed by Mill Neck Services, Inc. representatives.

Employees shall model appropriate and acceptable behavior while in the presence of consumers.

B. Refrain from Misrepresentation

Honesty based on clear communication is the cornerstone of ethical disclosure of information. The agency and Mill Neck Services representatives shall be honest and make no representation or dishonest statements in conducting agency business affairs. Mill Neck Services representatives must report and record all information accurately and honestly including all marketing materials, consumer records, requests for payment, time sheets, financial reports and other similar documents, which relate to business activities. Marketing materials will accurately reflect certification, licensure and services available.

In addition, Mill Neck Services representatives must not make false statements with respect to the condition or operations of any program nor make false statements with respect to information regarding ownership and control of a facility or program.

C. Refrain from Engaging in Unfair Trade Practices

All agency representatives are expected to comply with all laws pertaining to the restraint of trade and fair competition. Such laws generally forbid any kind of understanding or agreement (written or verbal) between competitors to fix and control fees or payments for services or products, or to engage in any other conduct that results in restraints of competition.

Unfair methods of competition and deceptive acts or practices are also prohibited. Examples of these include false or deceptive statements or comparisons about the agencies services or falsely disparaging competitor's services without data to substantiate it.

D. Adhere to Tax-Exempt Requirements

The Agency is a tax-exempt entity under the rules and laws of New York State and the Federal Internal Revenue Service. In order to comply with applicable law, the Agency must operate for the benefit of the community and avoid "private inurement" or "private benefit" as defined by these laws. Criminal penalties may be exercised if a violation of

these tax laws is found and substantiated. In this regard, Mill Neck Services Inc. representatives shall be familiar with these restrictions:

- The agency sales tax exemption is used only for legitimate agency business and service transactions.
- Personal items cannot be purchased through the agency even if reimbursement is offered.
- All appropriate withholding taxes must be applied to staff wages.

E. Comply with Fundraising Standards

The agency adheres to acceptable fundraising standards. Only fundraising activities, which benefit the agency and the programs or services are allowed, and must be specifically authorized by the Executive Director or designee. Fundraising events must be consistent with the mission, vision, goals, mandates and values of the agency.

Any Mill Neck Services, Inc. representative that obtains funds as a result of fundraising activities on behalf of the agency must promptly deposit the funds with the Business Office for appropriate record keeping and cash controls. A receipt for funds deposited must be obtained from the appropriate Business Office Personnel.

Fundraising reports are issued regularly and comply with applicable laws and regulations associated with the agency licenses and not-for-profit law.

F. Submit Accurate Billings and Financial Reports

Billing activities are to be performed in a manner consistent with Medicaid and other payers' regulations and requirements. The agency will comply with all pertinent regulations in billing practices, including, but not limited to, specific program requirements, need for service, procedure codes, bad debt reporting, credit balances, and duplicate billing.

All billing and claims generated must accurately reflect that services rendered are supported by relevant documentation and are submitted in compliance with applicable laws, rules, regulations, and program requirements. Agency Representatives should never knowingly make or present improper, false, fictitious or fraudulent claims to any government or private health care program, employee, department or agency. Improper activity can include, but is not limited to:

- Misrepresentation of Services
- Duplicate Billing
- Multiple Coverage and Secondary-Payroll Fraud
- False Claims Statements
- Falsifying Dates on a Claim

Those responsible for completing and submitting financial reports will do so in accordance with acceptable accounting practices and legal obligations. Improper accounting practices include but are not limited to:

- Supplying false or misleading information in the Agency's financials or other public documents, including its annual information return; or
- Providing false information to, or withholding material information from, the Agency's auditors.

It is a crime to submit a "False Claim." A False Claim occurs when a person or organization submits a record or claim for payment of services, property or other items to

the government, knowing that the information is not true. "Knowing" means that the person or organization:

- knows the record or claim is false, or
- is asking payment and is deliberately ignoring whether or not the record or claim is false, or
- is asking for payment and does not care if the record or claim is false.

The Federal Government enacted the False Claim Act Law that allows a person who knows that an organization has filed a False Claim for payment to file a lawsuit in Federal Court on behalf of the government, and, in some cases, the person can receive a portion of the damages awarded. Similar to the Federal Law described above, the New York False Claims Act and the Program Fraud Civil Remedies Act prohibits a person or entity from "knowingly" presenting or causing to be presented a false or fraudulent claim for payment or approval to any employee, officer or agent of the state or local government. There are additional civil, administrative, and criminal laws that apply to the submission of a false claim. Additional information on these laws is available in the Employee Personnel Policy and Procedure Manual, by contacting the Corporate Compliance Officer, or you can visit the Office of the Medicaid Inspector General's website at www.omig.state.ny.us.

G. Refrain from Accepting Kickbacks

The term "kickback" is defined as the giving of remuneration of any kind, which is interpreted under the law as "anything of value". In the United States it is illegal to provide, offer or accept a kickback or bribe. A kickback or bribe may be defined as any money, fee, commission, credit, gift, gratuity, thing of value or compensation of any kind that is provided directly or indirectly, and that has as one of its purposes, the improper obtaining or rewarding or favorable treatment in a business transaction.

No employee or other agency representative shall solicit, receive, offer to pay, or pay remuneration of any kind in return for referring an individual for items or services, or purchasing, leasing, ordering or arranging for goods, facilities, services or items for which payment may be made under federal, state, or local health care programs.

All Mill Neck Services, Inc. representatives should avoid the offering or receipt of a gift in circumstances where it could appear that the purpose of the gift is to influence the agency's relationship with a vendor, regulator or other person or entity. The receipt of any gift by any agency representative from a consumer's representative, vendor, contractor, etc. must be disclosed to the supervisor to determine whether the gift may or may not be accepted to avoid a conflict of interest

H. Be Familiar with Regulations Governing Areas of Responsibility

The agency is licensed by a number of regulatory and accreditation organizations. Mill Neck Services, Inc. representatives are responsible for the compliance with these licenses. In addition Mill Neck Services, Inc. representatives shall:

- Be familiar with program regulations governing areas of responsibility, receive and understand new regulations and/or expectations and to inform the supervisor or appropriate agency administrator of any possible issues of noncompliance.
- Insure that a Certificate of Need, or similar documentation, is properly submitted to the respective licensing organization, as required, to establish and/or change service provisions.

-Insure that questions of training and compliance with the submission of a Certificate of Need or the application of regulations should be referred to the respective supervisor and/or administrator.

5. Human Resources Principles & Community Involvement

A. Comply with Labor & Employment Laws

The agency fully complies with all applicable labor laws and statues regarding employee-employer relationships and workplace environment.

The agency employs only persons who are legally authorized to work in the United States consistent with federal laws. Individuals who are perspective candidates and who are U.S. citizens or who possess a "green card" or work visa are entitled to be hired. The appropriate documentation of citizenship status must be presented to the Human Resources Department at the time of hire.

B. Comply with Payroll Deductions

The agency fully complies with the salary basis requirements of the Fair Labor Standards Act (FLSA). Therefore, the agency prohibits all company Management Staff as well as the Payroll Office from making improper deductions from the salaries of employees.

If an employee believes that an improper deduction has been made to their salary, that employee should immediately report this information to their direct supervisor, or to the Human Resources Director.

Reports of improper deductions will be promptly investigated. If it is determined that an improper deduction has occurred, the employee will be promptly reimbursed for any improper deductions.

C. Embrace Diversity

The agency respects and welcomes diversity in its employees, consumers, contractors, and other representatives.

There shall be no discrimination activity against any person for any reason, including race, religion, national origin, creed, age, gender, ethnic background, sexual orientation or disability except where a bona fide occupation qualification is involved.

The agency is committed to equal employment opportunity.

D. Display Ethical Personal Conduct

Ethical personal conduct on the job means treating oneself and others with respect and fairness. Workplace harassment includes both sexual harassment and harassment in a more general nature. Sexual harassment includes both quid pro quo and hostile work environment scenarios. Other forms of harassment include unwelcome or unwanted attention or discrimination conduct based on an individual's race, color, creed, religion, national origin, gender, sexual preference, marital status, age, and/or disability. Examples of harassment include, but are not limited to inappropriate jokes, offensive body language such as finger pointing, or offensive materials such as sexually explicit pictures. It can include verbal, nonverbal or physical abuse. Something considered harmless by one individual may be perceived as harassment by another. The agency expects all employees

to conduct themselves in a manner appropriate to the workplace and to keep all work environments free of harassment.

E. To Maintain Employee Privacy

Every employee has the right to confidentiality of certain employment records as well as the privacy of personal activities outside of business hours. In turn, the agency has rights of access to all agency property and communication, records and information created in the business setting. By using agency property and/or creating such records and information, the employee consents to such access.

The agency will not release information regarding our current employees without written consent unless it is required by a program surveyor subpoena. An internal investigation may at times require the review and/or release of certain personnel information to agency personnel, law enforcement, and/or oversight bodies.

The agency emphasizes the need for balance between work, personal and family life, and encourages employees to pursue interests and activities outside the workplace. Personal interests and beliefs, however, must not be imposed on other employees or consumers. The agency recognizes the employee's rights to become involved in political activities of their choice. However, activities should not interfere with the employee's ability to perform their job and should not imply participation on the part of the agency.

F. Refrain from Substance Abuse and Unsafe Workplace Behavior

In order to provide a safe and healthful workplace for agency representatives and consumers, and to promote an efficient and productive workforce Mill Neck Services, Inc. representatives are prohibited from:

- Manufacturing, selling, purchasing, transferring, using or possessing illegal drugs, narcotics, or other unlawful substances or materials on the agency premises, or while conducting business for the agency;
- Manufacturing, selling, purchasing, transferring, using or possessing on the agency's premises, substance or materials not authorized by the agency (such as firearms, weapons, intoxicating beverages, drug paraphernalia, or medically authorized drugs used improperly or unsafely).
- Reporting to the workplace or working if their ability to perform their job is impaired by the use of alcohol, a controlled substance, an illegal substance, or prescribed medication.

VI. Board Member Code of Ethics

As the Governing Body of Mill Neck Services, Inc. the Board of Directors has responsibility for the care, management, and control of the agency and must be held to the highest of ethical and moral standards. The Board of Directors recognizes that established ethical standards of fairness, honesty and integrity are essential to the proper conduct of the Board of Directors in upholding its governance responsibilities. Due to this additional level of responsibility and accountability all Board Members are expected to:

- Serve as positive role models in the community.
- Listen carefully to other Board members, staff and consumers.
- Respect the opinion of fellow Board members.
- Respect and support the majority decisions of the Board.
- Recognize that all authority is vested in the full Board when it meets in legal session and not with individual Board members.

- Keep well informed of developments that are relevant to issues that may come before the Board.
- Participate actively in Board meetings and actions.
- Call to the attention of the Board any issues that may have an adverse affect on the agency.
- Refer any complaints to the Board Chairperson and the Executive Director.
- Recognize that the Board member's job is to ensure that the agency is well managed, not to manage the agency.
- Vote to hire the best possible person to manage the agency.
- Represent all constituents of the agency and not a particular geographic area or special interest groups.
- Do their best to ensure that the agency is well maintained, financially secure, growing and always operating in the best of interest of constituents.
- Always work to learn more about the Board member's job and how to do the job better. Declare any conflicts of interest between their personal life and their position on the agency board, and avoid voting on issues that appear to be a conflict of interest.

In addition, Board Members will not:

- Be critical, in or outside of the Board meeting, of fellow Board members or their opinions.
- Use the agency or any part of the organization for personal advantage or the personal advantage of friends or relatives (other than for purposes of receiving services within the normal procedure of the agency).
- Discuss confidential proceedings of the Board outside the Board meetings.
- Vote on any issue without fully understanding the issue.
- Interfere with the duties of the Executive Director or undermine the Executive Director's authority.

The Board Member Code of Ethics is reviewed and signed by Board Members upon their assignment to the Board and annually thereafter.

VII. Standards & Expectations

In addition to the Agency Code of Business Conduct and Ethics, Mill Neck Services has established written standards and expectation for all staff and managers. Mill Neck Services believes that these standards and expectations define the personal characteristics and qualities, which contribute to the fulfillment of its mission. They were developed with the understanding that each person has strengths and weaknesses, not all employees will have every identified characteristic and quality, but all will work toward the acquisition and mastery of them. These standards and expectations are separate into the following:

- Staff Standards and Expectation (**Attachment A**)
- Management Standard and Expectations (**Attachment B**)

The appropriate Standards and Expectations are reviewed and signed by all new staff during employee orientation.

VIII. Screening Applicants

Job applicants who have been selected for employment must complete a series of background checks to assure that there are no historical/personal incidents involving the applicant, which would

adversely affect their ability to carry out their job duties or call into question their personal character in performing their job. Current employees are required to inform their supervisor immediately of any changes in their driving record, criminal background and child abuse history. Supervisors must inform the Director of Human Resources of any change reported.

IX. Compliance Officer & Compliance Committee

The Corporate Compliance Officer directs the Compliance Plan with the support of the Corporate Compliance Committee. The Associate Director for Mill Neck Services is designated as the Corporate Compliance Officer and reports directly to the Executive Director.

The Corporate Compliance Committee is comprised of Administrative Management Staff appointed by the Corporate Compliance Officer. The Corporate Compliance Committee will meet at least quarterly to review the status of the Corporate Compliance Plan, present and discuss potential compliance concerns and issues, and recommend changes to the program and/or department. The Corporate Compliance Committee will report to the Corporate Compliance Board Committee at least quarterly. The Corporate Compliance Board Committee Chair will report any significant information to the Agency Board of Directors during regularly scheduled meetings. (Attachment C)

X. Outside Legal Counsel

Outside legal counsel is available to assist the Executive Director, Board of Directors, Administrative Team, Compliance Officer and Corporate Compliance Committee as needed to identify and interpret federal and state laws and regulations in the Corporate Compliance Plan, assist in maintenance of the plan, and provide legal advice to Mill Neck Services, Inc. with respect to any aspect of the Corporate Compliance Plan.

Outside legal counsel may be notified at the discretion of the Executive Director of incidents that have a reasonable cause to support the assertion of non-compliance, at which time the Compliance Officer will be responsible for facilitating an investigation. The results of the investigation will be used by legal counsel to provide legal advice to the Compliance Officer, Compliance Committee and Mill Neck Services, Inc.

XI. Reporting Suspected or Known Violation

All Mill Neck Services, Inc. representatives have a responsibility to report in a timely fashion any violations of the Agency's Code of Business Conduct & Ethics. The Corporate Compliance Plan encourages individual responsibility for reporting any activity by any agency representative or affiliate that reasonably appears to violate applicable laws and regulations or Corporate Compliance requirements. Any notice regarding potential litigation against the Agency and/or suspected violations of law by the Agency must be reported to the Executive Director.

The Agency has an open door policy that encourages agency representatives to share their concern questions, concerns, suggestions or complaints with someone who can address them properly. In most cases, an agency representative's supervisor is in the best position to address an area of concern. Supervisors and managers are required to notify the Corporate Compliance Officer of any reported violations of the Agency Code of Business Conduct & Ethics. If the violation was reported verbally to the supervisor or manager, the reporting individual, with the assistance of the person they reported it to, shall write up the concern and forward it to the Corporate Compliance Officer.

When the agency representative is not satisfied with their supervisor's response, is not comfortable speaking with their supervisor, or if at anytime the agency representative prefers he or she can contact the Corporate Compliance Officer directly. The agency has established a separate email account called the CorporateCompliance@millneck.org. This reporting system provides agency representatives the ability to report potential Corporate Compliance violations 24 hours a day. The CorporateCompliance@millneck.org email, may also be use to pose questions regarding any compliance issues. Should the sender leave their name and number the Corporate Compliance Officer will respond to any questions within 10 business days or less. Agency representatives can also contact the Corporate Compliance Officer (Associate Director for Mill Neck Services) directly at [516-852-3476](tel:516-852-3476).

Any concern about the Executive Director should be reported to the Corporate Compliance Officer, who will in turn notify the Board Chairperson. A concern involving the Corporate Compliance Officer's actions or determinations should be brought directly to the Executive Director.

Questions or concerns about any ethical or legal issue may be raised without concern for disciplinary action as long as they are made in good faith. Agency representatives will not be subject to reprisals for reporting or supplying information about potential violations, except in cases where those employees are responsible for the violation or when deliberate false reporting has occurred. It is expected that all Mill Neck Services representatives will fully cooperate with any investigation of potential violation.

If any agency representative needs guidance on a legal or ethical question or has witnessed or has knowledge of an illegal or unethical activity, he or she should seek the counsel of the agency Corporate Compliance Officer. Failure to report could lead to disciplinary measures.

XII. Whistleblower Protection

The Whistleblower Protection is intended to encourage and enable agency representatives and others to raise serious concerns within the Agency prior to seeking resolution outside the Agency.

Questions or concerns about any ethical, legal, and/or regulatory issues may be raised without concern for disciplinary action as long as they are made in good faith and there is reasonable grounds for believing the information disclosed indicates a violation of the Agency Code of Business Conduct & Ethics.

Agency representatives will not be subject to reprisals for reporting or supplying information about potential violations, except in cases where those agency representatives are responsible for the violation or when deliberate false reporting has occurred. Agency representatives are also protected under this provision and the False Claims Acts against any form of retaliation for filing a False Claim lawsuit. It protects an agency representative who files a false claims lawsuit from being fired, threatened, harassed, or other forms or retaliation.

Any allegations that prove not to be substantiated and that prove to have been made maliciously or knowingly to be false will be viewed as a serious disciplinary offense.

Any agency representative who retaliates or harasses someone who has reported a violation in good faith is subject to disciplinary action up to and including termination of employment. It is expected that all Mill Neck Services representatives will fully cooperate with any investigation of potential violation. New York Labor Laws also protect employees from retaliatory practices. Additional details regarding these laws may be obtained by contacting the Human Resources Director, the

Corporate Compliance Officer, or visiting the New York State Department of Labor website at www.labor.state.ny.us.

XIII. Investigations & Corrective Action

Any suspected violations will be directly investigated by or overseen by the Corporate Compliance Officer. All investigations will be treated confidentially to the extent consistent with corporate interests and legal obligations. Investigations into suspected violations will be documented and submitted to the Executive Director for review. If the results of an investigation indicate that corrective action is required, the agency will decide the appropriate steps to take, including employee discipline, dismissal and possible legal proceedings. If appropriate, the investigation may be turned over to applicable outside authorities, and outside investigators may assist in the inquiry.

XIV. Response & Discipline for Violations

Each agency representative is responsible for conducting him or herself according to legal and ethical standards. No one has the authority to make another person violate the agency Corporate Compliance Plan, and any attempt to direct or otherwise influence someone else to commit a violation is a violation in itself. Representatives who violate provisions outlined in this plan could be subject to appropriate disciplinary action, up to and including termination. In addition, violations identified in the Agency "Zero Tolerance Statement" (**Attachment D**) will result in immediate termination.

Agency representatives who violate the Corporate Compliance Plan may also be subject to substantial criminal fines, prison terms and civil damages for violating laws and government regulations.

XV. Compliance Training

All new agency employees will be introduced to the Corporate Compliance Plan during Employee Orientation. This introduction will include the nature and scope of the Corporate Compliance Plan, methods to report violations, and disciplinary measures for violating the plan. This orientation will be supplemented by specific regulatory training geared toward the employee's responsibilities within the first three month of employment. Annually, at the beginning of the calendar year, all agency employees will receive a written correspondence summarizing the purpose of the Corporate Compliance Plan, the employee's responsibility, and any updates of regulatory information needed to ensure that employees are current in their knowledge.

All other agency representative i.e. volunteers, consultants, committee members, and Board Members will be introduced to, and kept update on any changes in the Corporate Compliance Plan through the agency manager who will provide direct oversight to him or her.

XVI. Compliance Auditing

The agency Corporate Compliance Officer and Corporate Compliance Committee are responsible for ensuring that internal and external corporate compliance auditing takes place on a regular basis. Compliance related audits are conducted as a result of an investigation or as a proactive means of monitoring compliance in areas of actual or potential risk.

The Corporate Compliance Officer is primarily responsible for auditing the Corporate Compliance Plan. This shall include periodic and regularly scheduled reviews of documentation, billing, claims processing and reimbursement procedures as well as practices that are mandated to ensure

adherence to federal and state regulations. Additionally, Mill Neck Services, Inc. will utilize other Governmental and Regulatory Audits/Reviews as a method for obtaining feedback regarding compliance.

Audit findings and recommendations are reported to the Executive Director, the Corporate Compliance Committee, and the appropriate agency administrator. As needed or requested response plans will be completed by the operational management and incorporated into the final audit report.

XVII. Wrongful Billing

It is the expectation of Mill Neck Services, Inc. that all service documentation will be an accurate reflection of services provided and that only those eligible to receive services per regulatory requirements will be billed for. Upon discovery or suspicion that the agency may have wrongly billed for services that were either not rendered or not allowable per regulatory requirements steps will be taken to investigate the situation when necessary void or adjust the billing per agency guidelines. This also includes situations where the billing was submitted correctly to the Business Office, however was not processed correctly and thus a billing error occurred. Should it become evident that an employee of the agency knowingly submitted a false claim it will be reported to the Office of the Medicaid Inspector General (OMIG) and Office of Mental Retardation and Developmental Disabilities (OMRDD), and the person's employment will be terminated. In addition, the agency will monitor for other situations which may be appropriate for self-disclosure to the OMIG and OIG including, but not limited to:

- Substantial routine error.
- Systematic errors.
- Patterns of errors.

XVIII. Certification

Upon the first day of employment or at the onset of the relationship with the Agency, the Mill Neck Services representative will receive a copy of the Agency Code of Business Conduct & Ethics for review and signature. In addition, all Agency employees will upon completion of the Corporate Compliance Training, receive certification that the agency Corporate Compliance Plan has been reviewed with them.

XIX. Conclusion

The Corporate Compliance Plan has been prepared to outline the broad principles of legal and ethical business conduct embraced by Mill Neck Services, Inc. It is not a complete list of legal or ethical questions you might face in the course of business, and therefore this plan must be used together with your common sense and good judgment. In addition, for specific guidance in certain areas covered by this plan Mill Neck Services has adopted detailed policy and procedure manuals. If you are in doubt or have a specific question, you should contact your supervisor or the agency Corporate Compliance Officer.

Plan revised 8/09

Attachment A



Mill Neck Services, Inc.

Staff Standards and Expectations

Mill Neck Services is committed to manage and operate its programs using the highest business, ethical and moral principals. All staff members contribute to achieving these principals by conducting business activities for the agency with integrity and high ethical standards. Exercising good judgment and being a good example to one's peers and consumers assists in creating a positive workplace environment in which compliance and ethical business conduct are expected. All Mill Neck Services staff are expected to strive towards and comply with the following standards and expectations:

I. Ethical and Professional Conduct

Ethical and professional conduct is an essential element of a good employee. Ethical personal conduct means treating oneself and others with respect and fairness. By maintaining the highest level of corporate integrity through open, honest and fair dealings, we earn trust for our services and ourselves. Mill Neck Services expects all staff to act in a way that positively affects the reputation of the Agency with employees, volunteers, and consumers and with the community at large.

A Mill Neck Services staff member:

- Maintains professional boundaries (Doesn't take consumer behavior personally, maintains confidentiality of personal information and phone number, keeps personal life separate, sets boundaries on the first day of services, respects other's positions across the agency, values other's time and schedules)
- Upholds integrity (is fair, truthful, and honest)
- Respects people we serve (Doesn't talk in the presence of consumers as if they are not there, encourages self-advocacy before intervening)
- Is respectful of co-workers (treats others with positive regard) .Adheres to Agency policies and procedures
- Demonstrates support of the Agency's philosophies and mission
- Treats all people equally
- Respectfully discusses confidential issues privately
- Does not engage in gossip

II. Effectively Working With Others

Teamwork is a key component of effectively working with others and creating a positive workplace. All staff are expected to be willing to not just work along side others, but to actively support the Agency mission and positively find ways to fulfill that mission. Effectively working together means not thinking of yourself as having one narrow set of duties. It means actively pursuing ways of working together, it means listening to each other with a willingness to adjust how you do your job, and respecting the needs and opinions of others.

A Mill Neck Services staff member:

- Believes in teamwork (is a team player to ensure a consumer is served, is a resource and a help to other staff; is willing at times to go beyond the job description when needed, recognizes we are all working towards a common goal)
- Communicates to all necessary parties to ensure best support for consumers; gets feedback to ensure understanding
- Communicates clearly, consistently and in a timely manner .Positively resolves conflict through proper channels
- Works to be a good problem solver (interjects ideas, provides opinions that are helpful; creates a positive solution)
- Openly recognizes other's achievements; acknowledges effort and accomplishments

III. Job Responsibility & Accountability

Each staff member is responsible for knowing and executing the responsibilities of his or her job. Each individual is held accountable for the quality of the work he or she produces. Staff should inform their supervisor if they are having difficulties completing their job responsibilities, are in need of assistance, and/or are uncertain regarding what their job responsibilities entail.

A Mill Neck Services staff member:

- Within bounds, is flexible and finds a way to meet consumer's needs (i.e. Doesn't give up just because it is "not a billable service", is willing to have a flexible schedule if possible)
- Recognizes their own limitations; asks for help when needed to avoid burnout
- Works to address problems (actively problem solves; doesn't just leave things at 'I didn't know what to do')
- Knows their job responsibilities and perseveres
- Is a good role model and teacher for consumers and others. Is able to work independently, is reliable and self-initiating
- Accepts change; views change as an opportunity (isn't resistant to new procedures).Recognizes consumer behavior may be very difficult at times, and remains committed to service provision
- Creates systems to ensure smooth staff transitions, providing as much stability as possible for the consumers
- Prioritizes workload; is time efficient; seeks supervisory feedback when having difficulty with *time* management

- Is a good planner; considers all possible outcomes, whether for work situations or consumer behaviors
- Recognizes our focus is on the needs of the people we serve (doesn't conduct personal business at work and actively provides service)
- Pursues knowledge of individualized information for each consumer (diagnosis, behaviors, past trauma, etc.) to have more understanding and sensitivity and to provide better service

IV. Personal Characteristics & Abilities

Being able to deal effectively with individuals or groups representing widely divergent backgrounds, interests, and points of view are personal characteristics and abilities desirable of all staff. A good staff member is someone who is empathetic, genuine, open, and flexible. They respect their peers and consumers as persons and are sensitive to their individual differences (e.g., gender, race, ethnicity). Staff should be able to identify their own strengths and limitations as a person, and be able to recognize how their approach may need to be adjusted when interacting with peers and consumers.

A Mill Neck Services staff member:

- Is empathetic and caring for people served
- Demonstrates patience with others, allowing them to grow and learn at their own pace
- Is dedicated and wants to provide stability to consumers
- Keeps a positive attitude even in difficult situations
- Creates a positive atmosphere
- Proactively seeks knowledge for tasks at hand
- Models acceptance of diversity

I understand that all Mill Neck Services staff are expected to comply with these Standards and Expectations and agree that it is important for me to uphold these Standards for my own benefit and the benefit of all staff at Mill Neck Services. I am, therefore, signing below to give my personal support to Mill Neck Services commitment to manage and operate its programs using the highest business, ethical and moral principals.

Signed: _____

Print Name: _____

Date: _____

Attachment B



Mill Neck Services, Inc. Management Standards and Expectations

Mill Neck Services is committed to manage and operate its programs using the highest business, ethical and moral principals. Supervisors and managers contribute to achieving these principles by exercising good leadership and being a good example in creating and promoting a workplace environment in which compliance and ethical business conduct are expected. All Mill Neck Services managers are expected to comply with the following standards and expectations:

I. Ethical and Professional Conduct

Ethical and professional conduct is an essential element of a good management. Ethical personal conduct means treating oneself and others with respect and fairness. By maintaining the highest level of corporate integrity through open, honest and fair dealings, we earn trust for our services and ourselves. In addition, it is expected that managers will conduct themselves in a professional manner that reflects positively on the Agency's image and identity. No one should act in a way that adversely affects the reputation or image of the Agency with employees, volunteers, and consumers or with the community at large.

- Be professional in dress, language and image (within and outside of the workplace)
- Actively role-model appropriate behaviors
- Proactively address unethical or unprofessional conduct
- Be respectful of yourself and others
- Remain dedicated and loyal to the Agency and the people we serve
- Demonstrate support of the Agency's philosophies and mission
- Uphold integrity (be fair, truthful, and honest)
- Be highly credible and trustworthy
- Be willing to admit when they are wrong

II. Supervisory Abilities

The ability to effectively employ a variety of supervision interventions, and deliberately choose from these interventions based on the employees learning needs, learning style, and personal characteristics are important supervisory characteristics of a good manager. Managers must be able to function effectively in the roles of teacher, counselor, and consultant, making informed choices about which role to employ at any given time with a particular employee. Managers must also be comfortable with the authority and evaluation functions inherent in the supervisor role, giving clear and frequent indications of their evaluation of the employee's performance.

A. General Supervisory Skills:

- Clearly set realistic expectations and rules
- Give clear and concise directions
- Hold people accountable for performance
- Provide support to staff with actions, as well as words
- Apply your expectations and standards equally to all staff
- Adapt your supervisory style to how each individual best responds
- Have a vested interest in helping your staff succeed
- Be a team player (work side-by-side with staff)
- Hold yourself to the same standards you expect of other
- Be available to your staff when they need you
- Demonstrate leadership skills in all situations
- Be aware of your staffs needs and trends
- Be a good project manager; meet your own deadlines and expect staff to meet theirs
- Be sure you have, or learn, good organizational and planning skills

B. Communication Skills:

- Provide straight-forward communication; don't leave staff guessing .Provide full, honest and accurate reasons and responses
- Actively listen to your staff
- Actively inform staff of all on-going issues and changes
- Respectfully discuss confidential issues privately

C. Mentoring/ Coaching Skills:

- Seize every opportunity to be a teacher
- Formally and informally act as a mentor
- Help your staff with their career aspirations
- Encourage success
- Recognize when an employee is struggling and provide guidance to overcome barriers
Show your interest in staff as people
- Use strategies that are motivating and positive
- Allow staff the opportunity to balance their personal needs with work responsibilities
- Recognize and use all the talents and skills of your staff
- Encourage staff to feel ownership of their job
- Expect the best in others
- Help staff solve problems for themselves rather than providing them with solutions

D. Performance Feedback & Discipline Skills:

- Provide feedback for staff performance on a regular basis
- Regularly recognize good performance
- Positively address performance issues before discipline is needed
- Be willing to discipline staff when it's truly needed
- Directly address staff problem behaviors individually, don't avoid them by sending out general memos or directives

E. Problem Solving Skills:

- Be skillful at problem solving; learn to apply multiple strategies
- Actively address problems/concerns, don't avoid issues
- Be receptive to staff problems and solutions
- Do thorough research about a problem, investigating it before reacting
- Be willing to address staff conflicts

III. Job Knowledge

Each employee is responsible for knowing and executing the responsibilities of his or her job. This means the individual is held accountable for the quality of the work he or she produces. In addition, managers are expected to ensure their employees have the necessary information, direction, and support to do their jobs.

- Be aware of day-to-day happenings
- Be knowledgeable about your own job
- Be knowledgeable about your staffs jobs
- Be knowledgeable about other departments and programs
- Be willing to research, learn about and find answers for areas you don't understand

IV. Personal Characteristics

Managers are expected to deal effectively with individuals or groups representing widely divergent backgrounds, interests, and points of view. A good manager is someone who is empathetic, genuine, open, and flexible. They respect their employees as persons and as developing professionals, and are sensitive to individual differences (e.g., gender, race, ethnicity) of the employee. Managers must have a clear sense of their own strengths and limitations as a supervisor, and be able to identify how their personal traits and interpersonal style may affect the conduct of supervision.

- Be resourceful; be open to suggestions and alternative methods of resolution
- Be accepting and sensitive to individual differences
- Act non-defensively, be level-headed and impartial
- Know your own strengths and weaknesses and work to compensate deficits
- Show a positive attitude; do not participate in damaging behaviors
- Be a team player, work well with other departments, colleagues and peers
- Always be approachable
- Take responsibility for your own behavior (Don't be a finger-pointer)
- Make decisions independently and swiftly
- Be invested in your job (Take your job seriously)

I understand the Standards and Expectations of all Management Staff and agree that it is important for me to uphold these Standards for my own benefit and the benefit of all staff at Mill Neck Services.

Signature _____

Print Name: _____

Date: _____

Attachment C



CORPORATE COMPLIANCE COMMITTEE

I. Role & Responsibilities

The role of the Corporate Compliance Committee is to provide oversight for regulatory and legal compliance issues and ensure Mill Neck Services, Inc. meets or exceeds the highest standards of regulatory and legal accountability, as well as ethical activity by agency employees, volunteers, contractors, officers and directors. In addition, the Corporate Compliance Committee's role is to advise the Corporate Compliance Officer and assist in the implementation of the Corporate Compliance Plan. The committee's responsibilities include:

- Analyzing the Agency's regulatory environment, the legal requirements with which it must comply and specific risk areas;
- Assessing existing policies and procedures that address these areas for possible incorporation into the compliance program;
- Working with appropriate departments to develop standards of conduct and policies and procedures that promote allegiance to the Agency's compliance program;
- Recommending and monitoring, in conjunction with the relevant departments, the development of internal systems and controls to carry out the Agency's standards, policies and procedures as part of its daily operations;
- Determining the appropriate strategy/approach to promote compliance with the program and detection of any potential violations, such as through the Corporate Compliance Hotline and other fraud reporting mechanisms;
- Developing a system to solicit, evaluate and respond to complaints and problems; and
- Monitoring internal and external audits and investigations for the purpose of identifying troublesome issues and deficient areas
- Implementing corrective and preventive action.

II. Statement of Confidentiality

Due to the extremely sensitive nature of certain Corporate Compliance Committee activities, i.e. employee discipline recommendations, etc., each member of the Corporate Compliance Committee will be held to the highest standards of confidentiality. Each Corporate Compliance Committee member will be expected to adhere to all Mill Neck Services, Inc. Privacy Policies and Procedures. The information discussed at all Corporate Compliance Committee meetings will be considered confidential in nature. Mill Neck Services Board Chairperson reserves the right to investigate any instance of potential breach of confidentiality and take appropriate remedial action up to and including recommendation for termination or in the case of a Board Member, removal from the committee and Board of Directors.

III. Structure

The Compliance Committee will include:

- Executive Director
- Associate Director of Mill Neck Services (Designated as the Corporate Compliance Officer)
- Program Supervisor
- Human Resources Director
- Financial Director

The Corporate Compliance Board Chairperson at his or her discretion may attend the Corporate Compliance Committee and participate as a full voting member.

IV. Expectations

Each Corporate Compliance Committee member will be expected to:

- Review the meeting agenda and any/all associated documents in advance of the Corporate Compliance Committee meeting (Agenda to be prepared by the Compliance Officer and submitted in writing and/or electronically.)
- Attend regularly scheduled meetings and be prepared to discuss the agenda items based on their area of expertise.

V. Meeting Minutes & Frequency

Meetings will be held quarterly. The Corporate Compliance Officer will notify committee members of the schedule at the beginning of the calendar year. In addition to regularly scheduled meeting Ad Hoc meetings may be necessary. The Corporate Compliance Officer is the only member of the Compliance Committee charged with calling an Ad Hoc meeting to address issues requiring immediate remediation.

Meeting minutes will be provided to each member of the committee in writing and/or electronically within one (1) week of the meeting. Any Corporate Compliance Committee Member wishing to make additions and/or changes to minutes must submit the requested additions and/or changes to the Corporate Compliance Officer in writing within one (1) week of receipt of the Corporate Compliance Committee meeting minutes. The Corporate Compliance Committee meeting minutes will be considered approved by all members as is if no request for changes are received within one (1) week.

The Corporate Compliance Officer will submit written documentation of all Compliance Committee activities, recommendations, and any/all other work product produced by the Committee to the Corporate Compliance Board Chairperson for review and/or approval as appropriate.

VI. Potential Compliance Committee Agenda Items

The following is a list of possible agenda items for discussion at Corporate Compliance Committee meetings:

1. Corporate Compliance Plan- review of the Corporate Compliance Plan
2. Progress toward implementation/revision of any Policies and Procedures associated with Corporate Compliance Plan.

3. Review of any Compliance issues at hand.
4. Review of previously discussed remediation items.
5. Review of any new and/or revised Policies and Procedures for adoption and approval.
6. Review of on-going monitoring/internal audit activities.
7. Review of any and all new laws, issues, guidelines, etc. which affect the on-going compliance of Mill Neck Services, Inc.
8. Development of the Compliance Action Plan for the following year, as appropriate based on any trends and/or identified areas of vulnerability.

In the event that anyone (1) Corporate Compliance Committee member must discuss a compliance issue which may involve another Corporate Compliance Committee member a request may be made requiring the individual to be removed from the meeting until a full discussion of the issue can be conducted after which time the removed Corporate Compliance Committee member will rejoin the meeting.

Attachment D



Zero Tolerance Statement

Mill Neck Services continues to vigorously strive for the highest standards at all times. We are committed to maintaining a pleasant work environment that is a desirable and create a rewarding experience for employees. It is the responsibility of employees to maintain the highest standards of conduct for themselves. Every person has a responsibility to comply with and support our Zero Tolerance Statement and to behave in a manner that is respectable.

The intent of this policy is to set the expectation for those behaviors that Mill Neck Services has deemed as severe and unacceptable resulting in termination. When enforcing the zero tolerance standards the following should be considered: the intent of the offender, the effect of the transgression on others (both those directly and indirectly involved), and, finally the impact on the agency. The punishment should fit the "crime."

“Zero Tolerance essentially means that no intentional behavior will be tolerated that is deliberately perpetrated with the purpose of harming others or the agency, for personal gain or vengeance. Transgressions include but are not limited to: workplace violence, fraud, vandalism, theft of any kind, the use of any object as a weapon and/or conducting any type of illegal activity.”

Attachment E: False Claims Act and Whistleblower Act



Purpose:

Mill Neck Services, Inc. is committed to prompt, complete, and accurate billing of all services provided to individuals. Mill Neck Services, Inc. and its employees, contractors, and agents shall not make or submit any false or misleading entries on any claim forms. No employee, contractor, or agent shall engage in any arrangement or participate in such arrangement at the direction of another person, including any supervisor or manager that result in the submission of a false or misleading entry on claims forms or documentation of services that result in the submission of a false claim.

It is the policy of Mill Neck Services, Inc. to detect and prevent fraud, waste and abuse in federal healthcare programs. This Policy explains the Federal False Claims Act (31 U.S.C. §§ 3729-3733), the Administrative Remedies for False Claims (31 USC Chapter 38 §§3801-3812), the New York State False Claims Act (State Finance Law §§187-194), and other New York State laws concerning false statements or claims and employee protections against retaliation. This policy also sets forth the procedures Mill Neck Services, Inc. has put into place to prevent any violations of federal or New York State laws regarding fraud or abuse in its health care programs.

This policy applies to all employees, including management, contractors, and agents.

For purpose of this policy, a contractor or agent is defined as:

- Any contractor, subcontractor, agent, or other person which or who, on behalf of the Mill Neck Services, Inc., furnishes, or otherwise authorizes the furnishing of Medicare and/or Medicaid health care items or services, performs billing or coding functions; or
- Is involved in the monitoring of health care provided by the Mill Neck Services, Inc..

Overview of Relevant Laws:

The False Claims Act (31 U.S.C. §§ 3729-3733)

The False Claims Act is a federal law designed to prevent and detect fraud, waste, and abuse in federal healthcare programs, including Medicaid and Medicare. Under the False Claims Act, anyone who "knowingly" submits false claims to the government is liable for damages up to three times the amount of the erroneous payment plus mandatory penalties of \$5,000 to \$10,000 for

each false claim submitted. The law was revised in 1986 to expand the definition of "knowingly" to include a person who:

- Has actual knowledge of falsity of information in the claim;
- Acts in deliberate ignorance of the truth or falsity of the information in the claim;
and
- Acts in reckless disregard of the truth or falsity of the information a claim.

False Claims suits can be brought against individuals and entities; The False Claims Act does not require proof of a specific intent to defraud the Government. Providers can be prosecuted for a wide variety of conduct that leads to the submission of a false claim.

Some examples include:

- Knowingly making false statements;
- Falsifying records;
- Submitting claims for services never performed or items never furnished;
- Double-billing for items or services;
- Using false records or statements to avoid paying the Government;
- Falsifying time records used to bill Medicaid; or
- Otherwise causing a false claim to be submitted.

Whistleblower or “Qui Tam” Provisions

In order to encourage individuals to come forward and report misconduct involving false claims, the False Claims Act contains a “Qui Tam” or whistleblower provision.

The Government, or an individual citizen acting on behalf of the Government, can bring actions under the False Claims Act. An individual citizen, referred to as a whistleblower or “Relator,” who has actual knowledge of allegedly false claims may file a lawsuit on behalf of the U.S. Government. If the lawsuit is successful, and provided certain legal requirements are met, the whistleblower may receive and award ranging from 15% - 30% of the amount recovered.

Employee Protections

The False Claims Act prohibits discrimination by Mill Neck Services, Inc. against any employee for taking lawful actions under the False Claims Act. Any employee who is discharged, demoted, harassed, or otherwise discriminated against because of lawful acts by the employee in False Claims actions is entitled to all relief necessary to make the employee whole. Such relief may include reinstatement, double back pay, and compensation for any special damages, including litigation costs and reasonable attorney fees.

Administrative Remedies for False Claims (31 USC Chapter 38. §§3801-3812)

This federal statute allows for administrative recoveries by federal agencies including the Department of Health and Human Services, which operates the Medicare and Medicaid Programs. The law prohibits the submission of a claim or written statement that the person knows or has reason to know is false, contains false information, or omits material information. The agency

receiving the claim may impose a monetary penalty of up to \$5,500 per claim and damages of twice the amount of the original claim.

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

New York State Laws

A. Civil and Administrative Laws

New York State False Claims Act (State Finance Law §§187-194)

The New York State False Claims Act closely tracks the federal False Claims Act. It imposes fines on individuals and entities that file false or fraudulent claims for payment from any state or local government, including health care programs such as Medicaid... The penalty for filing a false claim is \$6,000 - \$12,000 per claim and the recoverable damages are between two and three times the value of the amount falsely received. In addition, the false claim filer may be responsible for the government's legal fees.

The Government, or an individual citizen acting on behalf of the Government (a "Relator"), can bring actions under the New York State False Claims Act. If the suit eventually concludes with payments back to the government, the party who initiated the case can recover 15% - 30% of the proceeds, depending upon whether the government participated in the suit. The New York State False Claims Act prohibits discrimination against an employee for taking lawful actions in furtherance of an action under the Act. Any employee who is discharged, demoted, harassed, or otherwise discriminated against because of lawful acts by the employee in furtherance of an action under the False Claims Act is entitled to all relief necessary to make the employee whole.

Social Service Law §145-b False Statements

It is a violation to knowingly obtain or attempt to obtain payment for items or services furnished under any Social Services program, including Medicaid, by use of a false statement, deliberate concealment, or other fraudulent scheme or device. The State or the local Social Services district may recover up to three times the amount of the incorrectly paid claim. In the case of non-monetary false statements, the local Social Service district or State may recover three times the amount incorrectly paid. In addition, the Department of Health may impose a civil penalty of up to \$2,000 per violation. If repeat violations occur within five years, a penalty up to \$7,500 may be imposed if they involve more serious violations of the Medicaid rules, billing for services not rendered, or providing excessive services.

Social Service Law §145-c Sanctions

If any person applies for or receives public assistance, including Medicaid, by intentionally making a false or misleading statement, or intending to do so, the person's and the person's family needs are not taken into account for a period of six months to five years, depending upon the number of offenses.

B. Criminal Laws

Social Service Law §145 Penalties

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

Social Service Law §366-b Penalties for Fraudulent Practices

Any person who, with intent to defraud, presents for payment any false or fraudulent claims for furnishing services or merchandise, knowingly submits false information for the purpose of obtaining Medicaid compensation greater than that to which he/she is legally entitled to, or knowingly submits false information in order to obtain authorization to provide items or services shall be guilty of a Class A misdemeanor.

Any person who obtains or attempts to obtain, for himself or others, medical assistance by means of a false statement, concealment of material facts, impersonation, or other fraudulent means is guilty of a Class A misdemeanor.

Penal Law Article 155, Larceny

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

Penal Law Article 175. Written False Statements

There are four crimes in this Article that relate to filing false information or claims. Actions include falsifying business records, entering false information, omitting material information, altering an agency's business records, or providing a written instrument (including a claim for payment) knowing that it contains false information. Depending upon the action and the intent, a person may be guilty of a Class A misdemeanor or a Class E felony.

Penal Law Article 176. Insurance Fraud

This Article applies to claims for insurance payment, including Medicaid or other health insurance. The six crimes in this Article involve intentionally filing a false insurance claim. Under this article, a person may be guilty of a felony for false claims in excess of \$1,000.

Penal Law, Article 177. Health Care Fraud

This Article establishes the crime of Health Care Fraud. A person commits such a crime when, with the intent to defraud Medicaid (or other health plans, including non-governmental plans), he/she knowingly provides false information or omits material information for the purpose of requesting payment for a health care item or service and, as a result of the false information or omission, receives such a payment in an amount to which he/she is not entitled. Health Care Fraud

is punished with fines and jail time based on the amount of payment inappropriately received due to the commission of the crime.

New York Labor Law §740

An employer may not take any retaliatory personnel action against an employee if the employee discloses information about the employer's policies, practices or activities to a regulatory, law enforcement, or other similar agency or public official.

This law offers protection to an employee who:

- discloses, or threatens to disclose, to a supervisor or to a public body an activity, policy, or practice of the employer that is in violation of law, rule, or regulation that presents a substantial and specific danger to the public health or safety, or which constitutes health care fraud (knowingly filing, with intent to defraud, a claim for payment that intentionally has false information or omissions);
- provides information to, or testifies before, any public body conducting an investigation, hearing, or inquiry into any such violation of a law, rule, or regulation by the employer;
- objects to, or refuses to participate in any such activity, policy in violation of a law, rule, or regulation.

The employee's disclosure is protected under this law only if the employee first brought up the matter with a supervisor and gave the employer a reasonable opportunity to correct the alleged violation. The law allows employees who are the subject of a retaliatory action to bring a suit in state court for reinstatement to the same, or an equivalent position, any lost back wages and benefits and attorneys' fees. If the employer is a health care provider and the court finds that the employer's retaliatory action was in bad faith, it may impose a civil penalty of \$10,000 on the employer.

New York Labor Law §741

Under this law, a health care employer may not take any retaliatory action against an employee if the employee discloses certain information about the employer's policies, practices or activities to a regulatory, law enforcement, or other similar agency or public official. Protected disclosures are those that assert that, in good faith, the employee believes constitute improper quality of patient care.

The employee's disclosure is protected under this law only if the employee first brought up the matter with a supervisor and gave the employer a reasonable opportunity to correct the alleged violation, unless the danger is imminent to the public or patient and the employee believes in good faith that reporting to a supervisor would not result in corrective action. If the employer takes a retaliatory action against the employee, the employee may sue in state court for reinstatement to the same, or an equivalent position, any lost back wages and benefits and attorneys' fees. If the employer is a health care provider and the court finds that the employer's retaliatory action was in bad faith, it may impose a civil penalty of \$10,000 on the employer.

Policy:

1. MILL NECK SERVICES, INC. will provide training in this policy and procedure to all its employees, contractors, and agents. This training will be provided to all new employees; as part of the new employee orientation.
2. MILL NECK SERVICES, INC. will perform billing activities in a manner consistent with the regulations and requirements of third party payors including Medicaid and Medicare.
3. MILL NECK SERVICES, INC. will conduct regular auditing and monitoring procedures as part of its efforts to assure compliance with applicable regulations.
4. Any employee, contractor, or agent who has any reason to believe that anyone is engaging in false billing practices or false documentation of services is expected to report the practice according to Mill Neck Services Reporting of Compliance Concerns and Non-Retaliation Policy and Procedure.
5. Any form of retaliation against any employee who reports a perceived problem or concern in good faith is strictly prohibited.
6. Any employee who commits or condones any form of retaliation will be subject to discipline up to and including, termination.

Procedures:

1. The Compliance Officer will ensure that all employees and agents receive training related to the contents of this policy and the False Claims Act. The Compliance Officer will ensure that records are maintained to document the receipt of training.
2. The Compliance Officer will assure that this policy and procedure is attached to any contract with outside contractors or agents (as defined by this policy).