



Catholic Charities of Broome
County

Corporate Compliance Training

What Is it?

**What Does
It Mean To
Me?**

Purpose of This Training



To provide an understanding of the regulatory environment in which **Catholic Charities** operates



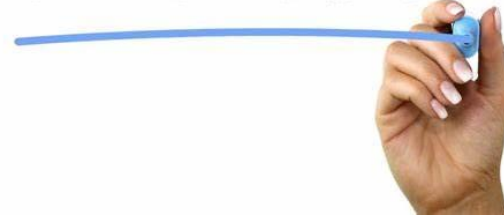
To provide an overview of Compliance and understanding of **Catholic Charities** Compliance Program



To provide an understanding of your responsibilities

What is Corporate Compliance?

CORPORATE COMPLIANCE



- Corporate Compliance is a program initially recommended by the Federal Office of the Inspector General (OIG), to assist medical providers in detecting Medicaid Fraud and Abuse, whether it is intentional or not.
- In New York State, agencies are required to maintain an effective Compliance Program as a condition to receiving Medicaid Payments. (NYS Social Services Law (SOS) § 363-d; 18 NYCRR Part 521 and Sub-Part 521-1)

What is Corporate Compliance?

- Catholic Charities has extended the Corporate Compliance definition beyond Medicaid funded programs. The Corporate Compliance program is **required for all programs** throughout the agency and is intended to uphold the integrity of the entire agency by establishing policies, processes and standards of conduct for all employees to promote honest and ethical behavior in conducting all business activities.
- Catholic Charities is committed to conducting business based on sound ethical and moral standards, and holds all employees, volunteers, contractors and vendors to the same standards.
- Corporate Compliance identifies all the activities and policies associated with maintaining these standards, with the overall objective to prevent, detect and report **ANY** non-compliance.

Laws and Regulations

As an organization, we must comply with many Federal and State laws and regulations. On the next slide, you will see the various categories of laws and regulations that are applicable to our organization and the services we provide.

To make sure we comply with all the laws and regulations that apply to our organization, we have developed policies, procedures, and standards or practices.

It is your responsibility to be familiar with the policies and procedures that apply to you and your role within our organization. If you are ever in doubt, it is important that you seek guidance from your Supervisor, a Manager, Director, or the Corporate Compliance Officer.

Federal and State Laws and Regulations

Catholic Charities abides by many Laws and Regulations related to the following areas, that are applicable to the organization and the services we provide:

- Employment and Discrimination
- Governance, Licensing, and Certification
- Fraud Prevention and Detection
- Protection from Abuse
- Health and Safety
- Confidentiality
- IT Security
- Physical Environment
- Service Provision
- Billing and Reimbursement

Fraud, Waste, and Abuse Laws

Catholic Charities receives funding for its operations from Federal and State programs. This funding can be in the form of contracts, grants, or reimbursement from Federal or State healthcare programs such as Medicaid or Medicare.

Both the Federal and the State governments have laws and enforcement actions aimed at preventing and detecting fraud, waste, and abuse. We will review the four primary laws that address fraud, waste, and abuse. These include:

The False Claims Act

- Federal False Claims Act
- New York False Claims Act

The Deficit Reduction Act

The Affordable Care Act

The Whistleblower Act

Fraud, Waste, and Abuse

Let's first define fraud, waste, and abuse as they relate to billing for healthcare services, such as Medicaid or Medicare:

Fraud: *An intentional deception or misrepresentation of information made by a person with the knowledge that the deception results in unauthorized benefit to herself or himself or another person.*

Simply put, a person knows the information is false and knows that the deception could result in unauthorized payment.

A common example of fraud is when a person intentionally documents for a service that was never provided and the service is billed.



Fraud, Waste, and Abuse

Waste: *Is the mismanagement of resources, including incurring unnecessary costs because of inefficient or ineffective practices or systems.*

It can be an overutilization of services or other practices that, directly or indirectly, result in unnecessary costs to the healthcare system, including the Medicare and Medicaid programs.

Abuse: *Having practices that are inconsistent with generally accepted business or medical practices.*

Abuse can occur when services are no longer medically necessary for the person and the services are continued and billed. This results in unnecessary costs to Medicaid or Medicare.

The Federal False Claims Act:

- Was enacted during the Civil War to combat fraud in government contracts. It was revised in 1986 and 2009.
- Prohibits persons or businesses from improperly receiving; or “**knowingly**” submitting a false claim or making a false statement in order to secure payment of a false or fraudulent claim from the Federal Government.
- Is used broadly by the Federal government to address fraud, waste, and abuse for any government funding whether it's a government contract, a federal grant or healthcare payments such as Medicare or Medicaid. It is most commonly used to combat health care fraud, waste, and abuse of the two most common government healthcare programs, Medicaid and Medicare.
- The law was updated in 1986 and the term “*Knowingly*” was defined to mean that a person **knew** or **should have** known the claim or statement was false. No proof of intent to commit fraud is required to enforce the law.
 - *Under the False Claims Act, it is a crime to knowingly submit a false statement or to cause to be submitted a false statement or a false claim in order to receive funding from the government.*

The False Claims Act Penalties

Violations of the False Claims Act can result in some very serious penalties and recoveries of funds:

- Pay back up to three times the amount of the claim, and civil penalties of \$11,000–\$22,000 for each false or fraudulent claim presented for payment.
- In addition to fines and penalties, an individual or a business can be criminally prosecuted under the False Claims Act (criminal or civil prosecution).
- Under the 2009 revisions, the False Claims Act can also be applied when a healthcare provider keeps Medicaid or Medicare funds that they were not entitled to. Keeping funds that you are not entitled to may be considered a “reverse false claim”, and the same penalties and criminal charges can be applied.

NYS False Claims Act:

- New York State enacted its own False Claims Act in 2007, intentionally modeled after the Federal False Claims Act.
- It makes it illegal to submit a claim for payment to the state government that a person knows, or should know, is false.
- Fines of up to \$12,000 per claim, and double to triple damages.
- Provider entities or individuals can face criminal or civil prosecution.
- Because a portion of Medicaid funding comes from New York State, the False Claims Act is applied in cases of Medicaid fraud.

Examples of False Claims

Submitting a false claim or making a false statement is interpreted across many different areas related to the provision of healthcare services and the billing of those services. Let's consider some common examples:

- Submitting a claim for a service that the person knows or should have known is false (*knowingly*);
- Submitting a claim for services that was not provided as claimed;
- Up coding or using the wrong code to receive a higher payment;
- Double billing (same service billed twice and paid);
- Billing for a service that was not properly authorized or medically necessary.

Examples of False Claims

- Billing for services provided by an unqualified provider is another common example of fraud. This occurs when the provider is not licensed, certified or credentialed to provide a specific type of service or procedure.
- If services or goods are provided by a person who has been excluded by the Federal or State government from participating in federal healthcare program, the False Claims Act may also apply.
- There are other laws, called **anti-kickback legislation**, that prohibit anyone from soliciting or offering payment for referrals of Medicare or Medicaid recipients. It is illegal for a provider to provide inducements of money, or gifts in place of money, for referrals of Medicaid or Medicare recipients for services. Acts of this nature may also be prosecuted under the False Claims Act and considered a felony.

Deficit Reduction Act of 2006:

- In 2006, the Federal government enacted the **Deficit Reduction Act**. This legislation placed more emphasis on Medicaid fraud, waste, and abuse detection and prevention, and increased enforcement of State Medicaid laws and regulations. It also allowed for, and encouraged, Whistleblower actions.
- It required the provision of education and training in False Claim Act and fraud, waste, abuse and Whistleblower protections, which is included in this presentation.
- It is important for you to understand that there can be criminal or civil prosecution for a wide range of conduct that leads to the submission of a false claim. You also need to know that there are ways to report false claims to the Agency.
- Should an employee report, in good faith, knowledge of an alleged false claim, the employee is protected from retaliation or discrimination for making such a report. We have policies and procedures related to the False Claims Act and the reporting of non-compliance. We strictly prohibit any form of retaliation against a person who reports a possible false claim.

New Implications for False Claims Actions

There are two other Federal laws that address false claims:

- **Patient Protection and Affordable Care Act** – signed in March 2010 – states an overpayment must be reported and returned by the later of:
 - 60 days after the date on which the overpayment was **identified**; or;
 - the date on which any corresponding cost report is due, if applicable.
- **Fraud Enforcement and Recovery Act** – signed in May 2009 – expands the False Claims Act liability for the retention of Medicaid or Medicare overpayments, even where there is no false claim. This is referred to as a *reverse false claim*.

What is Compliance, and how does it apply to you?



Simply put, It
Means Doing the
Right Thing;



Even When
No One is
Looking



What is a Compliance Program?
Our Compliance Program is about doing the right thing – in all that you do!

Our Compliance Program:



Was adopted by **Catholic Charities**
Board of Directors and Management



Is an organization-wide system; that applies
to every Division, program, and individual
who works for, or does business with us



Helps to ensure that we comply with all
the laws and regulations



Works to ensure that we conduct
business ethically and with the highest
degree of integrity

Our Corporate Compliance Plan:



Is the framework for **Catholic Charities** Compliance Program



Communicates our commitment to comply with all applicable laws and regulations



Defines the seven elements of the Compliance Program, and how they are carried out



Defines the responsibilities of persons who work for or conduct business with Catholic Charities, **in the Standards of Conduct**

Scope

The Compliance Program applies to each Division and Program within Catholic Charities.

It covers all “***Affected Individuals***”, which includes all persons affected by the Agency’s risk areas: The Executive Director, Division Directors, Employees, Volunteers, Board members, and Contractors and Vendors who conduct business with **Catholic Charities**.

Regulations state that compliance activities have to cover specific risk areas of operation, including:

- Billing and Payments;

- Ordered Services;

- Medical Necessity;

- Quality of Care;

- Governance;

- Mandatory Reporting;

- Contractor Oversight;

- And other areas that the agency has identified as risk areas.

Purpose

It is designed to **Prevent, Detect, and Respond** to:

- Unethical or illegal behavior;
- Non-compliance with Federal and State laws and regulations;
- Non-compliance with **Catholic Charities** policies and procedures; and
- Fraud, waste, and abuse in Federal and State healthcare programs, such as Medicaid and Medicare.



There Are 7
Required
Elements to a
Compliance
Program:

1. Policies & Procedures and Standards of Conduct
2. Compliance Program Oversight
3. Training and Education
4. Lines of Communication
5. Disciplinary Standards
6. Auditing and Monitoring
7. Response and Corrective Actions

1. Written Policies and Procedures

- The first element is the establishment of written **Policies and Procedures**:
 - Our Policies & Procedures are based on Laws, Regulations, and our own practices.
 - They provide us with direction and guidance for compliance.
 - *You must be familiar with them and adhere to them.*
 - If you are unsure or have questions regarding the policies and procedures, seek guidance from Your Supervisor or the Compliance Officer.
 - The Agency is committed to compliance with laws and regulations and our policies & procedures. It is our expectation that you will report **any** suspected non-compliance so that we are able to investigate the issue and prevent further non-compliance.

Standards of Conduct

In addition to the policies and procedures in element #1, written **Standards of Conduct** are required. They provide guidance on "Doing the Right Thing" in key areas of risk and may reference key points from various policies and procedures. It is important that you understand the **Standards of Conduct** and follow them. A copy of the Standards of Conduct can be found on the "Public" drive.

- The Standards may not address all situations; if you are unsure, always seek guidance from your Supervisor, Program Manager, Division Director, and/or the Compliance Officer.
- Failure to follow the Standards of Conduct will result in disciplinary action.
- Failure to report known or suspected violations of the Standards of Conduct will also result in disciplinary action.

Conflicts of Interest

- One of the policies and procedures in element #1 define the process for disclosing potential or actual Conflicts of Interest.
- *A Conflict of Interest* can be any situation in which financial or other personal considerations may compromise **or** could appear to compromise (1) an employee's business judgment; (2) delivery of services; or (3) the ability for an employee to do his or her job.
- Employees will be asked to disclose any actual or potential conflicts of interest upon hire; as soon as a potential conflict arises; and/or annually, by completing a Conflict of Interest Statement. Disclosures will include listing any any family members employed by Catholic Charities or serving as a member of Catholic Charities Board of Directors.
- It is important to be transparent and open when conducting all business activities. Conflicts need to be disclosed so that the Agency can assist Employees in managing any potential impacts.

2. Compliance Program Oversight

The second element of our Compliance Program is the **Oversight**. The responsibility for oversight of our Compliance Program is shared between:

- The Compliance Officer
- The Compliance Committee
- The Board of Directors



The Compliance Officer:

- Is appointed by, and reports to, the Executive Director and Board of Directors.
- Has overall responsibility for the operation of the Compliance Program.
- Ensures that the Compliance Program requirements are in place and effective and revises it as needed.
- Maintains effective lines of communication for confidential and/or anonymous reporting of unethical behavior or violations of laws, regulations, our policies and procedures, and Standards of Conduct.
- Monitors risk areas; ensures and oversees auditing and monitoring activities to prevent or reduce those identified risks.
- Ensures a thorough investigation of reported and/or identified violations, non-compliance, and other wrongdoing.
- Ensures that appropriate corrective actions, (which can include training, retraining, revisions to policies, procedures, or practices and/or disciplinary action) are taken; along with the return of any overpayments we received, if applicable.

The Compliance Committee:

- Is a formal committee that meets on a regular basis. (The names of Committee members will be shared with you as part of this training.) It includes Members of Management and Administration who work closely with the Compliance Officer to ensure that the seven elements of the Compliance Program are in place and working effectively.
- Ensures that policies and procedures are current and followed.
- Ensures that **Catholic Charities** complies with laws, regulations, policies and procedures, and the Standards of Conduct.
- Ensures that risks are identified; efforts are initiated to prevent or reduce them; and ensures that corrective actions are taken.
- With the Compliance Officer, ensures that actual or suspected unethical behavior or violations of laws, regulations, our policies and procedures, and Standards of Conduct are reported and thoroughly investigated.

The Board of Directors:

- Our Board members play a crucial role in ensuring the ethical standards, compliance and overall performance of our agency:
- Works with Management, the Compliance Committee and the Compliance Officer to ensure that the seven elements of the Compliance Program are in place and working effectively.
- Provides oversight to ensure that **Catholic Charities** complies with laws, regulations, policies and procedures, and the Standards of Conduct.
- Reviews audit results and management's handling of risk assessment, prevention strategies, internal controls, and overall governance processes related to compliance.
- Reviews the Compliance Plan and Annual Compliance Work Plan
- Approves key policies and procedures.
- Maintains strong communication with Management and the Compliance Officer
- Reviews reporting on the Agency's compliance activities.

3. Training and Education

Another very important element of a Compliance Program is **Education and Training**. The training in compliance starts with the Board and continues through all levels of the organization. Training and Education:

- Is mandatory and occurs upon hire and at least annually thereafter. Additional targeted training may be conducted as risks are identified.
- Reviews fraud, waste, and abuse laws and outlines the process for confidentially reporting non-compliance without fear of retaliation.
- As part of the training, you are provided access to the Compliance Plan and Standards of Conduct; an overview of compliance; and how our Compliance Program applies to you.
 - *The Corporate Compliance Plan and Standards of Conduct can be found on the “P-Public” drive under Corporate Compliance Policies.*

4. Lines of Communication

The fourth element, **Lines of Communication**, describes all the ways you can report non-compliance:

- *“Open Door Policy”*: Our open-door policy encourages persons to ask questions, seek clarification, and address daily concerns with Supervisors and Managers/Directors. Our Compliance Program provides additional ways to report issues and actual or suspected non-compliance in a confidential and/or anonymous manner.
- **Employees are required** to promptly report illegal or unethical behavior; violations of laws, regulations, policies and procedures, or Standards of Conduct; and fraud, waste, and abuse, so that the issues can be investigated, and corrective actions can be taken to prevent the non-compliance from happening again.
- Employees may report confidentially to:
 - The Compliance Officer, or;
 - Directly to a Supervisor, Manager or Director, or;
 - A Member of the Compliance Committee, or;
 - Anonymously through the **Compliance Hotline at (866) 460-2024**

Lines of Communication

We realize there may be times that a person may wish to report anonymously to the Compliance Officer. This can be done by completing a **Compliance Concern Report Form**, and sending it to the Compliance Officer at 232 Main Street, Binghamton. When reporting anonymously, it is important to provide as much detail as possible because the Compliance Officer will not be able to contact you to obtain more information during the investigation.

We are committed to preserving confidentiality and protecting the identity of the reporter and will do so unless there is a disciplinary proceeding, the issue is referred to or under investigation by law enforcement, or the identity is required during a legal proceeding.

Catholic Charities prohibits any acts of intimidation, retaliation, or job threat for reporting, in “good faith”, actual or suspected non-compliance.

What Should I Report?

Employees are obligated, as part of their responsibilities in the Compliance Program, to report actual or suspected misconduct that they, in good faith, believe is occurring. This includes actual or potential:

- Unethical behavior or activities;
- Illegal behavior or activities;
- Violations of the Standards of Conduct or the Compliance Program;
- Violations of laws and regulations;
- Violations of **Catholic Charities** Policies and Procedures such as the Standards of Conduct and the Code of Ethics.

What Should I Report?

Additionally, Employees are also obligated to report:

- Any falsification of records or documents;
- Any improper acts in delivery or billing of services;
- Suspected fraud, waste, or abuse;
- Any misuse or misappropriation of **Catholic Charities** funds, information, equipment, facilities, or other assets/resources;
- Any act of retaliation or intimidation for reporting concerns or participating in an investigation.

Failure to report any of these issues may be determined to be a violation of your obligation to report and a violation of our Compliance Program. **Failure to report may lead to disciplinary action, up to and including termination.**

Whistleblower Protections

REMINDER: Whistleblower Protection and Non-Retaliation Policy

- We recognize that a threat or act of intimidation or retaliation against a person who is considering, or who has reported actual or suspected non-compliance can threaten the integrity of our Compliance Program by preventing good faith reporting and can limit our ability to monitor and resolve issues of non-compliance.
- Staff need to be aware that Catholic Charities has a **Zero** tolerance for any retaliation of “good faith” reporting of actual or suspected non-compliance.
 - “Good faith” means the person has *good reason* to believe the non-compliance occurred. No proof is required.
- Retaliation examples include threats, harassment, intimidation, demotion, reassignment, isolating/mocking, false accusation of poor performance, etc.
- Any acts of retaliation must be reported to Compliance Officer and/or HR for investigation and follow-up.

5. Disciplinary Standards

The fifth element is **Disciplinary Standards**.

As part of our obligation to comply with laws and regulations and our policies and procedures, it is important that we enforce our **Standards of Conduct** as well as our policies and procedures. Our policy for disciplinary action addresses what will happen when someone does not follow the Standards of Conduct or our policies and procedures.

- Disciplinary action will be taken for non-compliance with laws, regulations, **Catholic Charities** policies and procedures, Standards of Conduct, Code of Ethics, Compliance Program, service provision and billing requirements.
- In addition, disciplinary action will be taken for failing to report actual or suspected non-compliance.

Disciplinary Standards

- Discipline may include a verbal warning, written warning, suspension, or termination.
- Disciplinary actions may not always be progressive in nature and may be escalated to more significant discipline, depending upon the violation and whether the actions were intentional or part of reckless behavior.
- Additional information regarding our Discipline Standards can be found in the Catholic Charities Employee Handbook.
- The Human Resources Director monitors the disciplinary process to ensure consistency throughout the agency.

6. Auditing and Monitoring

The sixth element includes **Auditing and Monitoring** activities and the systems and processes we have in place to ensure that we are in compliance with applicable laws and regulations and our policies and procedures.

Auditing and monitoring activities are based on risk areas that are identified by the Compliance Officer and the Compliance Committee.

- Routine auditing and monitoring activities are conducted as part of our Compliance Program.
- Internal Audits are designed to test our compliance with laws and regulations, our policies and procedures, and those identified risk areas.
- Information obtained from External Audits is also used to develop additional auditing and monitoring criteria.

6. Auditing and Monitoring

- As part of the auditing and monitoring component of the Compliance Program, the Compliance Officer and the Compliance Committee will review all audits and reviews by external oversight agencies. Any risks are identified and incorporated into the Compliance Program.
- Results of all internal and external audits are reported to Management, the Compliance Committee and the Board of Directors.
- If deficiencies are identified from an audit or from monitoring activities, a Corrective Action Plan is developed. The purpose of the corrective action plan is to put in place measures that will prevent the deficiency or non-compliance from happening again.

7. Response and Corrective Action

The seventh element, **Response and Corrective Action**, details how we will respond when there is a finding, whether it is from a report of non-compliance, an internal audit, or an audit by our oversight agencies.

- All reports of actual or suspected non-compliance are thoroughly investigated by, or under the direction of the Compliance Officer.
- Thorough investigations are conducted and documented, and all findings are reported to the Compliance Committee and the Board of Directors.
- Any non-compliance or risk identified as result of internal auditing and monitoring is investigated and all findings will result in required corrective actions.
- Corrective action(s) are promptly implemented to prevent reoccurrence. Corrective actions can include; training; policy/procedure revision; discipline; and/or self-reporting and refund of any overpayments, if applicable.
- And finally, as part of our Compliance Program, we conduct follow-up reviews and monitoring to determine if the corrective action was effective in correcting the non-compliance or deficiency.

The Framework for Compliance

In summary, the Compliance Program is designed to prevent, detect, and respond to non-compliance and suspected fraud, waste, and abuse through:

Prevent	Following our Policies and Procedures and Standards of Conduct ; The Training and Education we provide; Our continual Risk Assessment process
Detect	Our Internal Reporting mechanisms to Management and the Compliance Officer; Our Auditing and Monitoring activities
Respond	Our process to Investigate non-compliance or deficiencies and Communicate findings; And our commitment to correcting non-compliance through Corrective actions so it does not happen again.

Our Compliance Policies:

There are some other key Compliance Program Policies and Procedures that you should be familiar with. They can all be located on the Agency “P” Public Drive:

- **Standards of Conduct** – Contain expectations for conduct on behalf of **Catholic Charities**. it is your guide to **Doing the Right Thing**.
- **Whistleblower Protections and Non-Retaliation Policy** – Describes the protections for persons who report activities believed to be illegal, dishonest, unethical, or otherwise improper from retaliation.
- **False Claims Act and Whistleblower Protection Policy**– Includes an explanation of Federal and NY laws addressing false claims, fraud, waste, and abuse and reporting non-compliance; describes employee protections and **Catholic Charities** fraud, waste, and abuse prevention practices are defined.
- **Reporting and Investigation of Compliance Concerns Policy** – Describes what must be reported and how to report.

Your Responsibilities

You are an important part of our Compliance Program and, as such, you have certain responsibilities. We expect you to:

- Become familiar and comply with **Catholic Charities** Standards of Conduct, Code of Ethics and our Compliance Program Policies and Procedures.
- Complete all required compliance trainings.
- Know how and who to report compliance concerns, and **promptly report** any issues of potential fraud, waste, or abuse, and any known or suspected non-compliance or wrongdoing.
- Report any retaliation or intimidation to the HR or Compliance Officer.
 - *It is important to remember that you **do not need proof** to make a report. Reports will be investigated fully to determine what, if anything occurred.*

Reporting Compliance Concerns

There are several ways to report a suspected problem or concern:

- Discuss the issue with your Supervisor/Program Manager/Director, And/Or;
- Contact the **Corporate Compliance Officer**— Carla Morgan @ 729-9166 or cmorgan@ccbc.net, Or;
- Contact a member of the **Compliance Committee**-- Tonya Brown; Dianne Cappiello; Tracie Layton; Jeanna Davis; Julie Smith; Carole Wesko, and Stephanie Mertz, Or;
- Contact the Roman Catholic Diocese of Syracuse-**Catholic Charities Hotline** @ 1-866-460-2024, Or;
- Document your concern in writing on the **Compliance Concern Report Form** and submit to the Compliance Officer.

Doing The Right Thing

REPORT IT!

Don't ignore it!

Compliance is **EVERYONE'S** responsibility!

If something doesn't feel right, it probably isn't.

If something doesn't look right, it probably isn't.

When in doubt, **REPORT** it!

If you are unsure, **ASK QUESTIONS!**