

Circare

Corporate Compliance Plan

1. Purpose and Scope of the Compliance Program

Circare is committed to conducting business in accordance with its mission and values, in compliance with applicable laws, rules, regulations, and standards, and with honesty, fairness, and integrity. Toward that end, Circare has adopted a corporate compliance program (Compliance Program) to reflect its commitment to high ethical standards, to compliance with applicable legal, regulatory, and professional requirements, and to a culture that supports prevention, detection, and remediation of compliance problems.

The Compliance Program has been designed to meet the requirements for compliance programs set forth in New York State Social Services Law § 363-d and applicable regulations and is based on guidance established by the Office of the Inspector General and the New York State Office of the Medicaid Inspector General, as well as continuing guidance received from these agencies and changing or evolving laws, rules, and regulations.

The Compliance Program is applicable to Circare business practices (clinical, operational, and financial activities) including, but not limited to, billings, payments, contracting, making and receiving client referrals, receiving and giving gifts, medical necessity and quality of care, governance, mandatory reporting, licensure and credentialing of programs and workforce, and other identified compliance risk areas.

All members of the Circare workforce — agency, state, contract, and temporary employees, Board of Directors, interns, volunteers, vendors, contractors, and consultants — are required to comply with the Compliance Program. The Compliance Program will also be carried out in accordance with a Compliance Plan, a Code of Conduct, an Annual Work Plan, and Compliance Policies and Procedures that address key risk areas to guide the agency's best efforts to operate under the highest standards of integrity and ethical business practices.

2. Corporate Compliance Plan

The corporate compliance plan (Compliance Plan) outlines how Circare will structure, administer, enforce, and otherwise effectively implement its Compliance Program. The agency's Compliance Plan is intended to provide reasonable assurance that Circare:

- complies with applicable laws, rules, regulations, and professional standards;
- prevents, detects, and reports known or suspected fraud and abuse or other forms of misconduct that might expose the agency to significant criminal or civil liability;
- promotes self-auditing and self-policing, and provides for voluntary disclosure of violations of laws, rules, or regulations;
- establishes, monitors, and enforces high professional and ethical standards; and
- prevents intimidation of and retaliation against individuals for good faith participation in the Compliance Program.

An overview of each element of the Compliance Plan is described below.

2.1 Oversight and Implementation of the Compliance Program

Circare is committed to the operation of an effective Compliance Program and has assigned compliance oversight responsibilities to individuals at the management level.

2.1.1 Compliance Officer

The Compliance Officer is responsible for the day-to-day operation of the Compliance Program and reports directly to the Executive Director and to the Board of Directors. The Compliance Officer will report about activities and findings of the Compliance Program to the Risk Review Committee and periodically to the Board of Directors. The Compliance Officer will also have direct access to senior management and the President of the Board of Directors, and have sufficient education, training, resources, and authority to develop and manage an effective compliance program. The identity of the Compliance Officer will be disseminated periodically to the Circare workforce.

The responsibilities of the Compliance Officer include: implementing the Compliance Program; developing a program for compliance training; managing the Compliance Hotline and following up on reports received;

coordinating an annual compliance risk assessment; coordinating the development and implementation of an annual compliance work plan; managing or conducting audits, self-monitoring, and investigations to identify and resolve compliance problems; developing corrective action plans and systemic changes to prevent further recurrence of compliance problems; retaining and filing information related to the Compliance Program; coordinating an annual review of Compliance Program documents to determine that they are still current; periodic reporting to the Board of Directors; and other such responsibilities as are identified in Compliance Policies and Procedures or assigned from time to time by the Executive Director or the Board of Directors.

2.1.2 Risk Review Committee

Circare has established a Risk Review Committee comprised of key management and operations staff and agency leadership with responsibility to meet regularly to advise the Compliance Officer, to identify and resolve compliance concerns, and to continue to improve and refine the agency's overall compliance activities.

The Risk Review Committee will meet as often as necessary, but not less than four times annually. Special, unscheduled meetings of the Risk Review Committee may be held at the request of the Compliance Officer.

2.1.3 Circare Management

Circare management will assist the Compliance Officer in implementing the Compliance Program. In particular, department and program supervisors will share responsibility in the following capacities:

- incorporating compliance as part of the workforce supervision and evaluation process;
- developing, maintaining, evaluating, and implementing compliance policies and procedures within the supervisor's area(s) of responsibility;
- monitoring compliance within the supervisor's area(s) of responsibility; and
- cooperating fully in any compliance investigation and remedial action.

2.1.4 Board of Directors

The Board of Directors will be an integral part of the Compliance Program, will be knowledgeable about the content and operation of the Program, and will exercise oversight with respect to the implementation and effectiveness of the Program.

2.2 Written Policies and Procedures

All of Circare's business practices must be conducted in accordance with applicable laws, rules, and regulations, professional standards, and with honesty, fairness, and integrity. It is expected that each member of the Circare workforce will perform their duties in good faith, in a manner that he or she reasonably believes to be in the best interest of Circare and the people served by the agency, and with the same care that a reasonably prudent person in the same position would use under similar circumstances.

To further these overall goals, the Circare compliance philosophy is expressed within this Compliance Plan and related documents, including the Code of Conduct and Compliance Policies and Procedures. Collectively, these related documents establish standards and procedures that must be followed by Circare's workforce. These standards and procedures are not intended to cover every situation which may be encountered, and individuals must comply with all applicable laws, rules, and regulations whether or not they are specifically addressed in the Compliance Program. Understanding and following the Compliance Program will reduce the prospect of unethical, illegal, and criminal conduct.

Questions about the existence, interpretation, or application of any law, rule, regulation, standard, or policy should be directed, without hesitation, to a supervisor, the Compliance Officer, or other appropriate individual in a higher position of authority, up to and including the Executive Director and the President of the Board of Directors. Laws, rules, regulations, standards, and policies are constantly evolving therefore; the Compliance Plan, Code of Conduct, and Compliance Policies and Procedures are revised and updated as needed. Revisions will be communicated in a timely manner through administrative notification.

Circare requires that each member of its workforce annually sign a written acknowledgment that he or she understands and will comply with the Compliance Program.

2.2.1 Code of Conduct

The purpose of the Code of Conduct is to provide information and guidance to members of the agency's workforce to assist in carrying out their day-to-day responsibilities within legal, regulatory, and professional standards, and with honesty, fairness, and integrity.

The Code of Conduct describes the behavioral principles that serve as the foundation of the Compliance Program. The Code of Conduct reflects Circare's values and an agency culture that guides the actions of its workforce in a legal and ethical manner each day.

2.2.2 Policies and Procedures

Circare has developed and will continue to develop policies and procedures to implement the Compliance Program. Departmental, programmatic, and agency-wide policies and procedures have been established to outline compliance standards and practices. These policies and procedures establish the activities and processes that Circare will undertake to operate in conformance with all applicable laws, rules, regulations, and standards. The agency will review, revise and develop new policies and procedures, as necessary, to ensure that Circare's clinical, operational, and financial activities are conducted using current "best practices."

2.2.3 Annual Work Plan

The Compliance Officer will coordinate the development and implementation of an Annual Work Plan. The Work Plan will include routine annual compliance tasks as well as opportunities for improvement identified through risk assessment, self-monitoring and internal audits, internal investigations, external audits and investigations, regulatory guidance, and regulatory actions. The Work Plan will include the action(s) to be taken, the responsible person(s), and timeframe(s) for completion.

2.3 Training and Education

Circare will train and educate its direct workforce — agency, state, contract, and temporary employees, Board of Directors, interns, and volunteers — on compliance issues, expectations, applicable laws, rules, regulations, and standards, and Compliance Program operations. Members of Circare's direct workforce will receive compliance training as part of the onboarding process and annually thereafter.

Certain part-time members of Circare's direct workforce, who generally work less than 4 hours per week and are not associated with Medicaid billable programs, may sometimes be exempt from formal Compliance training. Exemptions are subject to the Compliance Officer's review and approval. Part-time members of the Circare workforce who are granted exemption from formal training will receive the *Code of Conduct* and be required to sign a Corporate Compliance Acknowledgement.

The agency will continuously identify training topics, including, but not limited to, those arising as a result of risk assessments, self-monitoring and internal audits, external audits by regulatory agencies and governmental authorities, guidance issued by regulatory agencies and governmental authorities, and changes in laws, rules, regulations, and standards.

Each department and program supervisor shall periodically identify and advise the Compliance Officer of training and education needed for members of the direct workforce in his or her area(s) of responsibility. Members of the direct workforce are encouraged to contact the Compliance Officer directly when they feel they need further compliance training or have compliance questions. Additional training will be provided to individuals, departments, and programs, as needed, and tailored to the roles and responsibilities of each individual or group of individuals.

Failure to complete a required compliance training by its assigned due date will be subject to disciplinary action.

2.4 Reporting and Open Communication

Circare encourages a culture in which all members of its workforce feel free to report behaviors or actions which they believe should be reported and/or seek clarification about the Compliance Program. Therefore, the effectiveness of the Compliance Program depends on the willingness and commitment of all individuals in all parts and at all levels of the agency to step forward, in good faith with questions and concerns.

2.4.1 Reporting Compliance Issues, Concerns, or Violations

Members of the Circare workforce must report, without hesitation, in good faith, and through an appropriate channel of communication, compliance issues, concerns, or violations of which they become aware, even if they

only suspect that a problem exists or has occurred. Failure to report is itself a violation of the Compliance Program.

Members of the Circare workforce must report compliance issues, concerns, or violations to a supervisor, the Compliance Officer, the Compliance Hotline, or other appropriate individual in a higher position of authority, up to and including the Executive Director and the President of the Board of Directors.

Reports can be made verbally, by any written communication, or by telephone.

Avenues for reporting compliance issues, concerns, or violations or seeking clarification about the Compliance Program:

Any Supervisor	Circare Compliance Officer Richard Hughes 315.472.7363 x188	Circare Executive Director Scott Ebner 315.472.7363 x145	Circare Board of Directors President Nancy Levett 315.726.9813	EthicsPoint 844.241.6860 circare.ethicspoint.com <i>Anonymous & Confidential</i>
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The New York State Office of the Medicaid Inspector General (OMIG) also maintains a hotline for reporting fraud, waste, and abuse: 1.877.873.7283. Reports of fraud, waste, or abuse may also be filed electronically at the OMIG website: www.omig.ny.gov

Circare expects its vendors, contractors, and consultants to support its efforts to prevent and detect practices that could potentially violate laws, rules, regulations, professional standards, or Circare’s policies. Any employee of a vendor, contractor, or consultant who has a concern about the work she or he does for Circare or work done by Circare must report that concern.

When making a report it is important to provide as much information as possible including: **who** is involved; **what** the involved parties are doing; **when** the improper acts occurred or are occurring; **where** they occurred or are occurring; **why** you believe they are occurring; and **how** you have come to know about the problem.

Reports of compliance concerns, issues, or violations received by individuals other than the Compliance Officer must be forwarded, without hesitation, to the Compliance Officer.

Intimidation of or retaliation against others for reporting in good faith a compliance issue, concern, or violation will not be tolerated and is subject to disciplinary action up to and including termination from the Circare workforce.

2.4.2 Compliance Program Hotline

The Compliance Officer will operate and implement a plan to publicize a Compliance Hotline that enables Circare’s workforce, individuals served by Circare, and others to anonymously and confidentially report compliance issues, concerns, or violations or to obtain clarification about the Compliance Program. The Compliance Officer will maintain a log of Hotline reports, including the nature of each report, the nature of any subsequent follow up or investigation, the result of the follow up or investigation, and the resolution of the Hotline report.

2.4.3 Confidentiality

Circare is committed to making every effort to maintain, within the limits of the law, the confidentiality of the identity of any individual who reports a compliance issue, concern, or violation in good faith. The identities of reporters who request confidentiality and those who report via the Compliance Hotline will be kept confidential within the compliance reporting structure. At times the agency may be required to disclose a reporter’s identity when a matter is turned over to law enforcement.

Members of the Circare workforce participating in or completing an investigation who disclose to others outside an investigation the identity of a reporter or other individual contributing to an investigation or disclose to others outside an investigation the circumstances of an investigation will be subject to disciplinary action.

Due to the privacy of an individual who is the subject of an investigation, it is possible that the agency will not disclose the outcome of the investigation to those individuals who contributed to the investigation or reported the compliance issue, concern, or violation.

2.5 Routine Identification of Compliance Risk Areas

Circare is committed to fostering a culture of compliance through detecting, correcting and preventing non-compliance behaviors. Detection and correction of compliance problems is expedited through the process of our compliance reporting structure and the articulation of compliance-related roles and responsibilities at every level of the agency's operations.

2.5.1 Exclusion Screening

Circare will use due care not to include individuals in its workforce who are considered excluded or otherwise ineligible to work in federal or state healthcare programs. In order to maintain the integrity of our services and business practices, it is critical that the agency's workforce have the same respect for applicable legal, regulatory, professional, and ethical obligations the agency espouses.

Circare will conduct exclusion screening of all current and proposed members of its direct workforce — agency, state, contract, and temporary employees, Board of Directors, interns, and volunteers. Individuals being considered for Circare's direct workforce are screened for exclusion as part of the recruitment process. Offers to join Circare's direct workforce are contingent upon verification that the individual has not been excluded.

Circare will screen each member of its direct workforce for exclusion each month for the length of that individual's association with the agency. Members of Circare's direct workforce who surface on exclusion lists will be terminated from the workforce barring immediate evidence that their name is listed erroneously.

Circare will verify that entities and businesses that provide and/or perform a service for the agency have not been the subject of adverse governmental actions and/or excluded from federal or state healthcare programs.

Circare will also comply with requirements set forth under state law with respect to background checks and appropriate screening activities as those requirements apply to the agency's workforce.

2.5.2 Risk Assessment

Circare will develop and implement a framework and a methodology to conduct a periodic risk assessment. The framework will lay out the compliance risk landscape and organize the landscape into risk domains. The methodology will help to identify and understand the likelihood that a risk event may occur, the reasons it may occur, and the potential severity of its impact. Identified risks will be categorized into risk concern levels. Risks in the highest risk concern level will be deemed opportunities for improvement and formalized in the Annual Work Plan with assigned responsibilities and timelines for completion.

2.5.3 Self-Monitoring and Auditing

Appropriate individuals in key management positions will be responsible for developing and implementing self-monitoring policies and procedures within specific departments/programs. The Compliance Officer will be responsible for auditing self-monitoring processes. In consultation with the Risk Review Committee, the Compliance Officer will identify priorities for monitoring and audits to detect compliance issues, concerns, or violations. The findings of the audits will be presented to the Risk Review Committee for review and analysis. The Compliance Officer will recommend action to address identified issues, concerns, or violations to the Risk Review Committee.

2.5.4 Reporting by the Workforce

Each member of the Circare workforce has a responsibility to report any activity by any member of the Circare workforce or person served by the agency that appears to violate applicable laws, rules, regulations, professional standards, standards of practice, or the Compliance Program.

All reports of compliance issues, concerns, or violations will be accepted without retaliation but all reports must be made in good faith. "Good faith" means that reports are made honestly and to the best of the reporter's knowledge and that the reporter is seeking to preserve the integrity of self, the agency's workforce, individuals served by the agency, the involved department or program, the agency itself, and the overall service system.

Members of the workforce must refrain from making false reports of compliance issues, concerns, or violations with the intent to discredit, harm, or retaliate against others. Any member of the Circare workforce who makes a false accusation with the intent to harm, discredit, or retaliate against another individual is subject to disciplinary action up to and including termination from the Circare workforce.

2.6 Responding to Compliance Problems

In the event a compliance issue, concern, or violation is identified, the Compliance Officer will respond promptly by initiating a process to gather further information, conducting an investigation, as needed, and pursuing corrective action and systemic changes to prevent recurrence. The Compliance Officer will report any findings of significant compliance issues, concerns, or violations to the Risk Review Committee and the Board of Directors, with a recommendation for or a report about corrective action undertaken and systemic changes to prevent recurrence.

2.6.1 Internal Investigations

The Compliance Officer, with assistance from the Risk Review Committee as needed, will promptly initiate a process to conduct an internal investigation of allegations of compliance issues, concerns, or violations. An internal investigation may include interviews, root cause analysis, and a review of relevant documents including, but not limited to, those related to claim development and submission, client records, email, voicemail, and the content of computers and other electronic devices. The Compliance Officer will maintain documentation sufficient to describe the nature, scope, findings, and outcome of any internal investigation that is undertaken including corrective action and changes to prevent recurrence.

The Compliance Officer shall have the right to exclude the Executive Director and the Risk Review Committee from participating in an investigation in the event that such participation might compromise the investigation or lead to violation of the Compliance Program. In such circumstances, the Compliance Officer will collaborate with the Board of Directors, starting with the president, to complete the investigation and/or determine a prudent course of action. The Compliance Officer may request a private session with the Board of Directors without the permission of the Executive Director or other members of Circare management.

Circare reserves the right to initiate an investigation into any compliance issue, concern, or violation without notifying the individual who is the subject of the investigation. Generally, an individual who is the subject of an investigation will learn of the investigation when interviewed in the process of the investigation, however, such notification may not be necessary and is not guaranteed.

Instances in which the Compliance Officer discovers credible evidence of a potential violation of any law, whether criminal or civil, will be promptly referred to legal counsel to evaluate the seriousness of the allegations and the necessity and timing of any disclosure to appropriate governmental authorities.

2.6.2 External Audits

The Compliance Officer shall be notified by the department/program supervisor when an external audit of a Circare program or service is initiated by a regulatory agency or governmental authority. Where practicable and appropriate, the Compliance Officer will attend the audit opening and closing conferences. A final report of the external audit will be provided to the Compliance Officer. If the audit uncovers a compliance issue, concern or violation, the Compliance Officer shall be involved in the development and implementation of any corrective action plans and systemic changes to prevent recurrence.

2.6.3 External Investigations

The Compliance Officer will coordinate responses to requests from regulatory agencies or governmental authorities for information and records regarding matters related to possible compliance violations arising from Circare programs and services, excluding routine requests by such agencies or authorities.

2.6.4 Corrective Action & Preventing Recurrence

If an investigation or audit substantiates or uncovers a compliance issue, concern, or violation, the Compliance Officer will initiate a process to develop and implement corrective action and systemic changes to prevent a similar issue, concern, or violation from recurring in the future. Corrective action may include, as appropriate, making prompt restitution of any overpayment amounts, notifying the appropriate governmental agency, disciplinary action as necessary, systemic changes to prevent recurrence, and/or other action(s) required by a regulatory or governmental authority resulting from an external audit.

2.7 Enforcing the Compliance Program

Failure to comply with the Compliance Program, including the Code of Conduct, and/or laws, rules, regulations, standards, and policies applicable to Circare business practices is a violation of the Compliance Program and will

result in corrective and/or disciplinary action. Corrective action and/or discipline in response to identified compliance issues, concerns, or violations will be fairly and firmly enforced.

Intentional or reckless actions which create compliance issues, concerns, or violations will subject individuals to more significant sanctions than issues, concerns, or violations resulting from a lack of awareness or understanding of a regulatory obligation, policy, or procedure.

Circare will not take action against any member of its workforce based on hearsay or without due process. Barring sufficient evidence to the contrary, Circare presumes each member of its workforce is entitled to the benefit of the doubt. Thus, the agency is committed to fair and impartial investigative procedures that do not implicate an individual without sufficient evidence.

2.7.1 Corrective Action

Sometimes conduct undertaken without wrongful intent but with inadequate knowledge may lead to compliance issues, concerns, or violations. Retraining of a workforce member will occur if misconduct is based on a lack of awareness or understanding of a regulatory obligation, policy, or procedure.

2.7.2 Discipline

Possible disciplinary action will follow Circare's existing disciplinary policies and procedures. Other sanctions may be recommended by the Compliance Officer, Director of Human Resources, Executive Director, or Risk Review Committee. Depending upon the severity of the event, progressive discipline is not required. The agency will endeavor to be consistent in its approach to discipline by applying the same disciplinary action for similar offenses.

2.7.3 Rewards

The agency will also seek to reward members of its workforce who foster a culture of compliance.

2.8 Policy of Non-Intimidation and Non-Retaliation

It is the policy of Circare to prohibit Intimidation of and retaliation against any individual who participates in good faith in the Compliance Program. Specific areas of protection include, but are not limited to, seeking compliance advice, reporting a compliance issue, concern or violation, participating in a compliance investigation, self-evaluation, audit, or corrective action, and reporting to appropriate officials as allowed by New York State Labor Law §§ 740 and 741. Intimidation or retaliation against any individual who participates in good faith in the Compliance Program by any member of the Circare workforce will not be tolerated and is subject to disciplinary action up to and including termination from the Circare workforce.

If a member of the Circare workforce believes in good faith that he or she has been intimidated or retaliated against for participating in the Compliance Program, the individual should immediately report the intimidation or retaliation to the Compliance Officer or the Compliance Hotline. The report should include a thorough account of the incident and should include the name of the alleged intimidator/retaliator, dates and specific events, the names of any witnesses, and identify any physical or electronic evidence that supports the alleged intimidation or retaliation. Additionally, knowledge of a violation, or potential violation, of the prohibition of intimidation and retaliation must be reported directly to the Compliance Officer or the Compliance Hotline.

The Compliance Officer will promptly initiate a process to investigate any report of intimidation or retaliation, report the findings of such investigation to the Risk Review Committee, and take appropriate remedial action. In addition to this Compliance Plan, the Circare Policy on Deficit Reduction Act of 2005 also protects good faith reporting of compliance issues, concerns, or violations.

2.8.1 Whistleblower Protections

A person may become a whistleblower and notify the government of known or suspected fraudulent activity at Circare. Under both federal and state law, Circare — and its workforce — are prohibited from retaliating against individuals who notify the government of potential violations. Also, under these statutes, the person who reported the fraudulent behavior may receive a portion of monies recovered or penalties paid in the recovery of false or fraudulent claims.

2.9 Maintaining and Amending Compliance Program Documents

2.9.1 Compliance Program Records

The Compliance Officer will be responsible for retaining and filing information related to the Compliance Program, including Compliance Program documents, documentation of workforce training, Compliance Hotline reports, investigations, corrective actions, and other compliance matters.

2.9.2 Amendment of Compliance Program Documents

The Compliance Officer will perform an annual review of Compliance Program documents to determine that they are still current in light of continuing guidance received from the Office of the Inspector General and the New York State Office of the Medicaid Inspector General and changing or evolving laws, rules, regulations, and standards.