



2023 -
2024

Corporate Compliance Program

Compliance is Everyone's Responsibility

Mental Health Cooperative, Inc.
Compliance Department
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CEO & CO Letter

Dear Associate,

Mental Health Cooperative, Integrated Health Cooperative and NPS Pharmacy, collectively known as “MHC” are subject to a wide variety of legal, regulatory, and professional standards with which we all must comply. These requirements can be complicated, so this manual is designed to help you understand them. This compliance manual will assist each of us in making appropriate decisions when we are faced with compliance issues. Key elements of this manual include a Code of Conduct and information on how the Corporate Compliance Program is structured, including defined channels of communication (e.g., a confidential hotline) for addressing your questions or concerns.

In this changing and challenging era for mental health care, the community’s continued trust, confidence, and respect for our organization requires the commitment of each of us to uphold standards of excellence and ethical behavior. The anti-fraud, waste and abuse efforts of the Department of Health and Human Services (DHHS), Office of Inspector General (OIG) Department of Justice (DOJ) and the Office of Medicaid Inspector General (OMIG) have heightened over the recent years at an ever-increasing rate.

MHC’s Corporate Compliance Program has been developed to meet the unique needs of our organization and is grounded in our organization’s mission of how we conduct business. Now more than ever, we believe it is important to reaffirm MHC’s longstanding commitment to conduct all work and business affairs lawfully and with integrity. It is our goal to ensure that there is no basis for charges of non-compliance with laws and regulations against our organizations, our associates, or business partners.

This manual shall be considered a “living document” that will be updated routinely. It will change and expand as policies are revised and as new resources become available. This manual is for you and only with input and feedback from you can we make it useful and responsive to your needs. The most current manual will be available on MHC’s intranet site.

Please read this manual and feel free to contact one of us or a member of the Compliance Department with any questions or concerns that you may have. Thank you for all that you do each and every day, for our consumers and for each other.

Sincerely,

Michelle Schafer
Chief Executive Officer

Keisha Greene
Compliance Officer



Corporate Compliance Program

I. Introduction

A. Business

Mental Health Cooperative, Inc. ("MHC") is a mental health organization that serves individuals with serious mental illness and/or serious emotional disturbances throughout Middle and East Tennessee. Services are provided through an integrated system of care and may include care coordination, intensive care management, psychiatric/clinic services, therapy, 24-hour emergency psychiatric services and diversion services.

Integrated Health Cooperative, LLC ("IHC") is a limited liability corporation of MHC. Its purpose is to provide primary care services for MHC consumers who wish to receive their mental and physical healthcare in one location. Through this organization, consumers may receive important medical treatment that they might not otherwise receive. MHC and IHC work together to treat the whole person.

NPS Pharmacy, LLC ("NPS") is also a limited liability corporation of MHC. Consumers can have prescriptions for both psychiatric and medical conditions filled onsite. Special packaging is available for those who need assistance with managing their medication regimen. This service has been found to significantly increase medication compliance.

Together, MHC is an integrated healthcare system that exists to engage, enlighten, and empower individuals and families with behavioral health issues to live healthier lives. By providing integrated care for the whole person, everyone can experience hope and live a full life in the community.

B. Purpose of the Corporate Compliance Program

MHC is committed to the highest standards of ethics, honesty, and integrity in pursuit of its mission. The MHC Corporate Compliance Program (CCP) demonstrates the organization's commitment to ethical conduct and compliance by setting forth guidelines for conduct designed to prevent and detect violations of law, uphold accreditation standards, comply with organization policies and by encouraging compliance by providing support, training, and educational resources. This plan is designed to assist the organization in fulfilling its compliance responsibilities by creating an operational structure that outlines and documents MHC's compliance efforts.

Due to the nature of its business, MHC, acting through its associates, is obliged to comply with numerous Federal, State, and local laws and regulations. MHC is dedicated to fully complying with all applicable laws and regulations and to otherwise conducting its business affairs in the most professional and ethical manner.

The CCP has been developed to assist in establishing a culture within MHC that promotes the prevention, detection, and resolution of instances of conduct that do not conform to federal and state law; federal and state healthcare program requirements; or MHC's ethical and business policies. One of the objectives of the Compliance Program is to reduce the potential for fraud, waste, and abuse by:

- Providing additional oversight of MHC's compliance with fraud, waste and abuse laws, regulations and rules imposed upon it by regulatory authorities;
- Identifying and avoiding transactions or business practices that might result in irregularities in payment or reimbursement;
- Minimizing the loss to the government from false claims, thereby reducing MHC's exposure to civil

damages and penalties, criminal sanctions, and administrative remedies, such as exclusion from the Medicare and Medicaid programs;

- Encouraging associates to report potential fraud, waste, and abuse;
- Improving operations; and
- Supporting MHC's commitment to providing quality consumer care.

MHC acknowledges that the implementation of such a program cannot guarantee that improper associate conduct will be entirely eliminated. Nonetheless, it is MHC's expectation that associates will comply with the CCP, the organization standards of conduct, and policies and procedures. In the event MHC becomes aware of violations of law or company policy, MHC will remediate the problem and investigate the matter and where appropriate, will take disciplinary action, or implement corrective measures to prevent future violations.

II. Leadership & Oversight

A. Compliance Officer

MHC has created the position of Compliance Officer & VP, Quality to serve as the Compliance Officer to oversee the CCP. The Compliance Officer reports directly to the Chief Executive Officer (CEO) and has direct access to the MHC Board of Directors as necessary. The Compliance Officer has overall responsibility to oversee compliance by MHC associates with the Code of Conduct and Ethics set forth in the CCP.

The Compliance Officer is responsible for ensuring investigations of all complaints of suspected non-compliance or misconduct relevant to the requirements of the CCP and is authorized to utilize any MHC associate, outside compliance specialist, and/or outside counsel to assist in investigations as appropriate.

Executive Leadership and the MHC Board of Directors shall provide the Compliance Officer with appropriate resources to effectively manage and satisfy the elements of the Program. Also, the Compliance Officer shall have the authority to inquire into matters arising or appearing to arise within the scope of the CCP.

B. Compliance Director

MHC has created the position of Compliance Director, who is responsible for the day-to-day operations of the Compliance Program. The Compliance Director reports to the Compliance Officer. Responsibilities include associate training on the Standards of Conduct, routine monitoring of compliance activities, assisting with corrective action plans, assisting with and/or completing compliance investigations, monitoring emerging issues in the field of compliance, coordinating interdepartmental compliance efforts, providing associates support for compliance related questions, and reporting on activities of the CCP.

C. Corporate Compliance Team

To ensure each area of compliance is addressed by program area experts, MHC has implemented a Corporate Compliance Team. This team shall be made up of the:

- Compliance Officer;
- Compliance Director & HIPAA Privacy Manager;
- HIPAA Security Manager; and
- Internal Compliance Auditor

This team works together to ensure MHC is adhering to the requirements set forth in the CCP. Under the direction of the Compliance Officer, the Compliance Team shall:

- Develop/update policies, procedures and a Code of Conduct and Ethics;
- Establish procedures to prevent, detect and correct non-compliance;
- Promote a corporate culture which encourages ethical conduct;
- Promote a commitment to compliance with all laws, regulations, rules, policies, and procedures; and
- Serve as a resource to resolve compliance and ethics issues.

Other members of the combined Quality & Compliance Team include:

- Risk Manager
- Health Information Manager/Credentialing Specialist

D. Board Compliance Committee

The Board Compliance Committee is established to receive reports and oversee MHC compliance with applicable state and federal laws, regulatory requirements, contractual obligations and its Code of Conduct and Ethics. In addition, the Board Compliance Committee assists the Compliance Officer in reviewing the effectiveness of the CCP.

E. Executive Leadership Compliance Committee

The Executive Leadership Compliance Committee provides direction and management oversight of the implementation of Federal and State provisions outlined by applicable rules and regulations, as well as the management of activities to ensure compliance with MHC's contractual obligations. Executive Leadership works with the Compliance Team to identify and address areas of potential risk to the organization. This committee shall also consult on organization policies and procedures that directly impact on the CCP.

III. Written Standards and Policies

MHC strives to uphold a reputation of integrity and excellence in its programs and services. The organization's reputation is one of its strongest assets. MHC requires compliance with the following policies and standards.

A. Code of Conduct and Ethics

MHC maintains a Code of Conduct and Ethics that is mandatory for all officers/executive leadership, directors, managers, associates, consultants, and agents of MHC, its subsidiaries, affiliated companies, as well as their associates and independent contractors (collectively, "associates").

The Code of Conduct and Ethics provides the guiding standards of conduct for the organization and sets forth MHC's commitment to good practices and following the law.

The Code of Conduct and Ethics is not intended to minimize the importance of other applicable professional standards or ethical principles that may be covered by other organization policies. Anyone who is in doubt as to the appropriateness of a course of action or concerned about the application of a policy should promptly communicate with their supervisor, the Human Resources Department, and/or the Compliance Team.

B. Conflicts of Interest

A conflict of interest exists when an individual's private interest potentially interferes in any way, or even appears to interfere, with the interests of MHC. Conflicts can arise and make it difficult for an individual to perform their duties objectively and effectively. Generally, conflicts arise when an associate, supervisor, or board member gains personally, through money or other advantage, at the expense of their employer or organization.

To facilitate assessment of a perceived or actual conflict of interest, MHC requires annual conflict of interest disclosures and encourages associates and board members to disclose any potential or perceived conflict of interest when they occur.

C. Financial Books and Accounting Practices

MHC associates who are responsible for receiving or disbursing money have a special obligation to follow established procedures to ensure proper use and recording of all funds. Compliance with generally accepted accounting principles, rules, and controls, as established by MHC management and its independent accounting firm, is necessary at all times. All MHC financial records must accurately describe the transactions they document. All assets, liabilities, revenues, and expenses of MHC are to be recorded in the regular books of MHC.

In this regard, and without limitation, associates responsible for keeping MHC's books shall refrain from engaging or participating in any of the following activities:

- Maintaining or establishing undisclosed or unrecorded funds, assets, or accounts of MHC;
- Making false, misleading, or artificial entries in the books and records of MHC; and
- Making or approving any disbursement on behalf of MHC with the intention or understanding that any part of the disbursement is to be used for any purpose other than that described in documents supporting the disbursements or for any purpose prohibited by law.

1. Billing

MHC captures services rendered and bills only for services rendered. MHC must comply with special billing requirements for government sponsored programs and other payors. All MHC associates must exercise care in any written or oral statement made to any government organization or other payor and in any records that support a claim for payment. MHC will not tolerate false records or false statements by MHC associates to a government organization or other payor. Deliberate misstatements to government agencies or other payors may expose the associate involved to criminal penalties. Under no circumstance shall any false claim be submitted to any payor.

All MHC associates involved in billing, coding and reimbursement activities are expected to understand and comply with applicable billing rules and established coding guidelines. If an associate suspects inappropriate billing or documentation practices, they should immediately report such practices to their supervisor, notify the Compliance Officer or contact the MHC Compliance hotline.

Examples of inappropriate claims and practices that should be reported are:

- Billing for services not rendered or not provided as claimed
- Filing duplicate claims
- Upcoding to more complex procedures
- Failure to properly use coding modifiers



- Including inappropriate/inaccurate costs on cost reports
- Billing for lengths of stay beyond what is medically necessary
- Falsifying medical record or any supporting documentation material to a claim for payment

2. Accounting

MHC must rely on associate truthfulness in accounting practices, and routine audits are conducted by an independent CPA firm. MHC's financial reporting system must contain accurate entries, which reflect all financial transactions. MHC associates must not engage in any arrangement that results in false, artificial, or misleading entries being made in any records.

D. False Claims Act

Under the federal False Claims Act (FCA), the government and private citizens are entitled to bring lawsuits against organizations or other individuals who defraud the government. The FCA applies when a company or person:

- Knowingly presents to the federal government a false or fraudulent claim for payment;
- Knowingly uses a false record or statement to get a claim paid by the federal government;
- Conspires with others to get a false or fraudulent claim paid by the federal government;
- Knowingly uses a false record or statement to conceal, avoid or decrease an obligation to pay to transmit money or property to the federal government.

Any activities considered a violation should be immediately reported to your immediate supervisor, the HR Department, a member of the Corporate Compliance Team, or the Compliance Hotline. See Policy #200-006 Fraud, Waste & Abuse and Policy #200-006 Fraud, Waste, & Abuse Training Steps for more information.

E. Overpayments and False Claims Act Liability

Section 6402 of the Healthcare Reform Law provides that identified overpayments must be reported and returned within 60 days to the applicable government contractor. Under the 2009 amendments for the False Claims Act, the definition of obligation was expanded to expressly include retention of overpayments. MHC associates shall timely report any identified overpayments in accordance with federal law and this plan for reporting.

F. Healthcare Fraud Criminal Statute

The Healthcare Reform Law amends the intent requirements contained in the healthcare fraud criminal statute 18 U.S.C. § 1347. That statute now provides that proof of actual knowledge of the healthcare fraud statute or specific intent to violate the statute is not required. Therefore, MHC associates need not intentionally commit fraudulent acts in order for it to constitute a violation of this part. All associates should perform due diligence in understanding regulatory requirements and commit to appropriate legal and ethical activities within their daily practices.

G. Medicare/Medicaid Exclusions

The Office of Inspector General (OIG) has authority to exclude individuals and entities from Federal and State health care programs. OIG also has the authority to assess penalties to providers that violate the law by employing or contracting with an excluded individual or entity. MHC shall not employ or contract with any associate, agent or vendor who is listed by the OIG as being debarred, excluded, or otherwise ineligible for participation in Federal and State health programs.

The MHC Human Resources Department in collaboration with the Credentialing Department shall review the OIG exclusions list and the General Services Administration (GSA) Database prior to an associate's hire date and monthly thereafter in accordance with CMS' regulatory requirements. If a name on the list matches a current associate, the Human Resources and/or Credentialing team shall investigate if the name is the same of the individual working for the organization. If confirmed, MHC shall take appropriate action to ensure that the individual does not hold an inappropriate position within the organization. See Policy #80-003 on Credentialing/ Recredentialing of Licensed, Billable Staff Members. MHC shall also notify appropriate payers and TennCare as required by contractual requirements.

H. Vendors and Subcontractors

All MHC associates shall comply with applicable laws in regard to their relationships with subcontractors, business associates and vendors. Selection and pricing shall be done so in a reasonable and fair manner that considers the best possible contractor for MHC. See Policy #10-156 Procurement.

MHC shall not knowingly contract with or retain on its behalf any person or entity which has been (a) convicted of a criminal offense related to the delivery of health care under a Federal healthcare program (unless such person or entity has implemented a compliance program as part of an agreement with the Federal government and is in good standing with federal healthcare programs); (b) is listed by the OIG as debarred, excluded or otherwise ineligible for participation in Federal healthcare programs; or (c) is identified in the GSA database as excluded or otherwise ineligible.

I. Verifications and Credentialing

All MHC associates requiring a professional license must provide the HR Department with proof of a current professional license upon hire. A copy of any renewed licenses will be provided to the HR Department prior to the expiration date. Verification of all associates licenses shall be maintained in the HR Department and will be made available to the Credentialing Department and the Internal Compliance Auditor for review as needed. All independent contractors shall provide the appropriate credentials prior to contracting. In addition, MHC shall adhere to all additional credentialing requirements for licensed billable staff members as mandated by contractual requirements. Copies of current professional licenses and certifications upon hire and as renewed will be provided to the Credentialing Department prior to expiration dates. Credentialing records shall be maintained for a minimum of ten (10) years following the termination of the associate's employment. See Policy #80-003 Credentialing/ Recredentialing of Licensed, Billable Staff Members.

J. Confidentiality of Consumer Information

Information obtained in the course of providing mental health and substance abuse services and other clinical services, including the identity of a consumer and his or her diagnosis or treatment, are confidential and should be treated in accordance with HIPAA guidelines, and applicable state and federal privacy laws. The release of such information is subject to restrictions imposed by the laws governing the confidentiality of medical records, including psychiatric and substance abuse records. Therefore, all such information and records must be maintained strictly confidential as required by law and the release of such information or records must be made in accordance with appropriate policies and procedures so that the rights of consumers related to confidentiality are protected. Any questions about the use and/or disclosure of protected health information should be directed to the HIPAA Privacy Manager and/or the Health Information Manager.

The medical record is a legal document. Any associate who has contact with the medical record is responsible for protecting the confidentiality and integrity of the record(s). Medical records, including electronic and paper records,

should never be removed, altered, or destroyed. No alteration of the medical record is permissible. Examples of alteration include, but are not limited to, removing portions of the record or adding material after the fact in such a way as to suggest that it had been entered on an earlier date (e.g. inserting a late progress note in such a way as to suggest that it was completed on time). Late entries can be made as long as there is no attempt to camouflage the actual date on which the entry was made. All entries documented in the medical record must reflect true and accurate information. Consumers and/or their legal guardian are entitled to access the medical record but must do so following organization procedures and all requests should be handled by the Medical Records Department under the direction of the certified Health Information Manager (HIM).

K. Whistleblower Policy

It is MHC's intent to adhere to all applicable laws and regulations, and the underlying purpose of this policy is to support MHC's goal of legal compliance. In furtherance of this goal, associates have the responsibility to report, in good faith, concerns about actual or potential wrongdoing by MHC or its associates. MHC associates shall not be permitted to engage in retaliation, retribution, or any form of harassment against an associate who reports a compliance concern in good faith. See Policy #200-001 Employee Protection (Whistleblower). Anyone who is involved in any act of retaliation or retribution against an associate who has reported suspected misconduct in good faith will be subject to disciplinary action.

L. Anti-Kickback Principles / Consumer Referrals and Solicitation

The Anti-Kickback Statute makes it a crime to knowingly and willfully offer to pay, solicit, or receive, directly or indirectly, anything of value to induce or reward referrals of items or services reimbursable by a Federal health care program. It is against MHC policy for any associate to offer, pay, solicit, or take a kickback. See Policy #200-004 Federal Anti-Kickback Statute. MHC associates may not offer anything of value to another person or entity if the purpose for the offer is to influence the person or entity to refer consumers to MHC. Additionally, it is against MHC policy for associates to receive something of value in exchange for referring a consumer to another provider or organization.

M. Illegal Drug Use and Abuse of Alcohol

MHC is a Tennessee Drug Free Workplace. The organization is committed to providing a safe work environment and to fostering the wellbeing and health of its associates. That commitment is jeopardized when any organization associate illegally uses drugs on or off the job, comes to work under the influence, possesses, distributes, or sells drugs in the workplace, or abuses alcohol on the job. Therefore, the organization has established the following policy, pursuant to T.C.A. Section 50-9-100 ET. Seq.:

1. It is a violation of organization policy for any associate to use, possess, sell, trade, offer for sale, or offer to buy illegal drugs or otherwise engage in the illegal use of drugs on or off the job,
2. It is a violation of organization policy for any associate to report to work under the influence of or while possessing in his or her body, blood or urine, illegal drugs in any detectable amount.
3. It is a violation of organization policy for any associate to report to work under the influence of or impaired by alcohol.
4. It is a violation of the organization policy for any associate to use prescription drugs illegally, i.e., to use prescription drugs that have not been legally obtained or in a manner or for a purpose other than as prescribed. However, nothing in this policy precludes the appropriate use of legally prescribed medications.
5. Violations of this policy are subject to disciplinary action up to and including termination.

The goal of this policy is to balance our respect for individuals with the need to maintain a safe, productive, and drug-free environment. The intent of this policy is to offer a helping hand to those who need it, while sending a clear message that the illegal use of drugs and the abuse of alcohol are incompatible with employment at this organization. As a condition of employment, associates must abide by the terms of this policy and must notify the organization in writing of any conviction of a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction.

The organization offers resource information on various means of associate assistance in our community, including but not limited to drug and alcohol abuse programs. Associates are encouraged to seek voluntary treatment for substance abuse. Voluntary inquiries will be maintained in confidence. First voluntary referrals will not be held against the associate. Any referrals; thereafter, will be handled in a case-by-case manner. At the discretion of the CEO or Compliance Officer, if a positive substance abuse test is obtained the following will be considered:

1. The associate must either attend a counseling and/or treatment program. The associate must agree to sign a release form and have progress reports regarding fitness to work submitted to MHC; or
2. The associate may be terminated.

Cost of the counseling and/or treatment will be the responsibility of the associate. All job applicants at the organization will undergo testing for substance abuse as a condition of employment. Any applicant with a confirmed positive test result will be denied employment. If the physician, an official or lab personnel has reasonable suspicion to believe that the job-applicant has tampered with the specimen, the applicant will not be considered for employment.

The organization will not discriminate against applicants for employment because of a past history of drug or alcohol abuse. It is the current illegal use of drugs and/or abuse of alcohol, preventing associates from performing their jobs properly, that the organization will not tolerate. Failure to submit to a required substance abuse test also is misconduct and also shall be subject to discipline up to and including termination.

N. Advertising and Marketing

All MHC advertising and marketing must be truthful and not misleading. Specific claims about the quality of MHC's services must be supported by evidence to substantiate the claims made. MHC does not use advertisements or marketing programs, which might cause confusion between our services and those of our competitors. MHC does not disparage the service or business of a competitor through the use of false or misleading representations.

O. OSHA and Risk Management

The Occupational Safety and Health Administration (OSHA) is charged with assuring safe and healthful working conditions for American workers and requiring employers to comply with safety and health standards covering conditions and operations in the workplace and to maintain a workplace that is free from recognized hazards.

OSHA has promulgated regulations, applicable to businesses, such as MHC, to fulfill its mandate. See the following Risk Management policies for OSHA and Risk related Compliance – *RM100 – Incident/Event Reporting; RM101 – Convening of the Ethics Committee; RM102 – Employee Injury and Illness Prevention Program; RM103 – Exposure Control Plan; RM104 – Hazard Communication Program; RM105 – Infection Control Plan; RM106 Recalls & Alerts; and RM107 – Environment of Care.*



MHC is dedicated to fully complying with all laws and regulations enforced by OSHA and other regulatory bodies. Relevant MHC associates shall be cognizant of such laws and regulations as they apply to their job functions and will comply with them to the fullest extent possible. In this connection, MHC shall provide its associates with training on their regulatory rights, responsibilities, and duties. Failure to comply with such laws and regulations could expose an individual associate and/or MHC to civil and/or criminal liability.

P. Non-Discrimination

MHC associates shall not engage in hiring and other employment practices which discriminate against job applicants or associates based upon race, color, religion, sex, age, sexual orientation, national origin, disability, as well as other classifications protected by law.

Discriminatory practices in the employment setting could expose an individual associate and/or MHC to significant civil and, in some cases, criminal sanction. Matters involving employment practices should be referred in the first instance to MHC's HR Department. That department may coordinate with the Compliance Department as appropriate.

Q. Unlawful Harassment Policy

MHC is committed to providing a work environment free of unlawful harassment. MHC policy prohibits harassment because of sex which includes sexual harassment, gender harassment and harassment due to pregnancy, childbirth, or related medical conditions and harassment because of race, religion, creed, color, national origin or ancestry, physical or mental disability, medical condition, marital status, age, sexual orientation or any other basis protected by Federal, State, or local law ordinance or regulation. All such harassment is unlawful.

MHC's anti-harassment policy applies to all persons involved in the operation of MHC and prohibits unlawful harassment by any associate of MHC including supervisors and co-workers.

Prohibited unlawful harassment because of sex, sexual harassment, gender harassment, and harassment due to pregnancy, childbirth, or related medical conditions, race, religion, creed, color, national origin or ancestry, physical or mental disability, medical condition, marital status, age, sexual orientation or any other protected basis includes, but is not limited to, the following behavior:

- Verbal conduct such as epithets, derogatory jokes or comments, slurs, or unwanted sexual advances, invitations, or comments;
- Visual conduct such as derogatory and/or sexually oriented posters, photography, cartoons, drawings, or gestures;
- Physical conduct such as assault, unwanted touching, blocking normal movement, or interfering with work because of sex, race, or any other protected basis;
- Threats and demands to submit to sexual requests as a condition of continued employment or to avoid some other loss and offers of employment benefits in return for sexual favors; and
- Retaliation for having reported or threatened to report harassment.

R. Physician Self-Referral Law (Formerly known as Stark Law)

Any financial relationship between MHC and a referring physician or immediate family member of the physician must meet an exception under the Physician Self-Referral Law. The Physician Self-Referral Law prohibits a

physician from referring Medicare and Medicaid beneficiaries for designated health services, which includes all inpatient and outpatient services, to entities with which the physician (or an immediate family member of the physician) has a financial relationship and prohibits billing for services provided pursuant to a prohibited referral, unless an exception applies. See Policy #200-002 Physician Referrals (Stark Law).

IV. Training and Education

A critical element of MHC's CCP is the education and training of MHC's associates on their legal and ethical obligations under state and federal laws, contractual requirements, and organization policy and procedures. Training is accomplished through several mediums and all records shall be maintained for a minimum of ten (10) years following the termination of the associate's employment.

A. New Associate Orientation

New associates receive training on MHC's Corporate Compliance Program and organization Code of Conduct and Ethics. Associates are provided with an opportunity to ask questions about the program requirements and are then asked to sign the:

- Corporate Compliance Statement
- Code of Conduct and Ethics
- Protected Health Information Confidentiality Statement

Associates also sign a Conflict of Interest Statement and a Position Specific Information Concerning Access to Health Informations form during their orientation period.

B. Annual Online Training

MHC provides an annual e-learning course to review MHC's CCP and Code of Conduct and Ethics. Associates are asked to sign updated Corporate Compliance Statements, Conflict of Interest Statements, and the agreement to adhere to these documents during this time.

C. Organization Intranet

MHC posts the CCP and Code of Conduct and Ethics on the organization intranet site referred to as "CoCo." To access these documents, associates may go to CoCo, select "Departments" and then "Quality & Compliance." Corporate Compliance Policies may be found in Section #200 of Policy Manager and HIPAA Policies may be found in Section #100. Associates may access organization policies through the Policy Manager link on CoCo for associate review.

D. Email

CCP and Code of Conduct and Ethics reminders are sent out periodically using the MHC email system. Policy and Procedure changes that occur throughout the year are also communicated using the organization email system. Any changes of great significance will also be communicated through live training and in-services.

E. Updates

MHC regularly reviews and updates its training programs and identifies additional areas of training on a continuing basis.

V. Internal Monitoring and Audits

MHC's CCP includes efforts to monitor, audit and evaluate compliance with laws, regulations and organization policies and procedures. The nature of MHC's reviews, as well as the extent and frequency, vary according to a variety of factors including new regulatory requirements, changes in business practices and other considerations. MHC has a full-time and designated internal compliance auditor responsible for completing each audit on the Compliance Audit Workplan which is developed collaboratively with the Compliance Officer annually. MHC shall continue to identify new and emerging risk areas and address these as necessary.

A. Annual Compliance Reports

MHC shall compile and present to the Board annual reports of incidents, quality risks, and significant compliance concerns. The report shall include a description of any noncompliance that occurred during the reporting period and the resolution of the situation. The report should also describe any significant correspondence with governmental agencies or officials and the results of any auditing or monitoring. Frequency of compliance reporting may be increased at the discretion of the Board based on meeting frequency but will occur no less than annually.

B. Risk Assessment

MHC shall conduct periodic risk assessments to evaluate and prioritize the organization's compliance related risks. Each risk assessment should identify the area of risk, the likelihood of the occurrence and any action steps to be taken to reduce or mitigate this risk. The Compliance Department and the Executive Leadership Compliance Committee shall address the results of these risk assessments and oversee the development and implementation of appropriate corrective actions plans.

C. Effectiveness Evaluation

The Compliance Department shall periodically review the CCP to protect the integrity of the compliance process and confirm the effectiveness of the CCP. Adequate training, reports from MHC's hotline and other methods of reporting, modifications to the CCP, self-disclosures and the results of MHC auditing and monitoring efforts should be reviewed. This evaluation will be shared with the MHC Board Compliance Committee.

The Compliance Department may also conduct periodic audits to assess the effectiveness of MHC's CCP with regards to specific rules and policies that have been the focus of particular attention on the part of Medicare/Medicaid fiscal intermediaries or carriers and law enforcement, as evidenced by Special Fraud Alerts, the OIG Work Plan, and/or other audits and evaluations of the Office of Inspector General, Department of Health and Human Services.

D. Financial Audits

MHC shall conduct routine financial audits to ensure appropriate billing and coding practices are being utilized and that proper payment is being received. Should any inappropriate payments be identified, every effort should be made to identify the reason for the error and procedures should be put in place to prevent the error when possible. Should an overpayment be identified, the Finance Department should notify the Compliance Department immediately to begin working on timely repayment.

VI. Reporting

Every associate and affiliate are expected to uphold the CCP. Failure to comply with the CCP or failure to report reasonable, suspected issues of non-compliance may result in disciplinary action up to and including termination of employment or contracted status. In addition, such conduct may place the individual, MHC, NPS or IHC at substantial risk in terms of its relationship with its payers. There is also the risk of action by a governmental entity up to and including an investigation, criminal prosecution, civil monetary penalties, and/or exclusion from participation in Federal Health Care Programs.

MHC has instituted a variety of means for associates to report potential violations of laws and other compliance or ethical concerns.

A. Internal Lines of Communication

MHC is committed to fostering dialogue between management and associates; therefore, MHC has adopted an open-door policy, as well as a non-retaliation and retribution policy. The Compliance Department's goal is that all associates, when seeking answers to questions or reporting potential instances of fraud, waste or abuse should know who to turn to for a meaningful response and should be able to do so without fear of retribution.

To report a compliance concern and/or if you have any questions about the CCP, a law or regulation, or any other MHC/NPS/IHC policy or procedure, you are encouraged to talk with

- your Supervisor or Director;
- Human Resources when applicable;
- Compliance Department (Compliance@mhc-tn.org) or via the Compliance Hotline;
- any member of the Compliance team; and/or
- directly to your Compliance Officer.

The Compliance Officer is Keisha Greene, Compliance Officer & VP, Quality. She may be reached by emailing keisha.greene@mhc-tn.org or by calling (615) 744-7573. Ultimately, associates are encouraged to report to whomever they feel comfortable talking to about the issue.

B. Compliance Hotline and Anonymous Reporting

MHC contracts with a third-party vendor to provide a toll-free 24/7 Compliance Hotline (844) 783-0016, which allows individuals who want to report anonymously to do so.

Associates may also anonymously report online at <https://mhc-tn.ethicspoint.com> or by mobile at <https://mhc-tn.navexone.com>.





Compliance hotline reports made through any of these three (3) methods are not traced nor recorded to ensure you may remain anonymous, if you desire. Associates are made aware of the hotline during New Associate Orientation and during each annual re-training. Notices are posted throughout each MHC location to ensure associates are aware of how to report compliance concerns and examples of concerns that should be reported. This information is also shared as a “Screensaver” on MHC issued computers.

C. Compliance SharePoint

MHC has established a Quality and Compliance SharePoint site. Associates may access the Corporate Compliance Plan, Code of Conduct & Ethics, reporting information and frequently asked questions. There are also additional resources and tools available on that page to ensure associates are successful from Quality & Safety, Compliance, Risk Management, and Policy & Training perspectives. To access this site, associates may go to CoCo, select “Departments” and then “Quality and Compliance.”

D. Reportable Compliance Concerns

1. Criminal Conduct and Safety Concerns

It is the duty of all staff to report job-related criminal conduct of which they have actual knowledge and job-related situations that endanger the health and safety of any individual.

2. Violations of Law, Contractual Requirements or Policy

MHC requires staff to report all violations of state and federal laws, contractual requirements, and organization policy and procedures.

3. False Claims Act

It is a violation of the Federal and Tennessee False Claims Act (FCA) for anyone to knowingly submit, or cause another to submit false claims for payment of government funds. Anyone who suspects a violation of the Federal FCA or Tennessee FCA must promptly report the situation.

4. Corporate Compliance Plan & Code of Conduct and Ethics

Any suspected or actual violation of the organization CCP and/or Code of Conduct and Ethics must be promptly reported using one of the appropriate reporting mechanisms.

VII. Response and Prevention

A. Investigations

Suspected non-compliance and misconduct shall be investigated by the Compliance Department. A thorough investigation will be conducted before any final disciplinary action is taken. Prior to the institution of any investigation, the initiating complaint should, if at all possible, be reduced to writing so that it constitutes part of the record of the investigation.

Also prior to the institution of any investigation, the Compliance Department should determine whether the matter involves potential criminal or significant civil liability. Investigation of matters involving criminal or significant civil liability should be conducted by or at the direction of counsel when deemed warranted. In these situations, written communications should be marked “Privileged” and should identify only counsel as the



recipient. At the conclusion of such investigations, counsel may provide the MHC Board of Directors and the MHC Compliance Officer with written memoranda setting forth legal advice based on the results of the investigations.

For matters not involving potential criminal or significant civil liability, the investigation will be conducted by the Compliance Department and may include outside counsel, auditors, or health care experts when necessary. The Compliance Department shall prepare a written report summarizing the findings of each investigation, regardless of whether disciplinary action is ultimately taken. The report should include a record of any response made by the investigated parties with regard to the allegations of misconduct.

Investigation reports shall be maintained by the Compliance Department in the electronic reporting system; a secure and confidential manner for a minimum of ten (10) years following the resolution of the investigation. The CEO shall receive copies of all investigation reports as needed. The CEO shall also have access to Corporate Compliance files as needed except in those circumstances in which the conduct of the CEO is the subject of investigation. Corporate Compliance files shall be disclosed only to authorized MHC Executive Leadership, counsel, and others as deemed appropriate by the Compliance Officer, CEO, or the Board of Directors. If the Compliance Department finds, after appropriate investigation, that the person acted inappropriately and materially violated the CCP or Code of Conduct and Ethics, the Compliance Officer will recommend to the Human Resources Department, as appropriate, disciplinary action.

In the event the report of misconduct concerns MHC's CEO, the Compliance Officer shall make such reports and recommendations directly to a designated member of MHC's Board of Directors. Absent extraordinary circumstances, the CEO will be informed of the substance of the allegations of such inappropriate conduct.

Associates shall report to the CEO or to a designated member of the Board of Directors any allegations or information concerning possible wrongdoing or misconduct by the Compliance Officer. In the event that the CEO or Board of Directors receives a credible report involving the conduct of the Compliance Officer with respect to the CCP or Code of Conduct and Ethics, the CEO shall take such steps as may be appropriate to appoint persons who are not MHC associates, to conduct an independent investigation of those allegations. The CEO shall also advise the Board of Directors as appropriate. Those persons so selected shall conduct an appropriate investigation, using whatever resources are necessary and shall file a written report with the CEO, identifying the facts and conclusions reached. The CEO will make the final decision on the appropriate disciplinary action and may consult with the Board of Directors designee, outside consultants, and outside counsel in reaching such decision.

B. Corrective Action Procedures

After a material breach of MHC's CCP or Code of Conduct and Ethics has been established, MHC shall take reasonable steps to respond appropriately to the misconduct and to prevent further acts of misconduct, including any necessary modifications to the CCP. Such steps may include an immediate referral to criminal and/or civil law enforcement authorities, a corrective action plan, or the submission of any overpayments if applicable. Further, if MHC discovers credible evidence of misconduct and, after reasonable inquiry, has reason to believe that the misconduct violates criminal, civil or administrative law and has resulted in an overpayment, MHC shall report and return the overpayment to the appropriate governmental authority within a reasonable period, but not more than 60 days after determining that there is credible evidence of an identified overpayment.

If MHC's internal investigation reveals that criminal or civil violations have occurred, MHC will promptly notify



payor, state or federal officials as appropriate. The Compliance Officer shall notify MHC's CEO or, if appropriate, a designated member or subcommittee of the Board of Directors, of the nature of the misconduct. The CEO or the Board of Directors may then authorize any appropriate remediation, preventative action, and revisions to the CCP presented by the Compliance Officer.

Periodically, or following an instance of misconduct, the Compliance Department shall review and analyze the CCP to determine whether any revisions should be made. Such review and analysis should also consider any effects on the program due to changes in existing law, industry practices, or governmental interpretation of compliance standards.

C. Preventative Measures

MHC has taken the following preventative measures to ensure effective communication of the CCP, Code of Conduct and Ethics, as well as relevant policies and procedures.

- New Employee Orientation (NEO) presentation;
- Annual refresher training for all staff;
- Annual reaffirmation by each associate by signing a new Corporate Compliance Statement and Code of Conduct and Ethics;
- The CCP and Code of Conduct shall be available for review through the MHC intranet;
- Compliance Team members should be accessible for staff to make inquiries of;
- Routine review and updating of the CCP;
- Open door communication policy; and
- MHC Compliance Hotline for those who wish to report anonymously

VIII. Enforcement and Discipline

A. Disciplinary Action

MHC provides clear disciplinary procedures that set out the consequences, up to and including termination, if current associates violate the law, MHC policy, MHC CCP or the Code of Conduct and Ethics. All violations are addressed by the HR Department in consultation with the associate's supervisor and other members of leadership as necessary. MHC will consistently undertake appropriate disciplinary action to address inappropriate conduct and to deter future violations, however the facts and circumstances of each situation will be considered on an individual case basis.

Disciplinary action may also apply to a supervisor who knowingly directs or approves a person's improper actions or is aware of those improper actions but does not act appropriately and within the supervisor's scope of authority to correct them, or who, by knowingly violating a clear legal or professional duty, or otherwise fails to exercise appropriate supervision.

B. Severity of Action

The disciplinary action taken shall correspond to the severity of the violation, considering among other factors,



whether the violation was intentional or unintentional, whether the associate self-reported the violation and cooperated fully with MHC, and whether the violation created a safety or security risk. Disciplinary action taken may include written supervision, oral or written warning, disciplinary probation, suspension, demotion, or termination from employment.

C. Notification to Others

Violations may also result in notification to law enforcement officials, regulatory bodies, accrediting organizations, and licensure organizations as appropriate.

IX. Conclusion

MHC believes that its CCP reflects the organization’s strong commitment to the highest standards of corporate compliance and ethics. MHC continually strives to prevent and detect violations of law, organization policies, and to encourage and promote ethical business conduct throughout MHC.

X. Addendums

- Annual Corporate Compliance Statement.....Page 21
- Corporate Compliance Program Acknowledgement.....Page 22

Documents to be Completed through Relias



Annual Corporate Compliance Statement

- A. I understand the MHC Corporate Compliance Program. I have had an opportunity to ask questions about it and agree to strictly comply with it. I understand that failure to comply with the standards or truthfully and completely respond to this statement will be a basis for disciplinary action including possible termination.
- B. Except as stated in the Disclosure space provided below:
 - 1. I know of no acts or omissions committed by anyone which conflicts with the provision of the Corporate Compliance Program or any suspected violations of law relating to MHC.
 - 2. I have not committed any violations of the provision of the Corporate Compliance Program or the law relating to my duties at MHC.
 - 3. Other than those listed below, I do not have any personal knowledge of MHC consumers.

DISCLOSURE

The following information discloses circumstances, which may possibly be a violation of law or the provisions of the Corporate Compliance Program. *(If necessary, attach additional pages - sign and date each page.)* **If none, check here.** NONE

I believe the following individual(s), who I personally know (i.e., family, friend, acquaintance), may be receiving services from MHC and I understand my access to their clinical information will be restricted by the Compliance Department. *(If necessary, attach additional pages – sign and date each page.)* **If none, check here.** NONE

- C. I will immediately report to my supervisor, the Compliance Director or the Compliance Officer any suspected violations of law or of the Corporate Compliance Program as they may arise during the course of my employment with MHC. I also acknowledge that I may access the Corporate Compliance Hotline at (844) 783-0016, online at <https://mhc-tn.ethicspoint.com> or by mobile at <https://mhc-tn.navexone.com> to make any such reports.

Associate Name *(please print)*

Supervisor Name *(please print)*

Associate Signature

Supervisor Signature

Title

Title

Date

Date

This completed, signed document shall be filed in the associate’s personnel file.

Corporate Compliance Program Acknowledgement

1. I have received a copy of the Mental Health Cooperative, Inc. (MHC) Compliance Program Plan, and have read, understand, and agree to abide by its terms and conditions.
2. I understand that all associates/contractors of MHC, including me, are expected to abide by the Compliance Program Plan.
3. I agree to seek advice from my Supervisor, Director, the Human Resource department or a Corporate Compliance Team member concerning appropriate actions that I may need to take in order to comply with the Corporate Compliance Plan or the Code of Conduct.
4. I acknowledge that I have a duty to report any alleged or suspected violation of the Corporate Compliance Program, Code of Conduct, organization policy or applicable laws and regulations.
5. I understand that there will be no retaliation for raising a compliance issue in good faith.
6. I understand that any violation of the Compliance Program Plan, including my failure to report a violation thereof, may result in corrective action and/or disciplinary action up to and including termination.
7. I understand that my failure to cooperate in a compliance investigation can be grounds for termination.

Signature

Date

Print Name

This completed, signed document shall be filed in the associate's personnel file.