

**North Country Community Mental Health
Northern Affiliation
Regulatory Compliance Plan**

Introduction

It is the policy of North Country Community Mental Health (NCCMH), to obey the law and to follow ethical business practices. NCCMH has an ongoing commitment to ensure that its affairs are conducted in accordance with applicable law and sound and ethical business practice. NCCMH wants employees and contract providers to be fully informed about applicable laws and regulations so that they do not inadvertently engage in conduct that may raise compliance issues. The legal requirements relating to the quantitative and qualitative documentation of professional services, fee billing and reimbursement are primary compliance concerns. Compliance in this area is challenging because the regulatory requirements are complex and changing. The Affiliation recognizes that its business relationships with other providers, vendors, and clients are subject to legal requirements and accountability standards.

Purpose

To ensure, to the fullest extent possible, compliance with laws and regulations; that ethical business practices are followed; and that contractual and legal requirements are met. Further, to meet the objective of high quality service in accordance with applicable regulations through service provision, documentation of the service provided, and reimbursement for the service.

To further the organization's commitment to compliance and to protect its employees and contract providers, emphasis is placed on this compliance plan to address those regulatory issues likely to be of most consequence to its operations.

Compliance is accurately following the government's rules on Medicaid billing system requirements and other regulations. A compliance program is a self-monitoring system of checks and balances to ensure that an organization consistently complies with applicable laws relating to its business activities. The compliance program and plan described in this document is intended to establish a framework for legal compliance by employees and contract providers. It is not intended to set forth all of the substantive programs and practices that are designed to achieve compliance.

Application

North Country Community Mental Health is both a regional prepaid health plan and a service provider. This plan is intended to address both aspects of the organization's operations. It is the intent of NCCMH that the scope of all compliance policies and procedures should promote integrity, support objectivity and foster trust.

The Northern Affiliation is a division of NCCMH developed to perform the managed care functions of the prepaid health plan. NCCMH is authorized to perform these functions for a thirteen county area via an Intergovernmental Transfer of Functions and Responsibilities Act agreement. The Affiliation Compliance Plan applies to providers and subcontractors receiving Medicaid payment under the prepaid health plan through the managed care functions of the Northern Affiliation within the thirteen county area.

This plan shall apply to all NCCMH operational activities and administrative actions and includes those activities that come within federal and state regulations relating to health care providers. Of particular concern to the Northern Affiliation and NCCMH are the areas of marketing materials and personnel, underutilization and quality of care, data collection and submission processes, anti-kickback statute and other inducements and emergency services.

NCCMH is also a six county service provider offering services for adults and children with mental illness, developmental disabilities and co-occurring mental health and substance abuse disorders. Employees in the service divisions are subject to the requirements of this plan as a condition of employment. All aspects of this plan that address "provider organizations" shall also apply to the service divisions of NCCMH.

General Overview

It is acknowledged that efforts to maintain compliance must be organization-wide and must be ongoing. In order to assure that these efforts are sustained, compliance activities are developed from a performance improvement perspective. The Affiliation - NCCMH believes that for services to be of the highest quality, they must be provided, documented and reimbursed in accordance with applicable regulations. Assuring this compliance, both prospectively and retrospectively, is best done through a focus on improvement, utilizing objective data, systems analysis, participant input, and continuous feedback.

The compliance plan has the following key features:

- Designation of Affiliation and NCCMH officials responsible for directing the effort to enhance compliance, including implementation of the Plan;
- Incorporation of standards and policies that guide personnel and others involved with operational practices and administrative guidelines;
- Identification of legal issues that may apply to business relationships;
- Development of compliance initiatives/requirements at the unit level;
- Coordinated training of clinical and administrative staff and contract providers concerning applicable compliance requirements and policies;
- A uniform mechanism for employees and contract providers to raise questions and receive appropriate guidance concerning operational compliance issues;
- Regular review and audit to assess compliance, to identify issues requiring further education and to identify potential problems;
- A process for employees and contract providers to report possible compliance issues and for such reports to be fully and independently reviewed;
- Enforcement of standards through well publicized disciplinary guidelines and development of policies addressing dealings with sanctioned individuals;
- Formulation of corrective action plans to address any compliance problems that are identified;
- Regular reviews of the overall compliance effort to ensure that operational practices reflect current requirements and that other adjustment are made to improve operations.

Administrative Responsibilities

Primary responsibility for implementing and managing the Affiliations compliance effort shall be assigned to the Regulatory Compliance Coordinator. The position of Compliance Coordinator will directly report to the Director of Affiliation Services and indirectly, as required, to the governing body of NCCMH, who will have supervisory responsibility for compliance. The Compliance Coordinator will, with oversight of the Director of Affiliation Services and the assistance of NCCMH legal counsel where appropriate, perform the following activities:

- Review and amend, as necessary, the Code of Conduct that includes a code of ethics and ethical standards.
- Assist in the review, revision, and formulation of appropriate policies to guide any and all activities and functions that involve issues of compliance.
- Develop methods to ensure that employees are aware of the Code of Conduct and Policies and understand the importance of compliance.
- Develop methods to ensure that provider organization staff is aware of the Code of Conduct and compliance standards and understand the importance of compliance.

- Assist in developing and delivering educational and training programs.
- Coordinate compliance reviews and audits.
- Receive and investigate instances of suspected compliance issues, as set forth in this Plan.
- Develop appropriate corrective actions, as set forth in this Plan.
- Prepare Annual Compliance Review, as set forth in this Plan.
- Prepare Annual Corporate Compliance Work Plan, as set forth in this Plan.
- Prepare proposed revisions to the Compliance Plan as needed, with a review at least annually.
- Provide other assistance as directed by the Director of Affiliation Services.

Compliance Oversight and Structure

The designated Compliance Coordinator has primary responsibility for oversight and implementation of this plan. The Compliance Coordinator is given sufficient authority to promote and enforce compliance program issues.

The Compliance Coordinator will work with a Compliance Committee as established by the PIHP. The Committee membership will include, but not be limited to, the following representatives:

- Compliance Leader from each Member Board
- Human Resources
- Information Systems
- Quality Assurance/improvement
- Finance

The committee activities will include:

- Assist in implementation of the compliance program
- Evaluate and redirect the Compliance Coordinator
- Analyze the external business environment
- Conduct risk analysis and assessment
- Determine overall strategy or approach to promoting compliance and/or detecting violations of regulation
- Develop, approve and evaluate compliance policy and guidance
- Participate in compliance training
- Audit Compliance Plan

The Compliance Coordinator is required to certify, in writing, that he or she has never been convicted of any crimes (other than traffic related offenses); has never had a professional license revoked or suspended and has never been sanctioned, whether personally or through an entity, by the Medicare or Medicaid programs. This requirement applies to all staff participating in the "providing of" training relating to compliance issues.

The Compliance Coordinator also must certify that he or she is committed to ensuring the success of this Compliance Program. Such certification is also required of certain other individuals, including:

- Mental Health Board members
- Executive Director
- Director of Affiliation Services
- Northern Affiliation Financial Analyst
- Northern Affiliation Provider Network Specialist
- Northern Affiliation Service Quality & Innovation Manager
- Northern Affiliation Access Director

- Director of Administrative Services
- Director of Finance
- Reimbursement Officer
- Director of Community Support Services for Persons with Mental Illness
- Director of Community Support Services for Persons with Developmental Disabilities
- Director of Community Consultation and Treatment
- Medical Director
- Staff providing compliance related training
- Member of Compliance Committee

Additionally, the Human Resources Director will routinely access and check the National Practitioner Data Bank (NPDB), the OIG List of Excluded Individuals//Entities, the GSA Excluded party List, the MSA Sanctioned Providers (Michigan), and License/Registration Verification. This is to assure that authority is not delegated to any individual whose name appears in this database.

The responsibility for this program does not rest solely with the Mental Health Board or the Compliance Coordinator. Every employee and/or agent is responsible for compliance with regulations. Participation in these activities, and commitment to the goals of this plan, are required for all employees and agents.

The Compliance Office will maintain a record of each employee's participation in this plan. This record will include documentation of related training, acknowledgment of receipt of pertinent documents, details of any non-compliance and the actions taken, and evidence of participation in compliance related activities.

Participation in, and acceptance of, this plan is a condition of employment for NCCMH employees. For providers contracted with the Pre-paid Health Plan (PHP) participation in, and acceptance of this plan is required. Each employee and agent bears responsibility for compliance. This responsibility includes:

1. Read the Compliance Plan
2. Be familiar with, and use, the compliance requirements
3. Pay attention to correspondence, both by paper and by electronic mail and return "acknowledgement statements" promptly when required
4. Attend training sessions
5. Utilize the Compliance Access System as needed
6. Review, periodically, this Compliance Plan
7. Report immediately when and if you become aware of any violation of this Compliance Plan, or related policies and procedures. Reports can be made to the Compliance Coordinator, or the Compliance Leader of the member CMH Boards. Failure to report a violation is itself, a violation and therefore subject to disciplinary action.
8. Cooperate with all compliance related efforts
9. Submit any suggestions you may have for improvement of this plan
10. Refer ALL inquiries relating to compliance efforts and results to the Affiliation's Compliance Coordinator, Director of Affiliation Services, or Executive Director.
11. Submit compliance attestation form annually, acknowledging that all potential non-compliance issues have been reported. (see Attachment C)

Policy Guidelines

Policies specific to the Affiliation's operational practices will be reviewed on an annual basis and revised as necessary. The Code of Conduct will guide in all business activity. This Code reflects good common sense and ethical behavior. All new hires receive and acknowledge the Code of Conduct as a requirement of employment. The Code is reviewed and acknowledged annually thereafter.

Clinical and Administrative Plans

Each provider operation shall appoint a representative to serve as the compliance leader for that organization's activities. The compliance leaders will coordinate compliance activities with the Affiliation's Compliance Coordinator. There should be regular contact with the compliance leaders about matters of common interest.

Each provider organization is responsible for the development and implementation of a plan to address compliance efforts. These plans shall, at a minimum, include the following features:

- A. Written policies and procedures for operational activities undertaken by organization personnel, including any specialty specific standards that may be relevant to regulatory compliance;
- B. Educational and training programs to address operational issues of particular importance to the organization;
- C. A program for ensuring and documenting that all new personnel receive training regarding operational compliance issues;
- D. A program for routine "spot checks" of compliance activities, with the results of such reviews being reported to the compliance leader and to the Affiliation's Compliance Coordinator;
- E. A system that tracks operational compliance issues that have been raised within the organization and the resolution of those issues; and
- F. An annual review of the existing compliance plan in order to identify the need for changes and to identify specific compliance objectives during the succeeding year.

Provider organizations may wish to consult with the Affiliation's Compliance Coordinator prior to engaging any outside consultants concerning compliance issues. This may present an opportunity for efficiency and sharing of information.

Communication, Education and Training

A Compliance Plan cannot be successful as a static, written document. It requires a dynamic implementation process that provides ongoing communication, education and training to all participants. This includes the governing body, direct employees, and contract agents. The plan is intended to be "the way we do business" and, as such, be second nature to all employees and agents.

The compliance plan provides an internal process to clarify, educate, and train staff in contractual and regulatory requirements, and appropriate use of the CMH Prepaid Medicaid dollars. This section describes the communication, education and training efforts utilized to achieve this goal.

Communication - The success of this plan is largely dependent upon the ability of the Affiliation to sustain the efforts identified within this plan. As with any improvement effort, sustaining this plan will require regular communication to employees and agents. This includes communication regarding applicable laws and regulations; monitoring efforts; training efforts; improvement activities; and achievements. The Compliance Coordinator, as well as all supervisors, is responsible for this communication.

Education and Training – The compliance plan identifies three categories of education/training. They are as follows:

1. *Initial Training* - Initial training is provided to all employees during their orientation. The Affiliation Compliance Coordinator, in cooperation with the Human Resources Director, is responsible for developing and assuring this training occurs. This training will address the substantive legal standards and the processes identified in this manual. Completion of this training will be documented via the orientation process.

Each employee will receive a Compliance Plan at orientation, along with a Compliance Plan Acknowledgement Form (Attachment A) and the Compliance Attestation Form (Attachment C). Each employee, upon receipt of this plan, will have one week to read the plan and acknowledge acceptance of its principles and obligation to report fraud, abuse or waste of public funding, as evidenced by signing the acknowledgement form and the attestation form.

Employees are encouraged to actively participate in this training process and to ask questions. It is essential that all employees understand these requirements and processes. It is the responsibility of the employee to assure that he or she understands this plan.

2. *Focus Training* - In addition to the initial training for all employees, specialized training will be developed for targeted positions and functions. The Compliance Coordinator, in coordination with the Provider Network Specialist, will identify those positions requiring additional, targeted training due to the particular tasks for which they are responsible. This would include, but not be limited to, the Finance Director, Reimbursement Officer, CC&T Secretaries, and MIS staff.

Focus training, during the first year of this plan, will address, at a minimum, those areas identified as initial potential risk areas. These includes contracting, documentation, coding and person centered planning. These Focus Trainings will be conducted as determined by the Compliance Coordinator. Attendance by staff in the target positions will be mandatory and will be documented.

3. *Ongoing Training* - The Compliance Coordinator and the Provider Network Specialist will routinely review available data to identify emerging trends and training needs relating to compliance issues and this plan. Data sources include, but are not limited to: monthly indicator report, question/answer or reporting via *e-mail/voicemail/website/mail (*access systems)*, record audit results (see Ongoing Monitoring and Reporting), quarterly Michigan Mission Based Performance Indicator System (MMBPIS) reports, and staff activity reports.
 - As training opportunities and needs are identified, either for targeted staff or all staff, the Compliance Coordinator and Training Specialist will develop and implement appropriate training. Training may be provided by Affiliation staff or be arranged through outside sources.
 - Compliance training will be incorporated in the organization's annual training requirements. This annual training will have three objectives: (1) provide detailed information regarding false claims recovery under the federal and State False Claims Act, various protections under the Whistleblower Protections Act and other regulations as they apply, (2) review the Compliance Plan and efforts, and (3) address emerging needs as determined through monitoring and data analysis.
 - All ongoing training, whether annual or targeted, will be documented. Attendance at annual compliance training will be required for all employees. Attendance at targeted trainings will be required for those staff identified by the Compliance Coordinator.
 - Ongoing training occurs as well through correspondence and communication from the Compliance Coordinator to various staff or programs. The Compliance Coordinator will use the question/answer and reporting *access system** as a tool for identifying and promptly responding to staff questions and requests.

Training Personnel - As noted above in Section II.B., all staff participating in providing training relating to compliance issues, will be required to certify, in writing, that he or she has never been

convicted of any crimes (other than traffic related offenses); has never had a professional license revoked or suspended' and has never been sanctioned, whether personally or through an entity, by the Medicare or Medicaid programs. The Compliance Coordinator is responsible for verifying the competency of training staff.

Ongoing Monitoring and Reporting

Compliance activities are developed from a performance improvement (PI) perspective. This approach uses the objective of providing a high quality service. To meet the objective of high quality service in accordance with applicable regulations, the service must be provided, documented, and be reimbursable. Assuring compliance is best done through a PI focus on improvement, utilizing objective data, systems analysis, participant input, and continuous feedback.

Errors in compliance may be rooted in a number of causes. Frequently, the source of difficulty may be traced to deficiencies in the systemic processes used by staff. Consistent with the Affiliation's commitment to the principles of performance improvement, the Compliance Coordinator is a member of the appropriate quality committees (Regional Quality, Quality Oversight Committee, Affiliation level QIC or provider level QIC) and will, as appropriate, coordinate system improvement efforts through that group.

When compliance errors or lapses are determined to be rooted in individual behavior, the quality improvement process will likely not be appropriate. Such errors may be the result of insufficient information and training, individual carelessness, or willful acts. Each of these causes requires a different response. It is essential that the Compliance Coordinator conduct sufficient investigation to determine the source and cause of errors prior to determining the response.

The monitoring and reporting processes are designed to facilitate continuous improvement and to identify errors and wrongdoing. This is accomplished through routine review of records and through input from staff.

Audits - The Compliance Coordinator will conduct quarterly audits of the compliance plan. This includes, but is not limited to:

1. Clinical record audits
2. Reviewing the sufficiency and completeness of training
3. Reviewing staff training records
4. Auditing the response to employee/agent questions or comments to the Question and Answers or reports through the access system
5. Reviewing the response to any finding during the past quarter
6. Review of adherence to policies and procedures relating to contracting, and
7. Verification of employee/agent credentials and background as appropriate.

At least once in each three calendar year period, the Compliance Coordinator shall arrange for an external audit of clinical records. This audit shall focus on compliance issues regarding record keeping practices, clinical documentation, and coding. The results of this audit shall be reported to the Compliance Coordinator and the Director of Affiliation Services. This information will then be promptly reported to the NCCMH Mental Health Board. As appropriate, information gathered from this process will be used in the performance improvement process to address systemic issues.

Annually, the Compliance Coordinator will review this plan and the activities carried out pursuant to this plan. The review will be designed to assess the effectiveness and current applicability of each aspect of the Compliance Plan. Appropriate changes will be made and submitted to the NCCMH Mental Health Board for review. Upon Board approval, the changes will be distributed to all employees and agents. Employees will be required to sign an acknowledgement form.

Reporting - This plan addresses two types of reporting. The first type of reporting involves the obligation to and avenues for, employees and agents reporting noncompliance. The second type

of reporting involves the regular reporting of data and information pertinent to the compliance activities of the Affiliation and NCCMH.

1. **Reporting by Employees and Agents** - If an employee or agent becomes aware of any wrongdoing under this plan, whether intentional or unintentional, by that employee or another employee, he or she must report the wrongdoing to the Compliance Coordinator, or the designated Compliance Leader at the member CMH Board through one of the methods described below (*e-mail/voicemail/website/mail - access system*). Individuals reporting anonymously must follow-up within a few days via voice mail or e-mail to answer follow-up questions. Specific elements to include in a report are addressed in "Non-compliance Reporting".
 - a. **Hotline** - Reporting can be done by e-mail or voicemail or postal or interagency mail, and a web based reporting (*system is under development*). The reporting hotline access system is operated by the Compliance Coordinator/Leader during regular working hours.
 - b. **Voice Mail or E-mail** - The Compliance Coordinator/Leader shall maintain a voice mailbox and e-mail address for compliance reporting. The outgoing message on the voice mail shall instruct the caller regarding compliance reporting, anonymity, and reporting obligations.
 - c. **Postal or Interagency mail** – This method of reporting is to be directed to the Compliance Coordinator/Leader, and marked "Confidential – Personal".
 - d. **Web-based reporting** – Web site currently under development.
 - e. If an employee chooses to submit a report anonymously, he or she may do so. In this case, the time and date must be clearly stated on the report, and this information will be used to identify follow-up questions. If an employee submits an anonymous report, he or she must check back the following Monday and Tuesday to see if the Compliance Coordinator/Leader has follow-up questions.
 - f. The Compliance Coordinator/Leader will check each reporting system (*e-mail/voicemail/website/mail - access system*) each business day. Upon receiving a call or e-mail via the reporting Hotline, the Compliance Coordinator/Leader will ask questions, listen to (or read e-mail) the report, and complete a written report of the call.
 - g. If further investigation is warranted, the Compliance Coordinator/Leader shall conduct the investigation. As appropriate, the Compliance Coordinator/Leader shall consult with the Director of Affiliation Services, Executive Director or legal counsel.
 - h. As needed, the Compliance Coordinator/Leader shall ask additional questions of the employee making the report. If the individual chooses to make the report anonymously, the Compliance Coordinator/Leader shall make arrangements for the individual to call back at specified times, or e-mail, for follow-up questions or communication.
 - i. The employee must answer those follow-up questions via electronic mail, voice mail, or Hotline. Anonymity may be maintained to the limits of the law.
 - j. Whatever the method of reporting, when the Compliance Coordinator/Leader receives a report alleging wrongdoing, he or she shall take the following response steps:
 - The Compliance Coordinator/Leader shall determine whether the alleged wrongdoing is a violation of federal or state law, contract requirements, this Compliance Plan, or other organizational standard or policy, or in some way jeopardizes, or puts at risk, the organization's operations or reputation. As

necessary, the Compliance Coordinator shall access legal counsel, consult the Director of Affiliation Services, or seek other appropriate guidance.

- If the alleged wrongdoing is a violation, the Compliance Coordinator/Leader shall take action commensurate with the gravity of the allegation to determine the veracity of the allegation. As appropriate, the Compliance Coordinator/Leader shall consult with the Director of Affiliation Services, Director and/or legal counsel.
 - If, upon investigation, the allegation is proven by the preponderance of evidence to be true, the Compliance Coordinator/Leader shall immediately report this to the Director of Affiliation Services, with recommendations regarding appropriate disciplinary and corrective action.
 - If the situation constitutes a potential pay back or self disclosure, the Compliance Coordinator/Leader and Director of Affiliation Services shall consult with legal counsel to determine the appropriate course of action.
 - A full and complete written report of the allegation, investigation, determination and actions shall be written by the Compliance Coordinator/Leader. This report is to be submitted to the Director of Affiliation Services and Director, and maintained in a secure location.
 - If systemic corrections are indicated, the Compliance Coordinator/Leader shall submit appropriate information (*Appropriate information includes that necessary to institute a quality action team process while protecting the confidentiality of the people involved to the extent appropriate and necessary.*) to the appropriate Quality Improvement body (Regional Quality, Quality Oversight Committee, Affiliation level QIC or provider level QIC). The QI Council will establish an action team consistent with PDCA model. Final results of the action team will be submitted to the Compliance Coordinator for review and incorporation into the Compliance Plan, as appropriate.
- k. Under no circumstances will Northern Affiliation or NCCMH tolerate retribution against any employee or agent simply for making a “good faith” report to the Compliance Coordinator.
- However, intentionally erroneous reports will be subject to disciplinary action.
 - Similarly, if an employee or agent intentionally minimizes a wrongdoing when making a report, either to protect themselves or a co-worker, appropriate disciplinary action may be taken.
 - If any supervisor or employee is determined to be retaliating against an employee for making a report, that supervisor or employee will be subject to harsh disciplinary action.
2. *Reporting Compliance Data and Results* - Accurate and complete monitoring of the compliance plan requires the use of a variety of objective data sources. Information used in this monitoring process will be routinely reported. Compliance Leaders from member CMH Boards will provide information to the Compliance Coordinator regarding any reports (of non-compliance) they have received, at least quarterly. The Compliance Coordinator will establish a regular reporting schedule which will minimally include:
- Quarterly reports of record audits
 - Quarterly reports of Hotline access system (*e-mail/voicemail/ website/land-mail*)
 - Quarterly analysis of Michigan Mission Based Performance Indicator System (MMBPIS) reports, Key Indicator, and staff activity data

- Annual review of the Compliance Plan
- Annual summary of Compliance activities, including number of investigations, summary of results of investigations, number of staff trained, and summary of disciplinary actions.

Responding to Non-compliance

Instances of non-compliance will receive quick and certain responses.

- A. When systemic issues are determined to be the cause, in part or in full, the Affiliation QI Committee or the Quality Oversight Committee will act quickly to address the systems involved.
- B. When individual action is determined to be the cause, in part or in full, quick and appropriate disciplinary action will be taken. Intentional wrongdoing WILL NOT be tolerated and will be subject to immediate disciplinary action up to and including termination of employment and reporting to federal or state authorities.
- C. See Non-compliance Reporting, Attachment B

Performance Improvement to Prevent or Correct Non-compliance

Compliance, when possible, should be a proactive process. In other words, the surest way to assure that the Affiliation maintains the highest level of compliance with applicable laws and regulations is to develop systems and processes to facilitate and incorporate compliance from the beginning. This is the essence of performance improvement and the reason for developing this Compliance Plan from a performance improvement perspective.

- There are a number of sources of data that will be utilized to monitor and improve the systemic processes necessary for compliance. These include: audit results, MMBPIS reports, Key Indicators, QI Council Indicators, staff activity reports, and employee input processes.
- The Compliance Coordinator or Affiliation QIC will review information from these various sources on a regular basis. When trends are suspected or identified, they will be discussed with the appropriate groups and additional data will be sought as needed.
- The Compliance Coordinator, Compliance Leader from member CMH Boards, any member of the Affiliation Team or of the QOC, or any other employee, may request that the Affiliation QIC consider the *review of a process*.
 1. When such a review is indicated by either objective or sufficient anecdotal information, the Council will establish an Action Team to study and make recommendations regarding the process in question.
 2. All action teams will utilize the Plan/Do/Check/Act (Shewart model), as described in the Quality Assessment Performance Improvement Program (QAPIP) for improving performance.

Annual Regulatory Compliance Review

On or before the end of each fiscal year, the Compliance Coordinator will arrange for a review of the Affiliation's current compliance and regulatory operations. The purpose of the review, which should include probe samples, as the Compliance Coordinator considers advisable, is to ascertain whether the compliance operations of the Affiliation are within standards. A written report describing the results of the audit should be prepared on or before October 1.

Annual Report and Work Plan

On or before November 1, the Compliance Coordinator should prepare and distribute to the Director and the NCCMH governing body a report describing the compliance efforts during the preceding fiscal year and a proposed work plan for next fiscal year. The report should include the following elements:

1. A summary of the general compliance activities undertaken during the preceding fiscal year, including any changes made to the Compliance Plan;
2. A copy of the Hotline access system log for the preceding fiscal year;
3. A copy of the preceding fiscal year's Compliance Review;
4. A description of actions taken to ensure the effectiveness of the training and education efforts;
5. A summary of actions to ensure compliance with the Affiliation - NCCMH's policy on dealing with excluded persons;
6. Recommendations for changes in the Plan that might improve the effectiveness of the Affiliation - NCCMH's compliance effort; and
7. A copy of the proposed work plan for the next fiscal year.

Revisions to this Plan

This Compliance Plan is intended to be flexible and readily adaptable to changes in regulatory requirements and in the health care system as a whole. The Plan should be regularly reviewed to assess whether it is working. The Plan should be changed as experience shows that a certain approach is not effective or suggests a better alternative

Excluded Persons Policy

The Affiliation and NCCMH confirms the importance of compliance with 42U.S.C.1320a-7b(b), which imposes penalties for "arranging or knowing (by employment or otherwise) with an individual or entity that the person knows or should know is excluded from participation in a Federal health care program...for the provision of items or services for which payment may be made under such a program."

- A. Accordingly, prior to employing or contracting with any provider for whom the Affiliation and NCCMH intend to fund through a Federal health program, NCCMH will take appropriate steps to confirm that the provider has not been excluded. Those steps will include 1) checking the provider's name against the HHS/OIG Cumulative Sanctions List, and 2) the GSA Debarred Bidders List.
- B. The Affiliation's Compliance Coordinator will provide training to employees with responsibility for personnel functions about how to access those lists. If the Affiliation or NCCMH learns that a prospective provider (either as an employee or contractor) is excluded, NCCMH will not hire or use that provider.
- C. Prior to the initiation of the original Compliance Plan, NCCMH confirmed that none of the providers that it currently employs appear on either the HHS/OIG Cumulative Sanctions or the GSA Debarred Bidders lists.
- D. If the Affiliation or NCCMH learns that any of its current providers (either as employees or contractors) has been proposed for exclusion or excluded, it will remove such providers from any involvement in or responsibility for Federal health insurance programs until such time that NCCMH has confirmed that the matter has been resolved.

REFERENCES

Northern Affiliation "Comprehensive Provider Manual", Dated October 1, 2002 to September 30, 2004

Medicaid Managed Specialty Services and Supports Contract, Attachment P 7.0.1 "MDCH Funding" and Attachment P 7.0.2, "Contract Performance Objectives"

Department of Health and Human Resources, Centers for Medicare and Medicaid Services, 42CFR438, Part II, Subpart I, Section 438.700, Subsections (a)(b)(c) and (d), Basis for Imposition of Sanctions

Department of Health and Human Resources, Centers for Medicare and Medicaid Services, 42CFR438, Part II, Subpart H, Section 438.608, Subsections (a) and (b), Program Integrity Requirements

Department of Health and Human Resources, Centers for Medicare and Medicaid Services, 42CFR438, Part II, Subpart C, Section 438.106, Subsection (a), (b), and (c), Liability for Payment

OIG News Release, March 9, 2000 – "Inspector General Issues Open Letter to Health Care Community; Urges Providers to Self-Disclose Improper Conduct" – and the March 9, 2000 - "An Open Letter to Health Care Providers"

Report on the government-Industry Roundtable, "Building a Partnership for Effective Compliance" dated April 2, 1999

Federal Register/Vol. 63, No. 243/Friday, December 18, 1998/Notices – Department of Health and Human Services, Office of Inspector General, "Publications of the OIG Compliance Program Guidance for Third-Party Medical Billing Companies"

OIG News Release, October 21, 1998 – "OIG Issues Guidance on Voluntary Disclosure of Health Care Fraud"

NORTHERN AFFILIATION

Regulatory Compliance Plan

Compliance Plan Acknowledgement Form

On _____ I received orientation and training pertaining
Today's Date to the Regulatory Compliance Plan.

I received a copy of the Regulatory Compliance Plan _____
Initials

I understand that I am to read the Regulatory Compliance Plan within one week from today. I
understand that participation and acceptance of this compliance plan is required. _____
Initials

I understand that if I have any questions pertaining to the Regulatory Compliance Plan I can
contact: Christine Taylor, Regulatory Compliance Coordinator for clarification. She can be
reached at NCCMH – Northern Affiliation, One MacDonald Drive, Suite E, Petoskey, MI
49770. Phone: (231)439-1278, E-mail: ctaylor@norccmh.org. _____
Initials

Within the next seven days I will return this form signed as my acknowledgement of
acceptance of the compliance plans principles.

I _____ have read and accept the compliance plan principles
Print Name

My signature is acknowledgment of the above: _____
Signature

Agency I work for: _____

Date

Return the signed Compliance Plan Acknowledgement form to the Regulatory Compliance
Coordinator.

**North Country Community Mental Health
Northern Affiliation**

**Prepaid Health Plans – Mental Health
Regulatory Compliance**

REGULATORY NON-COMPLIANCE REPORTING

Purpose: To provide an internal process for the referral and monitoring of contractual non-compliance, regulatory non-compliance, or inappropriate use of community mental health Prepaid Medicaid service dollars.

Intent: To facilitate reporting of health care waste, questionable practices, or inappropriate use of Medicaid service dollars.

Who can report: All individuals affiliated with Northern Affiliation are responsible for compliance with regulations and contracts – this includes Board members, all staff employed by North Country CMH, AuSable Valley CMH, or Northeast Michigan CMH services and all subcontractors.

Who is it reported to: Christine Taylor, Regulatory Compliance Coordinator, or Compliance Leader from member CMH Boards

How is it reported: Regulatory non-compliance reporting can be done by voice mail, e-mail, web access, or in writing. The disclosure can be anonymous.

Overview

The Office of Inspector General (OIG) in Washington D.C. published a detailed self-disclosure protocol in October 1998 as a part of the pilot voluntary disclosure program. An open letter to Health Care Providers from the OIG, dated March 9, 2000 followed up on various aspects of the October 1998 letter, and notified providers of the responses from providers on self-disclosure.

When fraud is uncovered by the OIG they will look to see whether the Affiliation took appropriate steps to prevent and detect the misconduct and whether there is a likelihood that the same or similar abuse of the Medicaid services will reoccur.

Consideration is given to the following:

- seriousness and extent of the underlying misconduct;
- the nature and resources of the provider
- the providers existing capabilities
- the risk of recurrence
- whether the case resulted from a self-disclosure
- the degree of the provider's cooperation during the disclosure verification process

The outcome of any case identified by the OIG will be impacted by the **affiliation's ability to point to tangible, positive outcomes stemming from its own compliance efforts.**

Evidence that the affiliation's regulatory compliance program is operating effectively includes the following:

1. Problematic conduct, such as questionable practices, health care waste, or inappropriate use of Medicaid service dollars, is identified.
2. Appropriate steps are taken to remedy and prevent the conduct from recurring.
3. When misconduct appears to be a violation of the law, a full and timely disclosure of the violation of law is made to Medicaid.
4. That matters of overpayment or errors that do not suggest a violation of law, are dealt with promptly by the individuals responsible for claims processing and payment. (The entity accountable and responsible for the Prepaid Health Plan Medicaid dollars.)
5. An internal process for non-compliance reporting is an active part of the Regulatory Compliance Program.

Errors in compliance may be rooted in a number of causes. Frequently, the source of difficulty may be traced to deficiencies in the systemic processes used by staff.

When compliance errors or lapses are determined to be rooted in individual behavior, the quality improvement process will likely not be appropriate. Such errors may be the result of insufficient information and training, individual carelessness, or willful acts. Each of these causes requires a different response. It is essential that sufficient investigation be conducted by the Affiliation's Compliance Program to determine the source and cause of errors prior to determining the response.

The monitoring and reporting processes are designed to facilitate continuous improvement and to identify errors and wrongdoing. This is accomplished through routine review of records and through input and reporting of non-compliance from individuals.

The Affiliation's Compliance Plan addresses two types of non-compliance reporting. The first type of reporting involves the obligation to and avenues for, employees and agents reporting non-compliance. The second type of reporting involves the regular reporting of data and information pertinent to the compliance activities of the Affiliation.

- **Under no circumstances will the Affiliation tolerate retribution against any employee or agent simply for making a "good faith" report to the Compliance Coordinator.**
- However, **intentionally erroneous** reports will be subject to disciplinary action.
- Similarly, if an employee or agent **intentionally minimizes** a wrongdoing when making a report, either to protect themselves or a co-worker, appropriate disciplinary action will be taken.
- If any supervisor or employee is determined to be **retaliating against an employee for making a report**, that supervisor or employee will be subject to harsh disciplinary action.

What to Report

Health care waste, questionable practices, contractual or regulatory non-compliances, or inappropriate use of the Medicaid Service dollar can be identified in varied aspects of the service delivery process. The following are provided as a point of reference when completing a non-compliance report:

Non-compliance reporting can include:

- a. Administrative processes
- b. Billing
- c. Clinical services
- d. Contractual requirements
- e. Credentials
- f. Infection Control
- g. Information system – data collection and regulatory compliance
- h. Marketing
- i. Other: _____
- j. Performance improvement requirements
- k. Quality of care
- l. Recipient Rights
- m. Safety
- n. Staff training
- o. Supervisory practices
- p. Therapeutic milieu

Who Reports Non-compliance

If an employee or agent becomes aware of any wrongdoing, whether intentional or unintentional, by that employee or another employee, he or she must report the wrongdoing to the Compliance Coordinator, or the Compliance Leader at the member CMH Board. Regulatory non-compliance reporting can be done by voice mail, e-mail, web access, or in writing. The disclosure can be anonymous.

How are Non-compliances to be Reported

Non-compliance reporting can be done by voice mail, e-mail, web access, or in writing. *The disclosure can be anonymous.*

Compliance Coordinator – Christine Taylor:

- Voice mail reporting – Call (231) 439-1278 and leave a voice message of all required reporting information.
- E-mail all required reporting information to Christine Taylor at ctaylor@norcocmh.org
- Web Access - _____ *Under Development* _____
- Send written non-compliance reports to the attention of Christine Taylor at One MacDonald Drive, Suite E, Petoskey, MI 49770

Compliance Leader at NCCMH – Christine Gebhard:

- Voice mail reporting – Call (231)439-1229 and leave a voice message of all required reporting information.
- E-mail all required reporting information to Christine Gebhard at cgebhard@norcocmh.org

- Send written non-compliance reports to the attention of Christine Gebhard at One MacDonald Driver, Suite A, Petoskey, Mi 49770

Compliance Leader at NEMCMH – Carol Meske:

- Voice mail reporting – Call (989)358-7741 and leave a voice message of all required reporting information.
- E-mail all required reporting information to Carol Meske at cmeske@nemcmh.org
- Send written non-compliance reports to the attention of Carol Meske at 400 Johnson St., Alpena, Mi 49707

Compliance Leader at AVCMH – John.Moran:

- Voice mail reporting – Call (989)362-8636 and leave a voice message of all required reporting information.
- E-mail all required reporting information to John Moran at john.moran@avcmh.org
- Send written non-compliance reports to the attention of John Moran at 1199 W. Harris Ave., P.O. Box 310, Tawas City, MI 48764

Information to Include in Non-compliance Reporting

Regulatory compliance is an on-going process facilitated by Northern Affiliation's Compliance Coordinator.

Reporting information is to include:

- Reporting date
- Name of the provider – and - if consumer specific, Medicaid ID#
- County where provider located
- **and**
- Detailed description of the provider's questionable practice(s) **or**
- Detailed description of the contractual non-compliance **or**
- Detailed description of the regulatory non-compliance **or**
- Detailed description of the provider's inappropriate use of Medicaid service dollars
- **and**
- Description of any actions that may have been previously done to resolve the issue in question.
- If available, supporting documentation
- Identify who is submitting the report – or – the report can be done anonymously.

To facilitate the non-compliance reporting process a form is available (Form R-1 NON-COMPLIANCE REPORTING FORM). This form can be completed and submitted, or used as a resource for reporting non-compliance by voice mail or e-mail.

When Non-compliance is Reported

The Compliance Coordinator/Leader will maintain a tracking mechanism of all non-compliance's reported that includes findings and final determination for each report. Whatever the method of reporting, when the Compliance Coordinator/Leader receives a report of non-compliance he or she will investigate as follows:

- Determine whether the alleged wrongdoing is a violation of federal or state law, contract requirements, the Affiliation's compliance plan, or other organizational standards or policy, or in some way jeopardizes, or puts at risk, the organization's operations or reputation. As necessary, the Compliance Coordinator/Leader will access legal counsel, consult the Director of Affiliated Services, or seek other appropriate guidance.

- If the alleged wrongdoing is a violation, the Compliance Coordinator/Leader will take action equal with the seriousness of the allegation to determine the truth of the allegation. As appropriate, the Compliance Coordinator/Leader will consult with the Director, Director of Affiliated Services and/or legal counsel.
- If, upon investigation, the allegation is proven by the examination of facts to be true, the Compliance Coordinator/Leader shall immediately report this to the Director, and Director of Affiliated Service with recommendations regarding appropriate disciplinary and corrective action.
- If the situation constitutes potential pay back or self-disclosure, the Compliance Coordinator/Leader and Director of Affiliated Services shall consult with legal counsel to determine the appropriate course of action.
- The Compliance Coordinator/Leader will write a full and complete written report of the allegation, investigation, determination and actions. This report is to be submitted to the Director of Affiliated Services and maintained in a secure location.
- If systemic corrections are indicated, the Compliance Coordinator/Leader will submit appropriate information to the Quality Oversight Committee or Affiliation QI Committee. The QOC or AQIC will establish an action team consistent with the PDCA model. Final results of the action team will be submitted to the Compliance Coordinator for review and incorporation into the Compliance Plan.

Responding to Non-compliance

Instances of non-compliance will receive quick and certain responses. When systemic issues are determined to be the cause, in part or in full, the Quality Oversight Committee or Affiliation QIC will act quickly to address the systems involved. When individual action is determined to be the cause, in part or in full, quick and appropriate disciplinary action will be taken. Intentional wrongdoing WILL NOT be tolerated and will be subject to immediate disciplinary action up to an including termination of employment and reporting to federal or state authorities.

Definitions

Abuse – Provider practices that are inconsistent with sound fiscal, business or medical practices, and result in an unnecessary cost to the Medicaid program, or in reimbursement for services that are not medically necessary or that fail to meet professionally recognized standards for health care. It also includes recipient practices that result in unnecessary cost to the Medicaid program (42 CFR § 455.2).

Contractual Non-compliance – Contractual non-compliance is when the provider does not follow specific criteria stated in a contract.

Fraud – Intentional deception or misrepresentation made by a person with the knowledge that the deception could result in some unauthorized benefit to himself or some other person. It includes any act that constitutes fraud under applicable Federal or State law (42 CFR § 455.2).

Health Care Waste - Health care waste is providing services longer than medically necessary.

Inappropriate use of Medicaid service dollars – Inappropriate use of Medicaid services dollars is the intentional deception or misrepresentation of deliberate and improper billing. Some examples of fraudulent use are claims submitted for the following:

- Billing amounts greater than usual and customary charges.
- Billing for services not provided or not fully provided.
- Billing higher paying procedures than the ones actually provided.
- Billing multiple procedures rather than comprehensive procedures.
- Billing unnecessary, inappropriate or harmful services.
- Billing non-authorized services, by using an authorized procedure code.

Non-compliance reporting – reporting of health care waste, questionable practices, or fraudulent use of Medicaid service dollars to the Regulatory Compliance program of the Northern Affiliation.

Regulatory Non-compliance – Regulatory non-compliance is when a provider does not meet standard stated in Federal Law or State Rule/Regulation

Questionable Practices - Questionable practices are practices inconsistent with generally accepted business or behavioral health care practices and that fail to meet professionally recognized standards for behavioral health care. Some examples of questionable practices (might involve **unintentional** actions by providers, but involve unacceptable practices) are:

- The provision of inappropriate services.
- Providing services that are of inferior quality.
- Inadequate clinical record documentation.
- Poor communication and coordination of treatment/services.

Resources

North Country Community Mental Health – Northern Affiliation Compliance Plan dated 4/1/03

Medicaid Managed Specialty Services and Supports Contract, Attachment P 7.0.1, “MDCH Funding” and Attachment P 7.0.2, “Contract Performance Objectives”

Department of Health and Human Resources, Centers for Medicare and Medicaid Services, 42CFR438, Part II, Subpart I, Section 438.700, Subsections (a)(b)(c) and (d), Basis for Imposition of Sanctions

Department of Health and Human Resources, Centers for Medicare and Medicaid Services, 42CFR438, Part II, Subpart H, Section 438.608, Subsections (a) and (b), Program Integrity Requirements

Department of Health and Human Resources, Centers for Medicare and Medicaid Services, 42CFR438, Part II, Subpart C, Section 438.106, Subsection (a), (b), and (c), Liability for Payment

OIG News Release, March 9, 2000 – “Inspector General Issues Open Letter to Health Care Community; Urges Providers to Self-Disclose Improper Conduct” – and the March 9, 2000 - “An Open Letter to Health Care Providers”

Report on the government-Industry Roundtable, “Building a Partnership for Effective Compliance” dated April 2, 1999

OIG News Release, October 21, 1998 – “OIG Issues Guidance on Voluntary Disclosure of Health Care Fraud”

**North Country Community Mental Health
Northern Affiliation**

**Prepaid Health Plans – Mental Health
Regulatory Compliance**

NON-COMPLIANCE REPORTING FORM

Date of reporting: _____ (use back of sheet or additional pages as needed)

Check one of the following:

1. Questionable Practices 2. Contractual Non-compliance 3. Regulatory Non-compliance
4. Inappropriate use of Medicaid service/dollars

5. Other

#5 Other - state specific concern:

Name of the provider reporting about: _____

If consumer specific, Medicaid ID#: _____

County where provider located: _____

Describe (in detail) the provider's questionable practices – **or** – contractual non-compliance – **or** – regulatory non-compliance - **or** – provider's inappropriate use of Medicaid service dollars – **or** - Other in detail: (If available attach supporting documentation)

Describe any actions that may have been previously done to resolve the issue in question
(If available attach supporting documentation)

Print Name: _____ Phone #: _____

Signature: _____

Note: This report can be submitted anonymously

Office Use Only - Date Report received at Regulatory Compliance: _____ Initials of person receiving report _____

Operations Committee Review: _____
Board Approval: _____

North Country Community Mental Health Northern Affiliation

Compliance Attestation

I, _____, as an employee of North Country Community Mental Health recognize and acknowledge my obligation to report any incidence of fraud, abuse or waste of public funding to the organization.

I understand that this obligation is explained in the North Country Community Mental Health Regulatory Compliance Plan. This plan gives guidance on what is reportable, where to direct questions, and how to report.

As of this date, I am not aware of any reportable incident, or I have reported any incidence of non-compliance of which I am aware. Should I become aware that a situation is potentially a violation of the False Claims Act, or an otherwise reportable occurrence, I will report immediately, as specified in the Regulatory Compliance Plan.

Signature

Date

Operations Committee Review: _____
Board Approval: _____