



The Arc of Warren County

Compliance Training

Welcome Everyone!

Introductions



Phil Giordano, Director of Compliance

- In the ID/DD field since 2001
- Managed Group Homes
- Case Manager and Job Coach
- Supervised a large Respite Program for Children with Disabilities
- Came to Warren Arc in late 2005 - Quality Assurance, Incident Reporting and Investigating allegations of Abuse, Neglect, Exploitation and Rights Violations
- 2018 – Compliance Associate under our former CCO
- August 2023 – Became the Director of Compliance
- Let us take a few minutes to go around the room to introduce ourselves.

Introductions

- As Board Members, it is important that you all have a solid understanding of our Mission and our Vision. Some of the material in this training does not pertain to your roles directly as Board Members, but you should have a basic understanding of these laws and regulations as well as your own roles and responsibilities when it comes to preventing and reporting issues like Consumer abuse, neglect and exploitation as well as Medicaid fraud, waste and abuse.

Mission Statement

Mission Statement: The Arc/Warren County Chapter, Inc. helps people with intellectual and other developmental disabilities to live a good life. We assist families to solve the challenges associated with the lifelong care of their family members. As an advocacy organization, we create the kind of universal environment where the people we serve are accepted and respected in the community. Come achieve with us.

Vision Statement

Vision Statement: Individuals with intellectual and other developmental disabilities will be supported to achieve, make choices, be as independent as possible, work, make friends and otherwise enhance society.

7 Elements of a Compliance Plan

- 1 - Written Policies and Procedures and Standards of Conduct
- 2 - Designation of Oversight
- 3 - Mandatory Training and Education
- 4 - Effective Lines of Communication
- 5 - Enforcing Standards of Discipline
- 6 - Auditing and Monitoring
- 7 - Prompt Response and Corrective Action



Element 1 – Written Policies and Procedures and Standards of Conduct

A – Standards of Conduct

- Support our Mission Statement and Vision Statement
- Provide quality of care for the people we serve (respect, dignity, kindness)
- Examples are found in our Employee Handbook. Some examples are:
 - Never engage in any form of abuse, neglect or exploitation of the people we serve.
 - Report violations immediately.
 - Always act with integrity, professionalism and honesty.
 - Follow Agency policy on Non-Discrimination and Anti-Harassment.
 - Follow Agency Drug Free Workplace Guidelines, and report violations.
 - Complete and maintain all records with honesty and accuracy.

Element 1 – Written Policies and Procedures and Standards of Conduct

B – Written Policies

- 1 - Exclusion Screening Policy
- 2 - Medicaid Anti-Fraud Policy
- 3 - Summary of Healthcare Laws (False Claims, Whistleblower, Anti-Kickback, etc.)
- 4 - Non-Retaliation Policy
- 5 - Conflict of Interest
- 6 - Business Courtesies and Gifts
- 7 - Health Insurance Portability and Accountability Act (HIPAA)
- 8 - Standard Discipline

Exclusion Screening Policy

- Applies to all Agency employees, volunteers, Board Members, vendors, and business associates.
- Ensures that The Arc/Warren County does not do business with individuals or entities that are excluded from participating in State or Federally funded health care programs such as Medicaid, Medicare, NJ Family Care, or Pharmaceutical Assistance to the Aged and Disabled (PAAD).
- The Agency must verify that no one is unlicensed, debarred, or excluded on any Federal or State exclusion lists. There is a list of mandatory exclusions which the Office of Inspector General (OIG) is required to exclude by law.
- The Agency has contracted with an outside vendor to complete these exclusion checks to make sure that we stay in compliance.

Medicaid Anti-Fraud Policy

- Consistent with federal and state law, The Arc/Warren County strictly prohibits all acts that constitute fraud, waste, and abuse. Section 6032 of the Federal Deficit Reduction Act of 2005 requires all entities that received or made payments of \$5 million or more (aggregate) in Title XIX funds during the previous federal fiscal year take certain actions to assist in preventing, detecting and addressing fraud, waste and abuse in federal healthcare programs.
- The Agency requires that all employees, volunteers, Board Members, vendors, and business associates receive sufficient training/education to understand their roles and responsibilities in helping to prevent and detect Medicaid fraud, waste, and abuse.
- Everyone performing work/service for the Agency is required to follow all the relevant laws and policies, and to report suspicious activities to the Agency as required by this policy.

Medicaid Anti-Fraud Policy

- All employees, volunteers, Board Members, vendors and business associates of The Arc/Warren County Chapter, Inc. must comply with the following Federal and State statutes in the delivery of Medicaid services: Federal Deficit Reduction Act of 2005, Section 6032; Federal False Claims Act; Whistleblower Protections; Federal Program Fraud Civil Remedies Act; New Jersey Medical Assistance and Health Services Act; Health Care Claims Fraud Act; Uniform Enforcement Act; New Jersey Consumer Fraud Act; Conscientious Employee Protection Act, New Jersey False Claims Act; Federal Anti-Kickback Statute, and New Jersey Insurance Fraud Prevention Act.

Medicaid Anti-Fraud Policy - Reporting

If an employee, volunteer, Board Member, vendor, or business associate suspects the existence of Medicaid fraud, waste, or abuse, he/she must reach out to one of the following internal or external contacts.

Within the Agency:

- Phil Giordano, Director of Compliance: pgiordano@arcwarren.org - 908-689-7525, Ext. 226
- Marianne Gasper, Director of Human Resources: mgasper@arcwarren.org - 908-689-7525, Ext. 251

Reporting Methods outside the Agency:

- NJ Medicaid Fraud Division: 888-937-2835 <https://www.nj.gov/comptroller/divisions/medicaid/complaint.html>
- NJ Insurance Fraud Prosecutor Hotline: 877-55-FRAUD (877-553-7283) <https://njinsurancefraud2.org#reports>

Medicaid Anti-Fraud Policy – Definitions

Abuse: Provider practices that are inconsistent with sound fiscal, business, or medical practices and result in unnecessary costs to Medicaid, or in reimbursement for services that are not medically necessary or that fail to meet professionally recognized standards for care. The term also includes recipient practices that result in unnecessary costs to Medicaid.

Fraud: An intentional deception or misrepresentation made by any person with the knowledge that the deception could result in some unauthorized benefit to that person or another person, including any act that constitutes fraud under applicable Federal or State law.

Claim: A request made for payment-related agency services.

Medicaid Anti-Fraud Policy – Definitions

Knowing/Knowingly: That a person, with respect to information: has actual knowledge of the information; acts in deliberate ignorance of the truth or falsity of the information; acts in reckless disregard of the truth or falsity of the information; is practically certain from the conduct of the person that a certain result will occur.

Waste: Activities involving payment or the attempt to obtain reimbursement for items or services where there was no intent to deceive or misrepresent, but the outcome of poor or inefficient claiming or inappropriate billing processes that cause unnecessary costs. Waste includes any action or inaction that does not rise to the level of fraud or abuse but results in overpayments or misspent funds.

Medicaid Anti-Fraud Policy – Examples

Examples of Fraud (this list is not exhaustive):

- Billing for services not rendered; Intentionally billing for services at a higher level than provided (upcoding); Billing for individual services when they were provided as a group.
- Knowingly ordering medically unnecessary items or services for Consumers.
- Altering medical records (changing times or dates, providing false information);
Misrepresenting who actually provided the services.
- Billing for services that require specific credentials or training, but delivered by individuals who didn't meet those credentials; Billing for services provided by an excluded or unlicensed provider.
- Copying/Pasting or cloning records.
- Entering services prior to actually providing the service.

Medicaid Anti-Fraud Policy – Examples

Examples of Waste (this list is not exhaustive):

- Overutilization/Providing of services that are not necessary or exceed approved units.
- Wasting supplies by ordering more than is needed, ordering the wrong supplies, and not returning them, improper storage of supplies.

Examples of Abuse (this list is not exhaustive):

- Requesting reimbursement for services that are unnecessary or unapproved.
- Entering ISP information past the deadlines: Medicaid says delayed entries within a reasonable time frame (24-48 hours from time of service) are acceptable for purposes of clarification, error correction, the addition of information not initially available, and if certain unusual circumstances prevented the generation of the note at the time of service.

Summary of Healthcare Laws

FALSE CLAIMS ACT POLICIES / DEFICIT REDUCTION ACT OF 2005, SECTION 6032

- The Deficit Reduction Act of 2005 contains many provisions reforming Medicare and Medicaid that are designed to reduce program spending.
- The Arc/Warren County is a participant in federal health care programs and receives reimbursement from Medicaid agencies for services provided to Medicaid beneficiaries. As an entity that receives payments from Medicaid which meet the requirements under section 6032 of the Deficit Reduction Act of 2005, the Agency is required to comply with certain provisions of the Deficit Reduction Act.
- Under the Deficit Reduction Act, The Arc/Warren County is required by law to establish certain policies and provide all employees with information regarding: (1) the federal False Claims Act and similar state laws, (2) an employee's right to be protected as a whistleblower, and (3) The Arc/Warren County policies and procedures for detecting and preventing fraud, waste, and abuse in state and federal health care programs. Further, volunteers, Board Members, outside vendors and business associates are required to learn about and abide by the same provisions of the Deficit Reduction Act.

Summary of Healthcare Laws

1 - Federal False Claims Act, 31 U.S.C.3729-3733

- The Act establishes liability when any person or entity improperly receives from or avoids payment to the Federal Government.
- Any individual or entity engaging in any of the prohibited actions listed in 31 U.S.C. 3729(a), including the submission of false claims to federally funded health programs, shall be liable for a civil penalty which currently is not less than \$12,537 and not more than \$25,076, plus three times the amount of damages (treble damages) sustained by the Federal Government.
- Any “whistleblower” may bring an action under this act on his own behalf and for the United States Government. These actions, which must be filed in U.S. District Court, are known as “qui tam” actions.
- Whistleblower Protections: 31 U.S.C. 3730(h) provides that any employee who is subject to retaliation or discrimination by an employer in the terms and conditions of employment because the employee lawfully sought to take action or assist in taking action under this act “shall be entitled to all relief necessary to make the employee whole.”

Summary of Healthcare Laws

2. Federal Program Fraud Civil Remedies Act, 31 U.S.C. 3801-3812

- Provides federal administrative remedies for false claims and statements, including those made to federally funded health care programs.
- Current civil penalties are \$12,537 for each false claim or statement and an up to double damages for each false claim for which the Government makes a payment.

Summary of Healthcare Laws

3. New Jersey Medical Assistance and Health Services Act

Criminal Penalties, N.J.S. 30:4D-17(a)-(d)

- In most cases, fines of up to \$10,000, imprisonment for up to three years, or both.

Civil Remedies, N.J.S. 30:4D-7.h., N.J.S. 30:4D-17(e)-(i); N.J.S. 30:4D-17.1.a

- In addition to the criminal sanctions discussed, violations can also result in the following civil sanctions: recovery of overpayments and interest; recovery of overpayments, penalty of up to triple damages, and up to \$5,500 to \$11,000 in fines for each false claim.

Summary of Healthcare Laws

4. Health Care Claims Fraud Act N.J.S. 2C:21-4.2&4.3; N.J.S. 2C:51-5

- Provides criminal penalties for health care claims fraud, including the submission of false claims to programs funded in whole or in part with state funds.
- Depending on the violation, a practitioner could be guilty of a crime of the second degree, third degree or fourth degree, resulting in the suspension of his/her license for up to one year, potential for permanent forfeiture of his/her license and/or a monetary fine of five times the benefit sought or obtained.

Summary of Healthcare Laws

5. The Uniform Enforcement Act N.J.S. 45:1-21. b. and o.

- Provides that a licensure board within the N.J. Division of Consumer Affairs “may refuse to admit a person to an examination or may refuse to issue or may suspend or revoke any certificate, registration or license issued by the board” who has engaged in “dishonesty, fraud, deception, misrepresentation, false promise or false pretense” or has “advertised fraudulently in any manner.”

Summary of Healthcare Laws

6. N.J. Consumer Fraud Act N.J.S. 56:8-2, 56:8-3.1, 56:8-13, 56:8-14 and 56:8-15

- Makes unlawful the use of “any unconscionable commercial practice, deception, fraud, false pretense, false promise, misrepresentation, or the knowing concealment, suppression, or omission of any material fact” with the intent that others rely upon it, in connection with the sale, rental, or distribution of any items or services by a person, or with the subsequent performance of that person.
- This law permits the N.J. Attorney General, in addition to any other penalty provided by law, to assess a penalty of not more than \$10,000 for the first offense, and not more than \$20,000 for the second and each subsequent offense. Restitution to the victim also can be ordered.

Summary of Healthcare Laws

7. Conscientious Employee Protection Act “Whistleblower Act”, N.J.S.A. 34:19-4

- New Jersey law prohibits an employer from taking any retaliatory action against an employee for reporting a violation or perceived violation.
- Protects those who disclose or threaten to disclose policy or practice of the employer that the employee reasonably believes is in violation of a law, rule or regulation or in the case of an employee who is a licensed or certified health care professional, reasonably believes constitutes improper quality of patient care.
- Protects those who object to, or refuse to participate in, any activity, policy or practice which the employee reasonably believes is illegal, fraudulent, criminal or incompatible with a clear mandate of public policy.
- N.J.S.A. 34:19-3. The protection against retaliation, when a disclosure is made to a public body, does not apply unless the employee has brought the activity, policy or practice to the attention of a supervisor of the employee by written notice and given the employer a reasonable opportunity to correct the activity, policy or practice.

Summary of Healthcare Laws

8. New Jersey False Claims Act N.J.S.A. 2A:32C-1 et seq

- The New Jersey False Claims Act (NJFCA) has similar provisions to the Federal False Claims Act.
- Under the NJFCA, the civil penalties are currently the same as the federal level, which is currently \$12,537 to \$25,076 per false or fraudulent claim under the NJ Medical Assistance and Health Services Act.
- The NJFCA provides that a person will be liable for the same penalties as under the Federal False Claims Act, but to the State of NJ.
- In addition to the above, the NJ False Claims Act has whistleblower protections similar to the ones under the Federal False Claims Act.

Summary of Healthcare Laws

9. New Jersey Insurance Fraud Prevention Act (NJIFPA) N.J.S.A. 17:33A-1 et seq

The NJIFPA makes it unlawful to:

- Present or cause to be presented any written or oral statement as part of, or in support of or opposition to, a claim for payment or other benefit pursuant to an insurance policy knowing the statement contains false or misleading information.
- Conceal or knowingly fail to disclose the occurrence of an event which effects any person's initial or continued right or entitlement to any insurance benefit or payment or the amount of any benefit or payment to which the person is entitled.
- A violation of this law can subject a person or entity to civil damages equal to three times the amount of damages, tiered money penalties based upon the number of offenses, and a State surcharge. In addition, the law authorizes the State Attorney General to pursue additional criminal penalties.

Summary of Healthcare Laws

10. Federal Anti-Kickback Statute (42 U.S.C. 1320a-7b)

- Makes it illegal for anyone to knowingly and willfully offer, pay, solicit, or receive kickbacks, remuneration, or anything of value, directly or indirectly, to influence the referral of federal health care program business, including Medicare and Medicaid.
- Remuneration includes anything of value, and can take many forms besides cash, such as free rent, hotel stays, meals, tickets to events, gift certificates, services, etc.
- A violation of the Anti-Kickback Statute constitutes a “false or fraudulent” claim under the False Claims Act and is subject to severe criminal and civil penalties such as monetary penalties, fines and up to five years of federal incarceration per violation.
- Safe Harbors: There are certain practices and payments that may appear to violate the AKS but are protected under “safe harbor” regulations. Due to these being “gray areas” it is typically recommended to retain legal counsel before assuming that an arrangement will meet the “safe harbor” provision.

Non-Retaliation Policy

- The Arc/Warren County is committed to protecting individuals who come forth with concerns about suspected fraud, waste, abuse, or other unethical or illegal conduct. We fully encourage individuals to report any conduct that could jeopardize this goal. We want to ensure that no one is afraid of being retaliated against for making a good faith report.
- The Agency has set up multiple avenues for employees, volunteers, Board Members, vendors, and business associates to report any conduct they feel may be a violation of our standards of conduct and compliance policies, or any action that could constitute fraud, waste, abuse or other unethical or illegal conduct.
- Individuals can report directly to their supervisors; the Compliance Department; the Human Resources Department; or to several external agencies (depending on the nature of what they are reporting).

Non-Retaliation Policy

- Regardless of who makes a good faith report or whom it is against, retaliation will not be tolerated.
- Retaliation can come in many forms, such as: harassing, bullying, or humiliating the individual; social exclusion; changing the individual's schedule; reassigning to a new position or location; denying promotional or pay increase opportunities.
- If anyone retaliates against someone for making a good faith report, they will be subject to disciplinary action. Anyone making a report that is not in good faith will also be subject to appropriate disciplinary action.
- Anyone feeling they are being retaliated against should immediately contact someone in the Compliance Department.

Conflict of Interest

- The Arc/Warren County requires that all employees, volunteers, Board Members, vendors, and other business associates conduct business within guidelines that prohibit actual or potential conflicts of interest and immediately disclose any situation that could constitute an actual or potential conflict of interest.
- A conflict of interest is defined as an actual or perceived interest by an employee, volunteer, Board Member, vendor, or other business associate in an action that results in, or has the appearance of resulting in personal, organizational, or professional gain.
- A conflict of interest may exist when the interests or concerns of an interested party may be seen as competing with the interests or concerns of the Agency.

Conflict of Interest - Examples

Financial Interests: A conflict may exist where an interested party, or a relative or business associate of an interested party, directly or indirectly benefits or profits because of a decision made or transaction entered into by the Agency. Examples include:

- Owning a business that sells good or services to our Agency (without proper procedure).
- Trying to gain financial benefit due to Employment or Board status with the Agency.
- Cashing in on a job opportunity that our Agency could have pursued.
- Sharing trade secrets with competitors.

Other Interests: A conflict also exists where an interested party, or a relative or business associate of an interested party, obtains a non-financial benefit that he/she would not have obtained absent his/her relationship with the Agency, or where his/her duty or owed to the Agency conflicts with a duty or responsibility owed to some other organization. Examples include:

- Failing to disclose that you are related to an employee, volunteer, Board Member or vendor.
- Failing to report or investigate a wrong-doing because they are a friend or relative.
- Dating or romantic relationship with a Supervisor or Subordinate.
- Supervising or reporting to a Family member or close friend.
- Any form of nepotism.

Business Courtesies and Gifts

- Under the Federal Anti-Kickback Statute, it is illegal to knowingly and willfully solicit, pay for, or receive anything of value, directly or indirectly, in cash or in kind, in exchange for healthcare referrals.
- This applies to any such transactions involving potential referral sources, including transactions with other healthcare providers, vendors or consumers.
- There may be circumstances where it is acceptable to accept a small gift or business courtesy if it falls within the federal definition of “nominal gift” valued under \$15 and is not cash or a gift card, provided it is not intended to induce a referral.

Health Insurance Portability and Accountability Act (HIPAA)

- Health Insurance Portability and Accountability Act was passed by Congress in 1996.
- Requires the protection and confidential handling of Protected Health Information (PHI).
- Mandates industry-wide standards on electronic billing and other processes for health care information.
- Requires that health care providers and organizations, as well as their business associates, develop and follow procedures that ensure the confidentiality and security of PHI.
- Applies to all forms of PHI (electronic, paper, oral, etc.)
- Applies to when PHI is transferred, received, handled or shared.

Health Insurance Portability and Accountability Act (HIPAA)

4 Major Rules

- Security Rule
- Privacy Rule
- Breach Notification Rule
- Omnibus Rule

HIPAA Security Rule

- National standards to protect individuals' health information that is created, received, used or maintained by a covered entity.
- Requires administrative, physical and technical safeguards to ensure the confidentiality, integrity and security of PHI.
- Oral Communication shall be done using a normal voice volume. Staff shall ensure that discussions involving PHI are not overheard by Third Parties that do not have a need to know the information and Staff should not discuss PHI with anyone who does not have a need to know the information.
- Written communication should be kept secured at all times, ideally locked in cabinets or other safe places when applicable. Any Consumer PHI kept in a vehicle should be kept locked in a trunk or other secure area. Arc facilities should be locked and other areas of the facilities should be secured in order to prevent unnecessary access to PHI.

HIPAA Security Rule

- Electronic PHI is kept safe using the following types of security:
- Consumer records are kept in Therap, a secure software system, which utilizes unique usernames and passwords and has a built-in 15 minute automated log-off process.
- Email between @arcwarren email addresses is encrypted using Transport Layer Security (TLS) and is therefore secure. Emails sent to non-@arcwarren email addresses should not contain PHI or should be manually encrypted using the appropriate software.
- Mobile devices (provided by the Arc) utilize passwords and text encryption software in order to keep PHI secure.
- Facsimile (Fax) machines are able to safely transmit PHI.

HIPAA Security Rule

Additional security:

- All Arc locations are equipped with a paper shredder to safely dispose of unneeded documents.
- Access to PHI is further limited by using lock and key systems, utilizing role-based access to systems and utilizing unique usernames, passwords and encryption services when necessary.
- All applicable laws, policies and procedures apply to any Staff member working from home. Staff working from home should ensure the security of any PHI that they may have in their possession.

HIPAA Privacy Rule

- Governs how PHI can be used or disclosed and establishes national standards to protect individuals' medical records and other PHI.
- Requires appropriate safeguards to protect the privacy of PHI and sets limits and conditions on the uses and disclosures that may be made of such information without patient authorization.
- Gives patients rights over their health information, including rights to examine and obtain a copy of their health records and to request corrections.
- Prohibits posting PHI on Social Media. This includes Specific Consumer information, images or videos that could result in a person being identified. PHI can only be included if a person (or their guardian) gives written consent to use PHI and only for the purpose specifically mentioned in the consent form.

HIPAA Minimum Necessary Standard

- HIPAA-covered entities are required to make reasonable efforts to ensure that access to PHI is limited to the minimum necessary information to accomplish the intended purpose of a particular use, disclosure or request.
- Staff should only have access to the minimum amount of PHI necessary in order to complete their job duties.
- Staff should not access PHI that they do not need, they should not discuss PHI with Individuals who do not need to know it and they should not provide PHI to anyone who is not authorized to receive it.

HIPAA Breach Notification Rule

- A Privacy Breach is the unauthorized use or disclosure of PHI, which is the result of a non-compliance with the privacy policies and procedures or is an accidental disclosure such as an email or fax sent to the incorrect recipient.
- Covered Entities must notify patients when there is a breach of their PHI.
- Entities must promptly notify the Department of Health and Human Services and issue a notice to the media if the breach affects more than 500 patients, no later than 60 days after discovering the breach.
- Entities must report breaches affecting fewer than 500 patients to the Office of Civil Rights annually.
- Employees are required to report any breach or potential breach to the Compliance Department and their Supervisor within 24 hours.
- Staff who fail to report known PHI incidents within 24 hours will be subject to disciplinary action.
- The Compliance Department will document the incident, investigate if necessary, and document any corrective actions taken.

HIPAA Omnibus Rule

- The HIPAA Omnibus Rule was introduced to address a number of areas that had been omitted by previous updates to HIPAA.
- It amended definitions, clarified procedures and policies, and expanded the HIPAA compliance checklist to cover Business Associates and their subcontractors.
- Business Associates are classed as any individual or organization that creates, receives, maintains or transmits PHI in the course of performing functions on behalf of a Covered Entity.
- The term Business Associate also includes contractors, consultants, data storage companies, health information organizations and any subcontractors engaged by Business Associates.

18 HIPAA Identifiers

- Patient names
- Dates
- Fax numbers
- Social security numbers
- Health insurance beneficiary numbers
- Certificate/license numbers
- Device attributes or serial numbers
- IP addresses
- Full face photographic images
- Geographical elements/Address components
- Telephone numbers
- Email addresses
- Medical record numbers
- Account numbers
- Vehicle identifiers
- Digital identifiers, such as website URLs
- Biometric elements (finger, retinal and voiceprints)
- Other identifying numbers or codes

Standard Discipline – 7 Elements of our Standard Discipline Policy

- 1. Violations Resulting in Disciplinary Action** - Disciplinary actions may be taken when: (a) authorization of or participation in actions that violate law, regulations, the Employee Handbook, the Agency Operations Manual and the Compliance Plan, including the Code of Conduct and all related policies and procedures; (b) failure to report any violation.
- 2. Determining Appropriate Disciplinary Action** - The Arc of Warren County considers a multitude of factors when determining the level of disciplinary action to be taken.
- 3. Similar Punishment for Similar Offenses** – The Director of Compliance and Human Resources Department will be responsible for ensuring that the disciplinary action to be taken is consistent with that taken in similar instances of non-compliance.
- 4. Collaboration Between the Director of Compliance, Human Resources and Individual Departments** - Disciplinary action shall be taken according to The Arc of Warren County's Employee Handbook and Standard Discipline Policy. When the conduct is related to any serious violation of compliance-related standards, the Director of Compliance, Human Resources Department and the appropriate Supervisor will meet to discuss any appropriate disciplinary actions.

Standard Discipline – 7 Elements of our Standard Discipline Policy

5. Responsibility to Report - Any Employee, Board Member, Volunteer, Vendor or Business Associate of The Arc of Warren County is responsible to report any knowledge or suspected knowledge that an Employee, Board Member, Volunteer, Vendor or Business Associate has committed a violation.

6. Reports to the Board and/or the Compliance Committee - When determination is made that a serious compliance violation occurred, the Director of Compliance will notify the CEO, Human Resources Department and applicable Department Director. All significant compliance violations will be brought to the Compliance Committee.

7. Documentation of Disciplinary Action - Documentation of disciplinary measures for violations will be retained in the disciplined Employee, Board Member, Volunteer, Vendor or Business Associate's Human Resource file (if applicable).

Element 2 – Designation of Oversight

The Arc/Warren County has assigned a multi-disciplinary team of employees and Board Members to oversee the development and implementation of the Corporate Compliance Plan. This team is comprised of the following:

Director of Compliance - Phil Giordano - Oversees and monitors the implementation of the compliance program, reviews and evaluates compliance issues within the organization and communicates areas of concern to relevant administrators and to the Board Compliance Committee.

Quality Assurance Specialist – Amanda Ward - Oversees all aspects of Quality Assurance in Community Living Arrangements, Community Based Supports, and The Arc/Warren Day Program and Serendipity to ensure that all departments are maintaining standards set forth by The Department of Human Services (DHS), The Division of Developmental Disabilities (DDD) and the Agency.

Compliance Committee and Governance Council: The Compliance Committee is made up of the following: Phil Giordano, Director of Compliance, Greg Beben, Chief Operating Officer and several Board Members. The Compliance Committee is responsible for assisting the Compliance Department with oversight and governance of our Corporate Compliance Plan, assessing the effectiveness of our policies and internal controls, and setting the tone to support compliance in the Agency. The Governance Council is comprised of all Chiefs and Department Directors and some Board Members.

Element 3 – Mandatory Training and Education

- At the heart of an effective compliance plan is a comprehensive training and education program that reaches everyone involved in doing any form of work for an organization, paid or unpaid.
- Everyone associated with the Agency will need to attend Compliance Training and/or review education materials relevant to their position, which will cover all aspects of the Agency's Compliance Program.
- All Agency employees will be given access to the Agency Employee Handbook. The Compliance Manual and Agency Operations Manual will be made available for all employees, volunteers, vendors, business associates and Board Members.

Element 4 – Effective Lines of Communication

- To facilitate and encourage open lines of communication, the Compliance Department has established a comprehensive system to disseminate information about our Compliance Plan, and to receive concerns and reports of alleged fraud, waste, abuse and other unethical or illegal behavior.
- All employees, volunteers, Board Members, vendors, and business associates are required to report known or suspected violations of our compliance policies, laws, regulations, or other misconduct as soon as reasonably possible. Prompt reporting allows timely responses to misconduct so that corrective action can be taken.
- Failure to report is itself a violation and may lead to disciplinary action.

Element 4 – Effective Lines of Communication

Methods for Internal Reporting:

- Phil Giordano, Director of Compliance: (908) 689-7525, Ext.#226, or pgiordano@arcwarren.org.
- Marianne Gasper, Director of Human Resources: (908) 689-7525, Ext.#251, or mgasper@arcwarren.org
- Contact your supervisor first, who then should report it to the Compliance Department.
- Employees may send an SComm in Therap to one of the above contacts to report an allegation.
- Regardless of the method used, all reports must then be brought to the Compliance Department.
- For reports against the Compliance Department, contact Human Resources or the Board Compliance Committee.

Element 4 – Effective Lines of Communication

Methods of External Reporting:

- NJ Medicaid Fraud Division:
888-937-2835 <https://www.nj.gov/comptroller/divisions/medicaid/complaint.html>
- NJ Insurance Fraud Prosecutor Hotline:
877-55-FRAUD (877-553-7283) <https://njinsurancefraud2.org#reports>

Element 4 – Effective Lines of Communication

Examples of acts and misconduct that should be reported (this list is not exhaustive):

- Theft or misappropriation of funds, supplies, property, or resources.
- Fraud, waste, or abuse.
- Conflicts of interest, and failure to disclose conflicts of interest.
- Abuse, neglect, or exploitation of consumers (must also follow departmental protocols).
- Falsifying written or electronic records (Therap, etc.).
- Violation of our Standards of Conduct.
- Violations of federal, state or local laws/regulations.

Element 5 – Enforcing Standards of Discipline

The Agency has developed disciplinary standards to improve accountability and performance and encourage compliance with standards of conduct, policies, laws and regulations across the board. All employees, volunteers, Board Members, vendors, and business associates need to be familiar with Agency disciplinary standards and must understand the consequences for noncompliance.

Element 5 – Enforcing Standards of Discipline

Examples of behavior that warrant discipline (this list is not exhaustive):

- Consumer abuse, neglect or exploitation.
- Medicaid fraud, waste, or abuse.
- Breaking local, state or federal laws, failing to report violations or retaliating against someone who reports violations.
- Falsifying documents or records (written or electronic, Therap, etc.).
- Violation of our Standards of Conduct.
- Conflict of interest (and failing to disclose conflict of interest).
- HIPAA violations.
- Refusal or failure of a supervisor to address noncompliance of subordinates.

Element 5 – Enforcing Standards of Discipline

- Types of disciplinary action: Discipline may include a range of actions including but not limited to; verbal counselling, written warning, suspension, demotion, termination, additional training/supervision, or reporting the action to law enforcement or government authorities.
- Although progressive discipline is often preferred, there are some offenses that may warrant immediate termination or reporting conduct to authorities.
- For non-employees, disciplinary action could result in termination of contracts (vendors), removal from Board (Board Members), or termination of services (volunteers and other associates).
- Although discipline may vary based on the nature, severity, or frequency of an action, it must be enforced consistently regardless of the individual's status or length of service.
- The Arc/Warren is an at-will employer and can terminate employment at any time.

Element 6 – Auditing and Monitoring

- To measure the effectiveness of our Compliance Plan and identify areas that need improvement, we conduct routine monitoring and auditing throughout the Agency. This on-going process is essential in detecting, preventing, and deterring irregularities and making changes to the system.
- Management staff from all departments, Chief Officers, Human Resources, the Director of Compliance and the Quality Assurance Specialist are all involved in the monitoring process. Individual departments may have additional monitoring in place.

Element 6 – Auditing and Monitoring

Types of activities/records that can be monitored or audited (this list is not exhaustive):

- Compliance with internal policies and procedures
- Therap records
- Medical records and financial records
- Billing, coding, and claims submissions

Methods of monitoring/auditing that may be used (this list is not exhaustive):

- Departmental self-monitoring and checks (HR, Fiscal, CLA, etc.)
- Quality Assurance Specialist monitoring and QA checks
- Exclusion Checks
- Compliance Department monitoring and review
- External Audits

Element 7 – Prompt Response and Corrective Action

- The Agency has a responsibility to investigate reports of known or suspected noncompliance as they are raised, conduct thorough investigations, and initiate corrective action in a timely manner. All employees, volunteers, Board Members, vendors, and business associates will have the tools and obligation to promptly report known or suspected violations of laws, regulations and compliance policies.
- The Compliance Department can receive reports from any of the internal or external methods previously mentioned, or from the NJ Medicaid Fraud Division or the NJ Insurance Fraud Prosecutor Hotline.

Element 7 – Prompt Response and Corrective Action

- Upon receiving notice of a compliance issue, the Director of Compliance will create a record.
- Once the record is created, the Director of Compliance will reach out to other employees/personnel that may need to be included in the investigation process.
- Upon completion of the investigation, the Director of Compliance will prepare a final report summarizing the investigation and will meet with the team to make recommendations for corrective action if the allegations were substantiated.
- The Director of Compliance will keep the Compliance Committee informed.

Wrapping it all up

- Thank you again for coming.
- Questions/concerns?
- I am always available to everyone via phone, email or in person.

Phil Giordano

908-689-7525 x 226

pgiordano@arcwarren.org

Thank You!