

**VAN BUREN COMMUNITY MENTAL HEALTH AUTHORITY**

**CORPORATE COMPLIANCE PLAN  
FY 2011**

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# Van Buren Community Mental Health Authority

## Corporate Compliance Plan

### I. Introduction

Van Buren Community Mental Health Authority is committed to consumers, employees, contractual providers, and the community to ensure business is conducted with integrity, in compliance with the requirements of applicable laws and sound business practices, and with the highest standards of excellence.

This commitment requires an immense ongoing effort and focus as the volume and scope of the respective regulations and requirements for a mental health agency and Michigan Department of Community Health (MDCH) designated Regional Coordinating Agency (RCA [Substance Abuse]) are enormous and the consequences of non-compliance are extensive. Adverse health and safety outcomes, rights violations, administrative hearings, fraud and abuse, monetary sanctions, and loss of contract are just some examples of what can result from ignorance, neglect or simple non-compliance of regulations or requirements. Corporate Compliance is a proactive, preventive approach to identifying, monitoring and controlling the risks associated with complex duties, obligations, rules, regulations, and requirements. To be effective, Corporate Compliance must extend to all aspects funded or managed by the organization.

### II. Purpose

The Corporate Compliance Plan provides the framework for Van Buren Community Mental Health Authority to comply with applicable statutes, regulations and program requirements. Although several areas of business deserve special attention due to their complexity, the key intentions of Corporate Compliance Program is to:

- Minimize organizational risk and improve compliance with the billing requirements of Medicare, Medicaid and all other applicable federal health care programs.
- Maintain adequate internal controls (paying special attention to the agency's identified high risk areas)
- Reduce the possibility of misconduct and violations through early detection
- Reduce exposure to civil and criminal sanctions
- Encourage the highest level of ethical and legal behavior from all employees
- Educate employees, contract providers, board members, and stakeholders of their responsibilities and obligations to comply with applicable local, state, and federal laws and regulations including licensure requirements, as well as accreditation standards.
- Promote a clear commitment to compliance by taking actions to uphold such laws, regulations, and standards.

### III. Standards and Procedures

- A. Standards of Conduct:** The standards of conduct provide guidance for board members, employees, and contractual providers in performing daily activities within appropriate ethical and legal standards and establish a working culture that promotes prevention, detection, and resolution of instances of conduct that do not conform with applicable laws and regulations.

All employees and contract providers of Van Buren Community Mental Health Authority are expected to make “reasonable and consistent good faith” efforts to the standards of conduct. The following provides a summary of the standards of conduct. (Also may be referred to as rules of conduct or standard of ethics.)

1. Staff and Board members comply with local, state and federal laws and professional standards.
2. Consumers and payers are billed only for services received.
3. Employees cannot participate in political activities that might compromise efficiency as an employee.
4. Employees shall comply with ethical behavior standards as outlined in the Standards for a Michigan Community Mental Health Service Program.
5. All staff and board members actions must prevent against biases and avoid any conflict of interest.
6. All equipment and services shall be purchased according to established procurement procedures.
7. Promote confidentiality and safeguard all confidential information according to the Mental Health Code.
8. Actively support a safe work environment and an environment free from sexual harassment.
9. The agency will strictly enforce an alcohol and drug free workplace.

The standards of conduct shall be distributed to all employees. Employees shall certify that they have received, read, and will abide by the organization’s standards of conduct.

While the above standards are expected to be a framework for compliance, the issues addressed are not exhaustive. Therefore, employees and contract providers of Van Buren Community Mental Health Authority are responsible for conducting themselves ethically in all aspects of business avoiding even the appearance of impropriety.

- B. Compliance With Laws and Regulations:** Van Buren Community Mental Health Authority establishes systems and mechanisms to ensure compliance with state and federal regulatory agency standards and applicable laws and regulations including such areas as:

**State Law & Rules**

- Michigan Mental Health Code & Administrative Rules
- Other Statutes Related to Municipal Organizations & Operation
- Social Welfare Act

**State – Federal Intersection**

- Medicaid State Plan
- Waiver Applications
- Approval Terms & Conditions
- Medical Services Administration (MSA) Policy Bulletins

**Federal Medicaid Law, Regulations & Related Items**

- Social Security Act, Title XIX (Medicaid)
  - Balanced Budget Act of 1997
- Code of Federal Regulations
- State Operations Manual

- Letters to State Medicaid Directors
- Technical Assistance Tools
  - Quality Improvement Systems for Managed Care (QISMC)
  - Guide to Encounter Data Systems
- Office of Management and Budget (OMB) Circulars
- Government Accounting Standards Board (GASB)

**Other Relevant Legislation**

- Health Insurance Portability and Accountability Act of 1996 (HIPAA)
- False Claim Act
- Provisions from Public Act 368 of 1978 – revised – Article 6 Substance Abuse

New or revised regulations or requirements can represent potential high risk for non-compliance. As these changes become effective, the Corporate Compliance Committee may determine that a special focus and/or plan is needed to become compliant in the given area. Some of the current regulations and requirements that require a special focus are noted in the following table.

	<b>Compliance Area</b>	<b>Primary Responsibility</b>
1.	Health Insurance Portability and Accountability Act (HIPAA)	Corporate Compliance Committee
2.	Proposed Standards on Monitoring Managed Care Organizations & Prepaid Inpatient Health Plans under Balanced Budget Act (BBA)	Corporate Compliance Committee
3.	Limited English Proficiency Standards.	Cultural Diversity Team/ Customer Services
4.	Performance Improvement Projects	Regional Quality Improvement Council
5.	Verification of the Delivery of Medicaid Services	Corporate Compliance Committee
6.	Managed Specialty Supports and Services Contract	Various

**C. Environmental Compliance:** Van Buren Community Mental Health Authority will maintain a hazard-free environment in compliance with OSHA (Occupational Safety and Health Administration) and other environmental laws and regulations. Van Buren Community Mental Health Authority will operate with the necessary security systems, permits, approvals and controls. Maintenance of a safe environment is the responsibility of all employees and contractual providers. In order to maintain a safe environment, Van Buren Community Mental Health Authority will enforce policies and procedures designed to protect consumers, employees, providers, visitors, the environment, and the community.

**D. Contractual Relationships:** Van Buren Community Mental Health Authority will ensure that contractual arrangements with providers are structured

in accordance with federal and state laws and regulations and are in the best interest of the organization and the individuals served.

- E. Purchasing and Procurement:** Van Buren Community Mental Health Authority will ensure that all rental, lease, and purchasing agreements are structured in accordance with applicable federal and state self-referral and anti-kickback regulations as well as federal guidelines regarding tax-exempt organizations. All agreements must be commensurate with the fair market value for equipment or space.

Subcontractors, suppliers, and vendors will be selected based on objective criteria including quality, technical excellence, price, delivery, and adherence to schedules, services and maintenance of adequate sources of supply. Purchasing decisions will be made on the supplier's ability to meet needs and not on personal relationships or friendships. Van Buren Community Mental Health Authority will employ the applicable laws and the highest ethical standards in business practices in source selection, negotiation, determination of contract awards, and the administration of purchasing activities.

- F. Marketing:** Marketing materials are materials intended to be distributed through written or other media to the community that describe the availability of covered services and supports and how to access those supports and services. Marketing materials must meet the following standards:

1. All materials will be written at the 4<sup>th</sup> grade reading level.
2. All materials will be available in the language appropriate to the people served by Van Buren Community Mental Health Authority. Marketing materials will be available in any language alternative to English when an alternative language-related population comprises one percent Van Buren Community Mental Health Authority services area as determined by the most recent U.S. Census update.
3. All materials will be available in alternative formats in accordance with the Americans with Disability Act (ADA).
4. Marketing materials will not contain false and/or misleading information.

- G. Financial Systems Reliability and Integrity:** Van Buren Community Mental Health Authority will ensure the integrity of all financial transactions. Transactions will be executed in accordance with established policies and procedures and with federal and state law and recorded in conformity with generally accepted accounting principles or any other applicable criteria.

- H. Information Systems Reliability:** Van Buren Community Mental Health Authority will ensure the reliability of information systems. Information Services will be responsible for monitoring the reliability and integrity of the electronic information system, including but not limited to the following:
- Maintain security, assure integrity, and protect consumer confidentiality.
  - Control access to computerized data.
  - Train staff to use the system based on job function.
  - Assure reliability validity and accuracy of data.
  - Follow procedures that will assure confidentiality of electronic information pursuant to HIPAA, the Michigan Mental Health Code and other applicable laws and regulations.

- I. Confidentiality and Privacy:** Van Buren Community Mental Health Authority are committed to protecting the privacy of its consumers and shall strictly govern the disclosure of any information to anyone other than as permitted under the Michigan Mental Health Code and C.F.R. 42 Part 2 – Confidentiality of Alcohol and Drug Abuse patient Records and, effective March 2003, as authorized in the current published Privacy Notice. Any Board member, employee, or contractual provider who engages in unauthorized disclosure of consumer information is subject to disciplinary action, sanctions, removal from the Board, or termination of the contract.

To ensure that all consumer information remains confidential, employees are required to comply with all confidentiality policies and procedures in effect, specifically to include the HIPAA Privacy regulations outlined below:

1. Privacy Notice - Van Buren Community Mental Health will have a notice of privacy practices to be posted at each site and given to each consumer prior to the provisions of services.
2. Consent - Prior to treatment, Van Buren Community Mental Health Authority will obtain a signed consent for permission for Van Buren Community Mental Health Authority to treat, bill for and carry out health care operations described in the Privacy Notice.
3. Authorization - If information is shared, outside of those described in the Privacy Notice, a signed authorization will be requested from the consumer.
4. Business Associate Agreement - Van Buren Community Mental Health Authority will include in contracts the requirement to be in compliance with HIPAA and to obtain assurances with all business associates that protected health care information, shared with them, will be protected and appropriately safeguarded.

#### **IV. Oversight Responsibilities**

A Compliance Officer will be identified to oversee and monitor the implementation of the compliance program. The Compliance Officer will act as the chairperson for the Corporate Compliance Committee. The Compliance Officer will be given the authority to review all documents and other information that are relevant to the compliance activities, including, but not limited to, consumer records, billing records, employee records and contracts and obligations of Van Buren Community Mental Health Authority.

In addition, a Security Officer and Privacy Officer will be identified. A description of the responsibilities of each of these is provided in attachment B.

- A.** A Corporate Compliance Committee is established and maintained to
- Support and advise the Compliance Officer and assisting with the development, implementation, operation, and distribution of the Corporate Compliance Plan and supporting policies and procedures.
  - Develop and ensure the establishment of an effective system to solicit, evaluate, and respond to complaints and problems.
  - Ensure that all applicable new or modified regulations or requirements have been assigned to a group and/or individual which will have primary responsibility for leading the agency in becoming compliant in the assigned areas.
  - Follow-up on the status of compliance activities and evaluate the

- effectiveness of the Compliance Plan.
- Review corporate compliance audit results and corrective action plans.
- Review and recommend changes/revisions to the Compliance Plan and related policies and procedures.
- Approve the training and education program and monitoring its effectiveness.
- Annually, submit Corporate Compliance budget to the Executive Director.

The Van Buren Community Mental Health Authority Corporate Compliance Committee will meet at regular intervals. The membership will include

- Compliance Officer
- Chief Financial Officer
- Security Officer/Information Technology
- Medical Records
- Claims Representative
- MA level Clinical staff member
- BA level Clinical staff member

**B. Responsibility of Each Employee**

Responsibility for the Compliance Program does not start and end with the Compliance Officer or Corporate Compliance Committee. The participation and commitment of every employee is crucial.

**V. Training and Education**

All Board members and employees will receive training on the Corporate Compliance Plan and Standards of Conduct at orientation. Additional training may be required for employees involved in specific areas of risk. Informational updates will be provided through newsletters, e-mails, and in-services. Records will be maintained on all formal training and educational activities. Training is considered a condition of employment and failure to comply will result in disciplinary action up to and including termination.

Training and educational opportunities related to Corporate Compliance may be made available to contract providers, as well as consumers and others as appropriate.

Open lines of communication between the Compliance Officer and employees of Van Buren Community Mental Health Authority is essential to staff's knowledge and awareness of compliance issues, to the successful implementation of the Compliance Plan, and minimizing noncompliance. Methods for maintaining open lines of communication may include, but not be limited to the following:

- A.** There shall be access to the Compliance Officer for employees seeking clarification on specific standards, policies, procedures, or other compliance related questions that may arise on a day-to-day basis. Questions and responses will be documented, dated, and may be shared with all employees, as appropriate, to increase awareness/understanding.
- B.** Information will be shared with employees regarding the results of internal and external audits, reviews, and site visits, utilization data, performance and quality data, and other information that may facilitate understanding of regulations, and the importance of compliance.

- C. Information may be communicated to employees through a variety of methods such as formal trainings, impromptu information calls or "help desk" calls, emails, newsletters, intranet resource pages, or other methods identified that facilitate access to compliance related information as a preventative means to reduce the potential for fraud and abuse.

## VI. Monitoring and Auditing

Monitoring and auditing the agency's operations are key to ensuring compliance and adherence to policies and procedures. Monitoring and auditing can also identify areas of potential risk and those areas where additional education is required.

- A. Van Buren Community Mental Health Authority conduct the following monitoring and auditing activities:
  - 1. Financial and Billing Integrity
    - a. An independent audit of financial records is conducted each year.
    - b. All contract providers will have a signed contract and must follow the described steps set forth on each contract
  - 2. Information Systems Reliability and Integrity
    - a. The Data Information and Monitoring Team is responsible for monitoring reliability and integrity of Van Buren Community Mental Health Authority's information system.
    - b. Each information system has controlled access to computerized data. Staff will be trained to use a system based on role and job function. The system will assure reliability, validity, and accuracy of data.
  - 3. Clinical/Quality of Care
    - a. The agency systematically reviews performance indicators for the purpose of monitoring critical indicators and continually improving agency processes.
    - b. All agency personnel are evaluated in writing on their performance annually. In addition, new hires will be evaluated at the end of six months.
    - c. Detailed job descriptions spell out necessary competencies and are reviewed at the time of the annual performance evaluation.
    - d. New employees are hired through a detailed pre-employment screening and hiring process.
    - e. New employees complete a documented orientation process.
    - f. Each employee develops an individualized staff development plan.
    - g. Clinical supervision is provided and documented to ensure competency.
  - 4. Consumer Rights and Protections
    - a. Recipient Rights complaints and issues are reviewed and investigations are completed as required.
    - b. A Recipient Rights Advisory Committee has been established and meets regularly for the purpose of supporting/protecting the office of recipient rights and serving in an advisory capacity.
    - c. Incident reports and trends are reviewed and there is follow up action as needed.

- d. A root cause analysis is completed on each sentinel event.
5. Environmental Risks: A monitoring system is maintained to assure that facilities are environmentally safe and healthy.
- a. Van Buren Community Mental Health Authority has a safety committee which meets regularly to review reports on incidents, injuries reports, infection control, maintenance, and other areas related to safety and health.
  - b. A comprehensive maintenance review of all facilities is routinely annually.
  - c. Emergency drills are conducted and evaluated on a regular basis.
  - d. Initial and ongoing education on health, safety and emergency issues are routinely provided.
6. Employee Screening
- a. A system is in place to ensure that all employees and volunteers driving agency vehicles have a valid driver's license as well as a safe driving record.
  - b. A number of activities are carried out to ensure that all staff and contract provider employees have the necessary competencies and are free from criminal convictions that would impair their ability to work with or care for consumers. Depending on the type of position, these activities can include
    - 1. NPDB – National Practitioner Data Bank
    - 2. Checks on Medicaid/Medicare licenses that have been removed
    - 3. Privileging
    - 4. Credentialing
    - 5. Competency review
    - 6. Reference and criminal checks at hire.
7. Quality and Utilization Reviews: Through the Quality Monitoring Review/Utilization Review process a comprehensive audit is conducted of Van Buren Community Mental Health Authority and contract providers. These reviews include items such as clinical records, utilization review, health and safety, and facility environment. These are described in the Quality Management Plan and in policy and procedure.
8. As additional information is needed to assess compliance in a given area, other internal monitoring activities may include
- a. Questionnaires (to assess knowledge and adherence to the Compliance Plan/Program),
  - b. Mystery Shoppers and Surveys (to evaluate marketing and access practices),
  - c. Needs Assessments (to assess adequacy of services), and/or
  - d. Special focus groups.
- B. External monitoring and auditing occurs through
- 1. MDCH and PIHP Site Visits,
  - 2. MDCH and PIHP Rights Reviews,
  - 3. Independent Financial Audits,
  - 4. Independent Claims Audit,
  - 5. Independent Compliance Audit, and
  - 6. Accreditation Surveys

- C. The Compliance Officer and Corporate Compliance Committee will review monitoring and auditing efforts for effectiveness, identification of additional areas of risk, and follow up and response for potential compliance issues on an ongoing basis. Implementation and effectiveness of the Corporate Compliance Plan will be monitored and evaluated by the Van Buren Community Mental Health Authority Corporate Compliance Committee at least annually.

## VII. Reporting of Suspected Compliance Violations

All employees, contract providers, and board members of Van Buren Community Mental Health Authority have the responsibility of ensuring the effectiveness of the agency's compliance efforts by actively participating in the reporting of suspected violations relative to the plan's high-risk areas and/or standards of conduct.

All employees, contract providers, and board members who are aware of a suspected compliance violation are required to report it to the Compliance Officer through one of the reporting mechanisms outlined herein. Failure to report a compliance violation may lead to disciplinary action. Furthermore, retaliation for reporting an alleged compliance violation is strictly prohibited and may lead to disciplinary action up to and including termination.

Employees, contract providers, consumers or board members may choose one of the following methods for reporting suspected compliance violations:

- A. **Telephone Hotline** – Suspected compliance violations can be made to a confidential voice mail by calling 269-655-3323 or 800-292-5419. When leaving your voice mail message, please follow the format on the form entitled “Compliance Violation Report” which can be found in the Compliance Folder on the shared drive.
- B. **Electronic Mail** – Suspected compliance violations can be sent electronically through intra agency email to the following address: mfarrington@vbcmh.com. When emailing, please follow the format on the form entitled “Compliance Violation Report” which can be found in the Compliance Folder on the share drive or simply attach the completed form to the email.
- C. **Mail Delivery** – Suspected compliance violations can be mailed to the Compliance Officer at: Van Buren Community Mental Health Authority Compliance Officer, 801 Hazen Street, Paw Paw, MI 49079. When mailing, please use the form entitled “Compliance Violation Report,” which can be found as Attachment A Exhibit A of this document.
- D. **In Person** – Suspected compliance violations can be made in person to the Compliance Officer.

## VIII. Enforcement and Discipline

Once a suspected compliance violation has been reported and the Compliance Officer has completed an investigation, the results and recommendations of said investigation shall be taken to the Corporate Compliance Committee for review. The results and recommendations shall then be reported to the CEO or designee for a final determination.

Persons may be subject to discipline for failing to participate in agency compliance efforts, including, but not limited to:

- The failure of a person to perform any obligation required of them relating to compliance with this program or applicable laws or regulations;
- The failure to report suspected violations of compliance program, applicable laws or regulations to an appropriate person;
- The failure on the part of a supervisory or managerial person to implement, and maintain policies and procedures reasonably necessary to ensure compliance with the terms of the program or applicable laws and regulations.

Van Buren Community Mental Health Authority shall not take disciplinary action against a person for merely reporting what the person reasonably believed to be a compliance violation of this plan. However, an employee will be subject to disciplinary action if it is concluded that the employee knowingly fabricated, exaggerated, or minimized a report of wrongdoing to either injure someone else or to protect himself/herself or others. Also, an employee whose report contains admissions of personal wrongdoing will not be guaranteed protection from discipline.

## **IX. Investigation and Corrective Action**

- A.** The Compliance Officer will investigate all reported compliance violations. Legal counsel, members of the management team, and Corporate Compliance Committee members may also be involved in said investigation.
1. Violations of the mandates of the program and standards of conduct should be investigated and substantiated by the Compliance Officer in a timely manner. When a credible report of a violation is received, the first step is to protect any relevant information that is needed to perform a thorough investigation. All document disposal practices should be stopped immediately. If reasonable suspicion exists that employees might destroy or remove documents, the employees must be suspended or removed from sensitive areas.
  2. If a violation of civil or criminal, federal or state law is detected, the violation must be reported to the appropriate government agency as soon as possible.
- B.** The Compliance Officer will coordinate the investigation and maintain the investigation file. The investigative file should contain documentation of the alleged violation, a description of the investigative process (including the objectivity of the investigators and methodologies utilized), copies of interview notes and key documents, a log of the witnesses interviewed and the documents reviewed, the results of the investigation, (e.g., any disciplinary action taken) and the corrective action implemented.
- C.** The Van Buren Community Mental Health Authority Corporate Compliance Committee will assure that any problem identified through an investigative report, audit report, or data findings are analyzed.
1. Each finding will differentiate between infrequent mistakes, common system mistakes, and criminal behavior.
  2. Where human error occurred, staff will be retrained and tested when problems are discovered.
  3. Effective compliance plans will be developed which include frequently scheduled reviews to assess organization compliance.

4. Where violations are substantiated, appropriate corrective action will be initiated, which may include making prompt restitution of any overpayment amounts, notifying the appropriate governmental agency, instituting whatever disciplinary action is necessary, and implementing system changes to prevent a similar violation from recurring in the future.

D. Corporate Counsel will be available to advise on several key areas.

1. Advise on compliance efforts.
2. Consult prior to external notification of any kind.
3. Consult when notified of upcoming federal or state audit.

**X. Grievance Process**

Van Buren Community Mental Health Authority strives to promote fairness and equity among employees and to treat everyone with dignity and respect at all times. Any disciplinary action or sanction taken in response to violations of the standards of conduct or the Corporate Compliance Plan is subject to appeal through the formal grievance process as outlined in policy and procedure.