

# Cherry Street Health Services

## Compliance Program

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## Glossary

**Billing:** The term *billing* as it is used throughout this document is intended to mean any coding practices and documentation used to support coding. It is not intended to refer to the setting of fees, charges or review of organizational pricing practices.

**Compliance Program:** A system of standards developed to assure compliance with the conformity to all payer guidelines governing primary care practice.

**Compliance Officer:** The individual having direct daily responsibility for the administration, implementation and oversight of the Compliance Program.

**Compliance Team:** The individuals assigned to oversee the implementation and operation of the Compliance Program. It reviews the results of internal audits, makes recommendations for improvements to the Compliance Program and reports its activities to the Directors and CQI Committee of the Board.

**HIPAA:** The Health Insurance Portability and Accountability Act of 1996, including all past or future amendments and all regulations now or in the future under its authority.

**Non-Compliance:** The failure to document or bill according to federal regulations applicable to the services of CSHS, or a material failure to properly code the service, or material failure to comply with HIPAA.

**Provider:** A provider of medical, dental, vision or behavioral services.

# Cherry Street Health Services Corporate Compliance Program

Cherry Street Health Services (CSHS) voluntarily implements a Compliance Program aimed at the prevention of fraud, abuse and waste, while simultaneously improving quality patient care. Our compliance efforts are aimed at preventing, detecting, and resolving variances, as well as working in collaboration with other departments to assure new regulatory initiatives are implemented within the organization to maximize quality and effectiveness of patient care (for example; the Affordable Care Act, Health Insurance Exchanges, transition to ICD-10).

The seven elements of CSHS's Compliance Program are:

1. Commitment to Compliance
  - A. Standards of Conduct
  - B. Reasonable and Necessary
  - C. Billing
  - D. Compliance with applicable HHS Fraud Alerts
  - E. Anti-Kick Back/Inducements
  - F. Retention of Records/Documentation
  - G. Implementation of Regulatory Initiatives
2. Designation of a Compliance Officer/Committee
3. Conducting Training and Education Programs
4. Communication
5. Disciplinary Guidelines
6. Auditing and Monitoring
7. Corrective Action

## I. COMMITMENT TO COMPLIANCE

### A. Standards of Conduct

CSHS promotes adherence to the Compliance Program as a major element in the performance evaluation of all staff members.

CSHS employees are bound to comply, in all official acts and duties, with all applicable laws, rules, regulations, standards of conduct, including, but not limited to laws, rules, regulations, and directives of the federal government and the state of Michigan, and rules policies and procedures of Cherry Street Health Services. These current and future standards of conduct are incorporated by reference in this Compliance Program.

All candidates for employment shall undergo a reasonable and prudent background investigation, including a reference check. Due care will be used in the recruitment and hiring process to prevent the appointment to positions with substantial discretionary authority, persons whose record (professional licensure, credentials, prior employment, any criminal record) gives reasonable cause to believe the individual has a propensity to fail to adhere to applicable standards of conduct. Once hired, monthly reference checks are done to ensure no employee, contractor, board member, or vendor is barred from federal participation.

All new employees receive orientation and training in compliance policies and procedures. Participation in required training is a condition of employment. Failure to participate in required training may result in disciplinary actions, up to and including, termination of employment.

Every employee is required to sign a statement certifying they have received, read, and understood the contents of the Compliance Program.

Every employee receives periodic training updates in compliance protocols as they relate to the employee's individual duties.

Board members receive compliance training annually.

Non-compliance with the program or violations will result in progressive discipline of the involved employee(s) up to, and including, termination of employment.

### B. Reasonable and Necessary Services

CSHS will take reasonable measures to ensure that only claims for services that are reasonable and necessary, given the patient's condition, are billed.

Documentation will support the determinations of reasonable and necessary when providing services.

CSHS is aware that Medicare will only pay for services that meet the Medicare coverage criteria and are reasonable and necessary to treat or diagnose a patient. Therefore, CSHS's clinical staff will use prudent ordering practices.

In requesting diagnostic procedures or tests, CSHS's clinical staff will determine that the tests or procedures are within the guidelines of reasonable and necessary services, and documentation will support the findings and diagnoses with regard to the tests or procedures ordered. A diagnosis will be submitted for all tests ordered.

#### C. Billing

All claims for services submitted to Medicare or other health benefits programs will correctly identify the services ordered. Only those services ordered by authorized clinicians that are performed and that meet Medicare's or the health benefits program's criteria will be billed.

Intentionally or knowingly upcoding (the selection of a code to maximize reimbursement when such code is not the most appropriate descriptor of the service offered) will result in disciplinary action which may include immediate termination of employment. The clinical staff must provide documentation to support the CPT, DSM IV, and/or ICD-9 codes used based on medical findings and diagnoses.

#### D. Compliance with Applicable HHS Fraud Alerts

The Compliance Officer or designee will review the Medicare Fraud Alerts. The Compliance Officer or designee will immediately terminate any conduct deemed inappropriate by the Fraud Alert; implement corrective actions, and take reasonable actions to ensure that future violations do not occur. Documentation will be kept regarding review of the alerts and action taken.

#### E. Anti-Kickback/Inducements

Cherry Street Health Services will not participate in nor condone the provision of inducements or receipt of kickbacks to gain business or influence referrals. All of CSHS' clinical staff will consider the patient's interests in offering referral for treatment, diagnostic, or service options.

Any employee involved in promoting or accepting kickbacks or offering inducements will be subject to disciplinary action which may include immediate termination of employment.

## F. Retention of Records/Documentation

Cherry Street Health Services will ensure that all records required by federal and/or state law are created and maintained. All records will be maintained for the period specified by federal and state law, and by the organization's funding source.

Documentation of compliance efforts will include staff meeting minutes, memoranda concerning compliance protocols, problems identified and corrective actions taken, the results of any investigations, and documentation supportive of assessment findings, diagnoses, treatments, and program of care.

## G. Implementation of Regularity Initiatives

The Compliance Officer or designee will work collaboratively with other departments in the understanding and implementation of regulatory initiatives with the goal of improved care for patients.

## II. DESIGNATION OF A COMPLIANCE OFFICER AND COMPLIANCE COMMITTEE

While compliance is the responsibility of all Board members, staff, volunteers, students/interns, contractors, patients, vendors, and business associates, the Compliance Officer is the focal point of the compliance program and should be accountable for all compliance responsibilities.

Cherry Street Health Services designates Margaret Chappell as the Compliance Officer to serve as the coordinator of all compliance activities.

### Compliance Officer:

The responsibilities of the Compliance Officer are:

- Overseeing and monitoring the implementation of the Compliance Program.
- Reporting quarterly to the organization's Chief Officers on the progress of implementation and assisting the practice in establishing methods to improve efficiency and quality of services and to reduce the vulnerability to allegations of fraud, abuse, and waste.
- Developing and distributing all written compliance policies and procedures to all affected employees.
- Periodically revising the program in light of changes in the needs of the organization and in the law; and changes in policies and procedures of government and private payor health programs.

- Developing, coordinating, and participating in a multifaceted educational and training program that focuses on the elements of the Compliance Program and seeks to ensure that all employees are knowledgeable of, and comply with, pertinent federal, state, and private payor standards.
- Ensuring that all service providers are informed of Compliance Program standards with respect to coding, billing, and documentation, etc.
- Assisting in coordinating internal compliance review and monitoring activities, including annual reviews of policies.
- Independently investigating and acting on matters related to compliance, including the flexibility to design and coordinate internal investigations.
- Developing policies and programs that encourage managers and employees to report suspected fraud and other improprieties without fear of retaliation.
- Assist the organization in understanding the impact of complying with new, updated, and changed regulatory initiatives.

The Compliance Officer has the authority to review all documents and other information relative to compliance activities, including, but not limited to, requisition forms, billing information, claims information, and records concerning arrangements with clients.

#### Compliance Committee:

Cherry Street Health Services recognizes and supports the very close working relationship between quality and compliance. In order to foster the most efficient manner for these two to maintain that close working relationship, CSHS will designate a team consisting of staff with decision making authority representing areas of the organization that are most directly impacted by the regulatory environment, for example, CFO, COO, CMO, COHO, Billing Director, Clinical Quality Coordinator, Compliance Officer, HR Director, called the Quality Management Oversight Team to advise the Compliance Officer, assist in the implementation of the Compliance Program as needed and address the quality issues that arise from the operations of the organization.

The functions of the Quality Management Oversight Team include:

- Analyzing the organization's regulatory environment, the legal requirements with which it must comply, and specific risk areas.
- Assessing existing policies and procedures that address risk areas for possible incorporation into the Compliance Program.

- Working with the organization's standards of conduct and policies and procedures to promote compliance.
- Recommending and monitoring the development of internal systems and controls to implement standards, policies, and procedures as part of the daily operations.
- Determining the appropriate strategy/approach to promote compliance with the program and detection of any potential problems or violations.
- Developing a system to solicit, evaluate, and respond to complaints and problems.

### III. CONDUCTING EFFECTIVE TRAINING AND EDUCATION

Cherry Street Health Services requires all employees to attend specific training in the areas of confidentiality, HIPAA, and Corporate Compliance policies and procedures, upon hire and on an annual and as-needed basis thereafter. This includes training in federal and state statutes, regulations, program requirements, policies of private payors, and corporate ethics. The trainings emphasize the organization's commitment to compliance with these legal requirements and policies.

The training programs include sessions highlighting the organization's Compliance Program, summaries of fraud and abuse laws, discussions of coding requirements, claim development, and claim submission processes.

The Compliance Officer or designee, documents the attendees, the subjects covered, and any materials distributed at the training sessions.

Basic trainings include:

- Government and private payor reimbursement principles.
- General prohibitions on paying or receiving remuneration to induce referrals.
- Proper translation of narrative diagnoses.
- Only billing for services ordered, performed, and reported.
- Duty to report misconduct.

Training may also occur at departmental staff meetings. This type of training will be documented in the minutes of the meeting along with participants in attendance.

### IV. DEVELOPING EFFECTIVE LINES OF COMMUNICATION

Cherry Street Health Services protects whistle-blowers from retaliation.

CSHS has established a procedure so that employees may seek clarification from the Compliance Officer in the event of any confusion or questions regarding a policy or procedure.

A hot line (616-965-8281) has been established so that employees, patients or others may anonymously consult with the Compliance Officer with questions or report violations. E-mail may be used to communicate information regarding compliance and compliance activities. The Patient Services department may collect information of a compliance nature from patients or others and will share that with the compliance team.

Any potential problem or questionable practice which is, or is reasonably likely to be, in violation of, or inconsistent with, federal or state laws, rules, regulations, or directives or CSHS rules or policies relative to the delivery of healthcare services, or the billing and collection of revenue derived from such services, and any associated requirements regarding documentation, coding, supervision, and other professional or business practices must be reported to the Compliance Officer.

Any person who has reason to believe that a potential problem or questionable practice is or may be in existence should report the circumstance to the Compliance Officer. Such reports may be made verbally or in writing, and may be made on an anonymous basis.

The Compliance Officer promptly documents and investigates reported matters that suggest substantial violations of policies, regulations, statutes, or program requirements to determine their veracity. The Compliance Officer will maintain a log of such reports, including the nature of the investigation and its results.

The Compliance Officer works closely with legal counsel who can provide guidance regarding complex legal and management issues.

## V. DISCIPLINARY GUIDELINES

All CSHS staff, volunteers and students are held accountable for failing to comply with applicable standards, laws, and procedures. Supervisors and/or managers are held accountable for the foreseeable compliance failures of the subordinates.

The supervisor or manager is responsible for taking appropriate disciplinary actions in the event an employee fails to comply with applicable regulations or policies. The disciplinary process for violations of Compliance Programs are administered according organization policies and procedures depending upon the seriousness of the violation. The Compliance Officer, as well as legal counsel, may be consulted in determining the seriousness of the violation.

If the deviation occurred due to legitimate, explainable reasons, the Compliance Officer and supervisor/manager may limit disciplinary action or take no action. If the deviation occurred because of improper procedures, misunderstanding of rules, including systemic problems, the organization will take immediate actions to correct the problem.

When disciplinary action is warranted, it should be prompt and imposed according to organization policies and procedures.

Within 30 working days after receipt of an investigative report, the supervisor and/or the Chief Medical or Oral Health Officer and / or CEO (or designee) of the organization shall determine the action to be taken upon the matter. The action may include, without limitation, one or more of the following:

- 1) Dismissal of the matter.
- 2) Verbal counseling.
- 3) Issuing a warning, a letter of admonition, or a letter of reprimand.
- 4) Entering into and monitoring a corrective action program. The corrective action program may include requirements for individual or group remedial education and training, consultation, monitoring, and/or concurrent review.
- 5) Reduction, suspension, or revocation of clinical privileges.
- 6) Suspension or termination of employment.
- 7) Modification of assigned duties.
- 8) Reduction in the amount of salary compensation.

The Chief Medical or Oral Health Officers shall have the authority to, at any time, suspend summarily the involved employee's clinical privileges or to summarily impose consultation, concurrent review, monitoring, or other conditions or restrictions on the assigned duties of the involved provider in order to reduce the substantial likelihood of violation of standards of conduct.

## VI. AUDITING AND MONITORING

The Compliance Officer/designee will conduct ongoing evaluations of compliance processes involving thorough monitoring and regular reporting to the Board of Cherry Street Health Services.

The Compliance Officer/designee will develop audit tools designed to address the organization's compliance with laws governing kickback arrangements, physician self-referral prohibition and coding and billing; claim development and submission, reimbursement, reporting, and record-keeping. Internal audits will be conducted on a quarterly basis.

As part of the exit interview of personnel, compliance questions will be included in order to solicit information concerning potential problems and questionable practices. The answers to those questions will be shared with the corporate Compliance Officer.

The corporate Compliance Officer or designee may follow up with the individual regarding the report of potential problems or questionable practices.

## VII. RESPONDING TO DETECTED OFFENSES AND DEVELOPING CORRECTIVE ACTION INITIATIVES

Violations of CSHS's Compliance Program, failure to comply with applicable state or federal law, and other requirements of government and private health programs, as well as its funding source and accreditation bodies, and other types of misconduct may threaten the organization's status as a reliable, honest, and trustworthy provider, capable of participating in federal healthcare programs. Detected, but uncorrected, misconduct may seriously endanger the mission, reputation, and legal status of the practice. Consequently, upon reports or reasonable indications of suspected noncompliance, the Compliance Officer must initiate an investigation to determine whether a material violation of applicable laws or requirements has occurred.

The steps in the internal investigation may include interviews and a review of relevant documentation. Records of the investigation should contain documentation of the alleged violation, a description of the investigative process, copies of interview notes and key documents, a log of witnesses interviewed and the documents reviewed; the results of the investigation, and the corrective actions implemented.

If an investigation of an alleged violation is undertaken, and the Compliance Officer believes the integrity of the investigation may be hampered by the presence of employees under investigation, those employees should be removed from their current work activities pending completion of that portion of the investigation. These employees will be temporarily suspended with pay pending the outcome of the investigation.

Additionally, the Compliance Officer must take appropriate steps to secure or prevent the destruction of documents or other evidence relevant to the investigation.

If the results of the internal investigation identify a problem, the response may be immediate referral to criminal and/or civil law enforcement authorities, development of a corrective action program, a report to the government, and submission of any overpayments, if applicable. If potential fraud or violations of the False Claims Act are involved, the Compliance Officer should report the potential violation to the Office of the Inspector General or the Department of Justice.

When making a repayment for an overpayment, the organization should inform the payor of the following: (1) the refund is being made pursuant to a voluntary Compliance Program; (2) a description of the complete circumstances prompting the overpayment; (3) the methodology by which the overpayment was determined; (4) any claim-specific information used to determine the overpayment; and (5) the amount of the overpayment.

The CEO of the organization shall have the authority and responsibility to direct repayment to payors and the reporting of misconduct to enforcement authorities as is determined, in consultation with legal counsel, to be appropriate or required by applicable laws and rules.

If the CEO of the organization discovers credible evidence of misconduct and has reason to believe that the misconduct may violate criminal, civil, or administrative law, then the Compliance Officer will promptly report the matter to the appropriate government authority within a reasonable time frame, but not more than 60 days after determining that there is credible evidence of a violation.

Office of Inspector General Hotline: 1-800-HHS-TIPS (1-800-447-8477)

When reporting misconduct to the government, the Compliance Officer should provide all evidence relevant to the potential violation of applicable federal or state laws and the potential cost impact.

This Compliance Program may be altered or amended in writing only with the concurrence of the CEO of the organization.

## Compliance Policies and Procedures

The following policies and procedures are included in the Compliance Program as the foundation of the program. The procedures provide guidance to the workforce and board of directors; in working with in an organization that is committed to compliance or when confronted with issues that relate to compliance.

### **Policy:**

#### **1. Corporate Compliance Program**

The mission of Cherry Street Health Services (CSHS) is to improve the health and wellness of individuals by providing comprehensive and integrated health care while encouraging access by those who are underserved. In fulfilling this mission, CSHS is dedicated to adhering to the highest ethical standards and accordingly, recognizes the importance of compliance with all applicable state and federal laws. To evidence this dedication the Board of Directors adopts and provides authorization to staff to implement the Corporate Compliance Program.

### **Procedures:**

#### **1. Corporate Compliance Program**

The corporate Compliance Program is intended to become a part of the fabric of the Organization's routine operations. The Organization endeavors to communicate to all personnel the intent to comply with applicable laws through the Corporate Compliance Plan. In addition, the Corporate Compliance Program will:

- Assess the Organization’s business activities and consequent legal risks.
- Educate all personnel regarding compliance requirements and train personnel to conduct their job activities in compliance with state and federal law and according to the policies and procedures of the Organization.
- Implement monitoring and reporting functions to measure the effectiveness of the Plan and to address problems in an efficient and timely manner.
- Include enforcement and discipline components that ensure that all personnel take their compliance responsibilities seriously.

Overall responsibility for the operation and oversight of the Corporate Compliance Program belongs to the Board; however, the day-to-day responsibility for operation and oversight of the Program rests with the Compliance Officer. The Compliance Officer will be assisted in these duties by the Quality Management Oversight Team.

No members of the Organization have authority to act contrary to any provision of the Corporate Compliance Program or to condone any such violations by others. Any Organization member with knowledge of information concerning a suspected violation of law or violation of a provision of the corporate Compliance Program is required to report promptly such violations in accordance with the Corporate Compliance Program and Duty to Report Compliance Issue procedure.

Members of the Organization who violate any provision of the Corporate Compliance Program, including the duty to report suspected violations, shall be subject to disciplinary measures as set forth in the Corrective Action procedure. The Organization will take steps to investigate all reported violations and will endeavor through constant vigilance to ensure that the Corporate Compliance Program is effective in preventing, detecting, and eliminating violations of the law. In addition, promotion of and adherence to the Corporate Compliance Program will be part of the job performance evaluation criteria (Integrity section) for all Organization members.

The Organization reserves the right to change, modify, or amend the corporate Compliance Program as deemed necessary. If changes, modification or amendments are made to the program members of the Organization will be informed as soon as possible after the changes, amendments or modifications are approved by the Board.

Should members of the Organization have any questions or uncertainties regarding compliance with applicable state or federal law, or any aspect of the Corporate Compliance Program, including related policies or procedures, they should seek immediate clarification from their Supervisor, the Corporate Compliance Officer, or through the Compliance Hotline.

## **2. Corporate Compliance Officer and Quality Management Oversight Team**

Cherry Street Health Services will designate a Corporate Compliance Officer to serve as the coordinator of all compliance activities and a Quality Management Oversight Team

to advise the Compliance Officer and assist in the implementation of the Compliance Program as needed.

The responsibilities and scope of authority of the Corporate Compliance Officer and Quality Management Oversight Team are included in the Compliance Program and position description.

### **3. Compliance Reporting to the Board of Directors**

The Compliance Officer generally will report to the Board of Directors on a bi-annual basis. If an issue is deemed to be of a serious nature, however, it will be reported to the Board at its next regularly scheduled meeting after the issue arises. The bi-annual report is intended to keep the Board informed of how the Compliance Program is operating, to ensure the Board that complaints or concerns are being addressed and to ensure continued oversight and support from the Board in Cherry Street's Compliance Program. The report will be a summary of the work done by the compliance department highlighting any current compliance issues or investigations. The report is provided to the Board as part of its consent agenda.

### **4. Duty to Report Compliance Issues**

Duty to Report: All workforce members, patients/families, members of the board and business associates are expected to report any activity that appears to violate applicable laws, rules, regulations and/or applicable Cherry Street policies and procedures without fear of retaliation or retribution.

As much as possible, the confidentiality of the reporting person will be protected. However, during the course of the investigation of the claim, the identity of the reporting person may be deduced or indirectly disclosed.

Non Retaliation or Retribution: Members of the workforce, members of the board or business associates are not permitted to engage in retaliation, retribution, punishment or any form of harassment against another employee or associate for reporting compliance-related concerns made in good faith through established reporting methods. Any retribution, retaliation or harassment will result in disciplinary action.

How to Report a Concern: Generally, compliance concerns involve the potential for fraud, abuse and waste. Examples of compliance concerns include (but are not limited to):

- Submitting inaccurate or misleading claims for services provided.
- Making false statements or representations to obtain payment for services.
- Offering or giving something of value to patients to encourage them to use or purchase health care services.

Those with a compliance concern have several options to report or obtain additional information and assistance.

- Whenever possible, resolve the issue within the department. It is an expectation to raise concerns first with the Facility Manager or direct Supervisor provided that approach is appropriate.
- If discussing the concern with the Manager or Supervisor is inappropriate, the employee may contact the Compliance Officer directly by phone or email.
- The Compliance Hotline is available for anyone to use to raise an issue. The hotline can be used either anonymously, or if a response is desired the person should identify themselves.
- Concerns regarding employee performance should be directed to Human Resources and addressed through the Problem Resolution process.

After a concern has been reported:

- The Compliance Officer will investigate all concerns reported. If the concern relates to a process or procedure of another department, and is not a compliance issue, the Compliance Officer will refer that concern to the appropriate department for resolution. There will be a determination whether or not a formal investigation, by an outside party, is warranted.
- The Compliance Officer will notify the reporting individual (if known) that the concern has been received and is either resolved or being investigated further.
- A complaint that warrants formal investigation by an outside party, the Executive Committee of the Board of Directors will engage and receive the report from the outside party.

### **5. Billing Integrity Audits**

Billing Integrity Audits (BIA) will be conducted by corporate Compliance staff on a regular basis for all programs.

A random selection of an adequate number of patient records will be used. The BIA will verify the accuracy of claims and services provided by a comparison of the patient record to the requirements of the payer and the remittance advice.

The BIA will include; that services provided are documented in accordance with appropriate requirements, are coded correctly, billed appropriately, and payment is applied appropriately. Exceptions noted will be documented on a spreadsheet that will indicate the date of service, the provider of the service, description of the exception, date reported to Finance/Billing Department and Operations, action taken with date of resolution.

Ongoing monitoring will continue to ensure repeated errors do not occur by updating longitudinal spreadsheets which will indicate errors made by individual staff as well as by program, the corrective action recommended and when the corrections were made within the timelines established in the recommendation of the auditor. Additional documentation will be kept that indicates if the corrective actions were successful. The

final outcome of the BIA will be the improvement of procedures and processes to assure efficient and accurate billing of services.

The BIA will be made available to auditors per contract or agreement as appropriate.

Chief Officer approval 6/25/14  
Board approval 10/2/2014