

## Our Compliance Culture

### **Commitment to Compliance**

Carespring Health Care Management is committed to operating its business in an honest, ethical, and legal manner. There are many laws and regulations governing Carespring Health Care Management's operations, and Carespring Health Care Management strives to comply with all of them. Carespring Health Care Management also endeavors to be a good corporate citizen and to act ethically in its dealings with vendors, referral sources, competitors, and others.

Carespring Health Care Management strives to foster a culture of compliance within its organization, such that all employees, agents, and contractors will "live" compliance when carrying out their responsibilities on behalf of Carespring Health Care Management. Carespring Health Care Management recognizes that compliance is a cooperative effort, and that it cannot meet its high standards without the support and assistance of its employees, agents, and contractors. Carespring Health Care Management expects its employees to contribute to its compliance culture by recognizing and doing "the right thing."

This Compliance Manual formalizes Carespring Health Care Management's commitment to compliance by establishing Carespring Health Care Management's standards of conduct, as well as policies and procedures regarding compliance with applicable laws. This Compliance Manual is intended to apply, where applicable, to all relationships between Carespring Health Care Management and other health care providers, vendors, and suppliers. This Compliance Manual also reaffirms Carespring Health Care Management's commitment to the delivery of quality health care consistent with applicable State and Federal health and safety standards.

### **Oversight**

Carespring Health Care Management has appointed a Compliance Officer and has a compliance committee charged with the responsibility of developing, operating and monitoring its compliance program. The Compliance Officer and his/her committee report directly to Carespring Health Care Management's governing body on compliance matters. Questions regarding the application of this Compliance Manual may be directed to the Compliance Officer.

### **Employee Education**

Employees will receive education regarding compliance, and should be familiar with the laws governing their job responsibilities and the matters set forth in this Compliance Manual.

### **Reporting of Violations**

An important goal of Carespring Health Care Management in fostering its compliance culture is that all employees feel comfortable reporting to Carespring Health Care Management any inappropriate activity. In fact, all employees have an obligation to report violations, suspected violations, questionable conduct, or questionable practices in accordance with the reporting mechanisms established in this Compliance Manual. Retaliation against any employee for reporting is strictly prohibited.

Because Carespring Health Care Management believes that compliance is a cooperative effort, Carespring Health Care Management has adopted a chain of command approach with respect to compliance reporting and response. That is, all employees are expected to report suspected violations to their immediate supervisor. Assuming that the issue is within the supervisor's area of expertise, the supervisor will determine the appropriate response. If a supervisor needs assistance, the supervisor can report the potential violation "up the chain" to his supervisor for additional input. Further reports up the chain may be necessary in the event of significant compliance issues.

Carespring Health Care Management recognizes that situations may arise where an employee does not feel comfortable reporting to his supervisor, or an employee may be concerned that his supervisor will not address the issue. Because Carespring Health Care Management does not wish for these concerns to deter employees from reporting legitimate compliance concerns, Carespring Health Care Management has also developed mechanisms for employees to report issues anonymously and/or directly to the Compliance Officer.

### **Continuous Improvement**

We appreciate your contributions to Carespring Health Care Management's compliance culture. If you have any thoughts about how we can improve our compliance program, please share them. Carespring Health Care Management always welcomes your comments, questions, concerns, and suggestions.

## 1.0 - CODE OF CONDUCT

***We will not lie, cheat, steal, harm others, or tolerate those who do.***<sup>R2</sup>

Carespring Health Care Management requires that every person and every company working with Carespring Health Care Management conduct their business ethically and in compliance with the law. Carespring Health Care Management considers its standards to apply to independent contractors, volunteers and vendors in addition to its employees, and Carespring Health Care Management will judge whether to continue its relationships based on compliance with these standards.

Carespring Health Care Management believes that if those individuals and companies working with Carespring Health Care Management abide by some general principles, they will be able to meet Carespring Health Care Management's standards for compliance:

**Follow Our Policies.** Carespring Health Care Management is required to abide by a large number of laws and regulations because of the nature of the services that we provide. These laws will be manifested through our policies and the training and inservices in which you will be expected to participate. Carespring Health Care Management can face serious consequences for failure to abide by the law. Therefore, Carespring Health Care Management expects that *all* policies will be followed.

**Do the Right Thing.** While the right thing is not always the easy thing, you most likely know what it is without having to be told. Carespring Health Care Management expects that its employees will work hard and diligently on behalf of Carespring Health Care Management and perform to the best of their abilities. Carespring Health Care Management also expects its employees to be honest, trustworthy, and respectful.

**Follow the Golden Rule.** Treat others as you would want them to treat you. Treat others with respect and dignity. Never harm another person, or allow them to be harmed while they are in your care.

We expect every person and company working with Carespring Health Care Management to report any violations of our code of conduct to us immediately.

The most important thing is to report – the method of reporting is less important. We have adopted numerous ways for people to bring concerns to our attention: if you are an employee: tell your supervisor, if you are a contractor: inform your primary contact at Carespring Health Care Management, or use one of our numerous official reporting mechanisms.

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<sup>R2</sup> This code of conduct is a variation of the West Point Cadet Honor Code.

## **2.0 - REPORTING & RESPONSE**

### **2.1 Reporting Suspected Violations and Inquiries**

Carespring Health Care Management believes that a compliance program functions best when all employees assist in promoting compliance within their own area of expertise. To take advantage of the different competencies and knowledge within its organization, Carespring Health Care Management has adopted a chain of command approach to compliance reporting and inquiries regarding potential compliance issues.

All employees are required to report violations, suspected violations, questionable conduct, or questionable practices of which they become aware to their immediate supervisors. If the employee's immediate supervisor does not have the necessary knowledge to respond to a report or inquiry, the supervisor may, in turn, move the issue another rung up the chain by reporting to his supervisor. Reports and inquiries are to be moved further up the chain of command, and all the way to the Compliance Officer, as necessary, until the individual with the appropriate expertise is reached and can respond to the report in accordance with Section 2.3. Further reports up the chain may also be necessary in the event of significant compliance issues.

Carespring Health Care Management believes that the majority of compliance issues may be appropriately handled through the chain of command approach. However, in the event an employee's supervisor is implicated in the potential wrongdoing, or if an employee is concerned that the supervisor will not respond to a report, Carespring Health Care Management has established alternate procedures for reporting. First, the employee may choose to "skip" a level and make the report to the next supervisor in the chain of command. Alternately, the employee may report directly to the **Compliance Officer, in writing at 390 Wards Corner Road, Loveland, OH 45140, or by filing a report through Carespring Health Care Management's toll-free fraud and abuse hotline 1-888-248-7799 ext 105.**

Carespring Health Care Management is committed to fostering a compliance culture where all employees feel comfortable and are proactive in reporting potential violations directly to their supervisors. Carespring Health Care Management strictly prohibits any retaliation or discrimination against employees for reporting potential compliance violations, and it may be more difficult for Carespring Health Care Management to investigate and resolve reports if it is unable to communicate with the complainant. However, because Carespring Health Care Management does not wish for inappropriate activity to go unreported for any reason, employees are always free to report potential violations to the Compliance Officer anonymously.

Please note that there may be additional reporting obligations for certain compliance violations under the laws governing the operation of nursing facilities. Employees are also required to comply with these reporting obligations, which are addressed in other policies and procedures of Carespring Health Care Management. For example, employees must report resident abuse to the Administrator in accordance with Carespring Health Care Management's abuse policies and procedures.

## **2.2 Reporting Guidelines**

The following guidelines shall apply to all reports made pursuant to this Compliance Manual:

**No Retaliation.** Carespring Health Care Management prohibits any retaliatory action against an employee for making any verbal or written compliance communication in good faith to his or her supervisor, the compliance hotline, any anonymous method of communication, the Compliance Officer, or to any government agency.

**Discipline.** There will be discipline or other consequences for failure to report timely and thoroughly. Prompt and complete disclosure may be considered a mitigating factor in determining an employee's discipline or sanction if they are the wrongdoer. The discipline or sanction shall not be increased because an employee reported his or her own violation or misconduct.

**Interference with Reporting.** No employee shall attempt to prevent any person from making a compliance report. If an employee does try to prevent a person from making a report, then that employee shall be subject to disciplinary action, which may include termination.

## **2.3 Supervisor Response**

When a report of a suspected violation of the policies in this Compliance Manual is brought to the attention of a supervisor, the supervisor will assess the issue and conduct a reasonable investigation to determine whether a violation has occurred and whether a significant compliance issue has been raised.

If a significant compliance issue has been raised, the supervisor will report the issue directly to the Compliance Officer for investigation and response. If the supervisor determines that a violation has occurred, but does not require the assistance of the Compliance Officer, the supervisor may determine the appropriate response, such as recommending disciplinary action, providing employee training, or correcting a billing error.

If a supervisor needs direction or has a question regarding how to respond to a report of suspect activity, the supervisor may take his or her inquiry to the next supervisor in the chain of command.

## **2.4 Compliance Officer Response**

When a report of a suspected violation of the policies in this Compliance Manual is brought to the attention of the Compliance Officer, the following steps shall be followed:

- A. Initial Assessment.** The Compliance Officer will determine whether the report raises compliance issues.
- B. Investigation & Report.** If a compliance issue is raised, the Compliance Officer will investigate the suspected violation or questionable conduct, and/or shall delegate the investigation or analysis of suspected violations or questionable conduct to any individual(s) he or she deems appropriate. A report regarding such inquiry shall be prepared. The report, at a minimum, shall address: 1) the allegation that has been made; 2) the specific steps and/or methods used in investigating the matter (such as people interviewed, records reviewed, analyses performed, etc.); 3) the specific findings and/or results of the investigation; and 4) a proposed plan of action

(such as disciplinary action, policy or procedure changes, in-service training regarding existing policy and/or procedure, or other suggested actions) to prevent future non-compliance.

If the issue raised is not a compliance issue but requires additional attention, the Compliance Officer will refer the issue to the appropriate person for follow-up.

- C. Post-Investigation Assessment & Referral to Compliance Committee.** If, after the investigation, the Compliance Officer believes that a significant compliance issue has been raised, then the report will be forwarded to the Compliance Committee for review, and a determination of how it believes the allegation should be addressed. The Compliance Committee's proposed disposition of a violation may include, but is not limited to, contacting Legal Counsel, revising the Compliance Manual, conducting educational in-services for staff, instituting disciplinary action, reporting the violation to the appropriate authorities, repayment of funds, and/or making a monetary restitution to affected third parties.
- D. Response.** Based on the results of the investigation by the Compliance Officer, and taking into consideration any other suggestions by the Compliance Committee, the Administrator, Compliance Officer, or other appropriately designated party will take appropriate corrective and/or disciplinary action, or will recommend such action to the Governing Body, if necessary.
- E. Storage of & Access to Compliance Files.** The Compliance Officer shall place all files regarding compliance matters in a secure location. Access to files will be provided only to the Compliance Officer, Legal Counsel, CEO, and authorized members of the Governing Body.

### **3.0 - COMPLIANCE POLICIES**

As part of its commitment to compliance with the law, Carespring Health Care Management has established policies and procedures which spell out the steps that employees must take to maintain compliance in several areas of risk for nursing facilities.

- 3.1 Ethical Business Practice
- 3.2 Billing
- 3.3 Cost Reporting
- 3.4 Employee Screening
- 3.5 Gifts & Kickbacks
- 3.6 Residents' Rights
- 3.7 Quality of Care
- 3.8 Recordkeeping & Documentation
- 3.9 Government Relations
- 3.10 Physician Agreements
- 3.11 Hospice Referrals
- 3.12 Confidentiality
- 3.13 Transparency & Resident Choice

### **3.1 - ETHICAL BUSINESS PRACTICE**

#### **POLICY**

Employees are expected to conduct themselves so as to avoid actual impropriety and/or the appearance of impropriety in making business decisions. Employees may not use their positions at Carespring Health Care Management to profit personally or to assist others in profiting in any way at the expense of Carespring Health Care Management, or its residents.

Employees shall disclose to their supervisor and to the Compliance Officer any financial interest, ownership interest, or any other relationship they (or a member of their immediate family) have with Carespring Health Care Management's residents, resident's family members, vendors, or competitors.

#### **PROCEDURE**

- A. **Services for Competitors or Vendors.** No employee shall perform work or render services for any competitor of Carespring Health Care Management or for any organization with which Carespring Health Care Management does business, or which seeks to do business with Carespring Health Care Management, without the approval of his/her supervisor. No employee shall be a director, officer, or consultant of an outside organization, nor permit his/her name to be used in any fashion that would tend to indicate a business connection with such organization without the prior approval of the employee's supervisor.
- B. **Stealing Information.** Carespring Health Care Management employees shall not steal information belonging to another person or entity, including from Carespring Health Care Management, or use any publication, document, computer program, information or product in violation of a third party's interest in such product. All Carespring Health Care Management's employees are responsible for ensuring that they do not improperly copy for their own use documents or computer programs in violation of applicable copyright laws or licensing agreements. Employees shall not use confidential business information obtained from competitors, including customer lists, price lists, contracts or other information in violation of a covenant not to compete, prior employment agreements, or in any other manner likely to provide an unfair competitive advantage to Carespring Health Care Management.
- C. **Use of Insider Information.** Employees may not use "insider" information for any business activity conducted by or on behalf of Carespring Health Care Management. All business relations with contractors must be conducted at arm's length both in fact and in appearance, and in compliance with Carespring Health Care Management's policies and procedures. Employees must disclose personal relationships and business activities with contractor personnel that may be construed by an impartial observer as influencing the employees' performance or duties. Employees have a responsibility to obtain clarification from management on questionable issues that may arise.

- D. **Financial Reporting.** All financial reports, cost reports, accounting records, research reports, expense accounts, time sheets and other documents must accurately and clearly represent the relevant facts or the true nature of a transaction. Improper or fraudulent accounting, documentation or financial reporting is contrary to the policy of Carespring Health Care Management and may be in violation of applicable laws.
- E. **Travel & Entertainment.** It is Carespring Health Care Management's policy that an employee should not suffer a financial loss or a financial gain as a result of business travel and entertainment. Employees are expected to exercise reasonable judgment in the use of Carespring Health Care Management's assets and to spend Carespring Health Care Management's assets as carefully as they would spend their own. Employees must also comply with Carespring Health Care Management policies relating to travel and entertainment expense, including those governing the treatment of spouses or significant others.
- F. **Personal Use of Corporate Assets.** All employees are expected to refrain from converting assets of the Carespring Health Care Management to personal use. All property and business of the Carespring Health Care Management shall be conducted in a manner designed to further Carespring Health Care Management's interest rather than the personal interest of an individual employee. Employees are prohibited from the unauthorized use or taking of Carespring Health Care Management's equipment, supplies, materials or services.
- G. **Conflicts of Interest.** Employees shall avoid situations that may create a conflict of interest with their primary responsibilities to Carespring Health Care Management. While not all inclusive, the following should act as a guide to the types of activities by an employee, or an immediate family member of an employee, which might cause a conflict of interest:
1. Ownership in or employment by any outside organization which does business with Carespring Health Care Management. (This does not apply to stock or other investments held in a publicly held corporation, *provided* the value of the stock or other investments does not exceed 5% of the corporation's stock.)
  2. Conduct of any business not on behalf of Carespring Health Care Management, with any vendor, supplier, contractor, or agency, or any of their officers or employees.
  3. Representation of Carespring Health Care Management by an employee in any transaction in which he or she or an immediate family member has a substantial personal interest.
  4. Disclosure or use of confidential, special or inside information of or about Carespring Health Care Management, particularly for personal profit or advantage of the employee or an immediate family member.
  5. Competition with Carespring Health Care Management by an employee, directly or indirectly, in the purchase, sale or ownership of property or property rights or interests, or business investment opportunities.

## 3.2 - BILLING

### POLICY

Carespring Health Care Management is committed to prompt, complete, and accurate billing of all services provided to residents for payment by residents, government agencies, or other third party payors. Billing shall be made only for services actually provided, directly or under contract, pursuant to all terms and conditions specified by the government or third party payor and consistent with industry practice.

Carespring Health Care Management and its employees shall not make or submit any false or misleading entries on any bills or claim forms, and no employee shall engage in any arrangement, or participate in such an arrangement at the direction of another employee (including any officer of Carespring Health Care Management or a supervisor), that results in such prohibited acts. Any false statement on any bill or claim form shall subject the employee to disciplinary action by Carespring Health Care Management, including possible termination of employment.

### PROCEDURE

- A. **Reporting False Billing Practices.** If an employee has any reason to believe that anyone (including the employee himself or herself) is engaging in false billing practices, that employee shall immediately report the practice.

Failure to act when an employee has knowledge that someone is engaged in false billing practices shall be considered a breach of that employee's responsibilities and shall subject the employee to disciplinary action by Carespring Health Care Management, including possible termination of employment.

- B. **Proper Reporting of Resident Case-Mix.** Carespring Health Care Management will train staff on the proper way to complete MDS assessments and will periodically conduct audits of these assessments for validity and accuracy.
- C. **Medicare and Medicaid Billings.** Carespring Health Care Management will periodically audit services billed to make sure they are both medically necessary and properly documented to meet the federal and state billing requirements.

D. **Prohibited Billing Practices.** False claims and billing fraud may take a variety of different forms, including, but not limited to, false statements supporting claims for payment, misrepresentation of material facts, concealment of material facts, theft of benefits of payments from the party entitled to receive them, or retaining an overpayment, as defined by law. Carespring Health Care Management and employees shall specifically refrain from engaging in the following billing practices:

1. Making claims for items or services not rendered or not provided as claimed, such as billing for three hours of therapy when only a few minutes were provided.
2. Submitting claims to Medicare Part A for residents who are not eligible for Part A coverage; in other words, who do not require services that are so complex that they can only be effectively and efficiently provided by, or under the supervision of, professional or technical personnel.
3. Submitting claims to any payor, including Medicare for services or supplies that are not medically necessary or that were not ordered by the resident's physician or other authorized caregiver.
4. Submitting claims for items or services that are not provided as claimed, such as billing Medicare for expensive prosthetic devices when only non-covered adult diapers were provided.
5. Submitting claims to any payor, including Medicare and Medicaid, for individual items or services when such items or services either are included in the health facility's per diem rate for a resident or are of the type that may be billed only as a unit and not unbundled.
6. Double billings (billing for the same item or service more than once).
7. Providing inaccurate or misleading information for use in determining the resource utilization groups, (RUG) assigned to the resident, including but not limited to misrepresenting a resident's medical condition on the minimum data set (MDS).
8. Paying or receiving anything of financial benefit in exchange for Medicare or Medicaid referrals, such as receiving non-covered medical products at no charge in exchange for ordering Medicare-reimbursed products.
9. Billing residents for services or supplies that are included in the per diem payment from Medicare, Medicaid, a managed care plan, or other payer.
10. Altering documentation or forging a physician signature on documents used to verify that services were ordered and/or provided.
11. Failing to report and return any funds received from any payor source to which Carespring Health Care Management is not entitled, after applicable reconciliation, in accordance with law.

### **3.3 - COST REPORTING**

#### **POLICY**

Carespring Health Care Management is required to submit various cost reports to the Federal and State government in connection with its operations in order to receive payment. Such reports will be prepared as accurately as possible and in conformity with applicable law and regulations. If errors are discovered, billing personnel shall contact an immediate supervisor promptly for advice concerning how to correct the error(s) and notify the appropriate payor.

## PROCEDURE

- A. **Duty to Report.** If an employee or agent has any reason to believe that anyone (including the employee himself or herself) is engaging in questionable or false cost reporting or is engaged in questionable internal accounting practices, he/she shall immediately report the practice. Employees or agents who report suspected cost reporting or accounting irregularities in good faith shall not be retaliated against or subject to adverse action.
- B. **Failure to Report.** Failure to act when an employee has knowledge that someone is engaged in questionable cost reporting or accounting irregularities shall be considered a breach of that employee or agent's responsibilities and shall subject the employee or agent to disciplinary action by Carespring Health Care Management, including possible termination of employment or of their contractual relationship with Carespring Health Care Management.

## 3.4 - EMPLOYEE SCREENING

### POLICY

It is the policy of Carespring Health Care Management to undertake background checks of all employees, where required by law, and to retain on file applicable records of current employees regarding such investigations. It is the policy of Carespring Health Care Management to undertake exclusion and licensure checks, where applicable, of all employees.

### PROCEDURE

- A. **Nurse Assistant Registries.** Carespring Health Care Management will check with all State nurse assistant registries prior to using the individual as a nurse assistant.
- B. **Licensure & Certification Status.** Carespring Health Care Management will check with all applicable licensing and certification authorities to ensure that employees hold the requisite license and/or certification status to perform their job functions.
- C. **Reference Checks.** To the extent the information is available, Carespring Health Care Management will also check the applicant's references from prior employers.
- D. **Exclusion Check.** Carespring Health Care Management will check all employees (as well as vendors/contractors) for exclusion from the Medicare and/or Medicaid programs using the Office of Inspector General's Cumulative Sanctions Report and/or computer searchable database for potential employees whose activities would be recorded there.

- E. **Criminal Background Check.** Carespring Health Care Management will perform criminal background checks for all employees in accordance with applicable law to confirm that they have not been convicted of an offense that would preclude them from providing direct care to an older adult.
  
- F. **Applicant Certification.** Applicants for employment will be required to certify on their employment application that they have not been convicted of an offense that would preclude employment in a nursing facility and that they are not excluded from participation in the federal health care programs.
  
- G. **Temporary Employment Agencies.** Temporary employment agencies will be required by contract to ensure that temporary staff assigned to Carespring Health Care Management facilities have undergone background checks that do not preclude them from employment with the facility.
  
- H. **Ongoing Duty of Employees to Report.** It is the ongoing and continuous obligation of all employees of Carespring Health Care Management to alert the Administration department of any offense, charge, indictment, finding, plea, settlement or conviction that would disqualify them from continued employment with Carespring Health Care Management under State or Federal law.

### **3.5 - GIFTS & KICKBACKS**

#### **POLICY**

Employees shall not accept gifts, favors, services, entertainment or other things of value to the extent that decision-making or actions affecting Carespring Health Care Management might be influenced. Similarly, the offer or giving of money, services or other things of value with the expectation of influencing the judgment or decision making process of any purchaser, supplier, government official or other person by Carespring Health Care Management is absolutely prohibited. Any such conduct must be immediately reported.

#### **PROCEDURE**

In order to avoid the appearance of impropriety, and to avoid the potential of providing or receiving an improper kickback, Carespring Health Care Management shall not engage in any of the following activities:

- A. **Gifts from Residents.** Employees are prohibited from soliciting tips, personal gratuities or gifts from residents and from accepting monetary tips or gratuities. Employees may accept gratuities and gifts of a nominal value from residents only with the approval of the Administrator. If a resident or another individual wishes to present a monetary gift, he/she should be referred to the appropriate administration office.

- B. **Gifts from Existing Vendors.** Employees may retain gifts from vendors which have a nominal value. If an employee has any concern whether a gift should be accepted, the employee should consult with his/her Administrator. To the extent possible, these gifts should be shared with the employees' co-workers. Employees shall not accept excessive gifts, meals, expensive entertainment or other offers of goods or services which have more than a nominal value nor may they solicit gifts from vendors, suppliers, contractors or other persons. For example, an employee who was given a promotional coffee mug may accept this gift from a vendor, however, the employee would be prohibited from accepting a television set from that vendor.
- C. **Beneficiaries of Government Reimbursement Programs.** Carespring Health Care Management and its employees shall not offer or provide any gift, hospitality, or entertainment of more than Nominal Value to any beneficiary of a government reimbursement program. Examples of permissible items include nominal marketing items such as pens, T-shirts, water bottles, etc.
- D. **Waivers of Coinsurance / Deductible.** Carespring Health Care Management and its employees shall not offer waivers of coinsurance or deductible amounts as part of any advertisement or solicitation. Carespring Health Care Management and its employees shall not routinely waive coinsurance or deductible amounts, and shall only waive such amounts after determining in good faith that the resident is in financial need, or after making reasonable efforts to collect the cost-sharing amounts from the resident.
- E. **Arrangements with Health Plans.** Carespring Health Care Management and its employees shall not participate in any arrangement with a health care plan that effectively requires Carespring Health Care Management and its employees to forgo certain Medicare cost-sharing amounts. Carespring Health Care Management and its employees shall not participate in any arrangement with a health care plan that requires Carespring Health Care Management and its employees to waive charges for copayments and deductibles when Medicare is the primary payor and the applicable Medicare reimbursement is higher than the plan fee schedule amount.
- F. **Government Employees.** Carespring Health Care Management and its employees shall not offer any gifts to any federal, state or local government employee. Elected officials may be entertained within the boundaries of their ethical pledge and responsibilities.
- G. **Swapping.** Carespring Health Care Management and its employees will not accept discounts on items and services paid for by Carespring Health Care Management in return for the referrals of other business, sometimes called "swapping".
- H. **Access to Health Information.** Carespring Health Care Management and its employees will not solicit or receive items of value in exchange for providing a supplier or medical provider access to residents' medical records or other information needed to bill Medicare or Medicaid.

- I. **Third Party Guarantees & Supplementation.** Carespring Health Care Management will not condition admission or continued stay on a third party guarantee of payment, nor will it require any person to supplement their Medicare or Medicaid payment.
- J. **Part D Plans.** Carespring Health Care Management and its employees will not accept any payments from any plan or pharmacy to influence a beneficiary to select a particular Part D plan. Carespring Health Care Management or its contracted pharmacy will inform residents about all of the Part D plans available to them and, where possible, try to assist/educate the residents regarding whether and to what extent those plans cover the resident's medications.

### **3.6 - RESIDENT RIGHTS**

#### **POLICY**

It is the policy of Carespring Health Care Management that residents will be cared for in a manner and in an environment that promotes maintenance or enhancement of each resident's quality of life. Carespring Health Care Management has numerous policies and procedures designed to protect a resident's quality of life and is committed to assuring that the resident's rights articulated under federal law are protected.

#### **PROCEDURE**

- A. **Transfer & Discharge.** Carespring Health Care Management will maintain identical policies and practices for all individuals regarding transfer and discharge, regardless of payment source, and to comply with all applicable law with respect to admissions decisions, as well as the provision of services under the state Medicaid plan.
- B. **Personal Privacy.** Carespring Health Care Management will take measures to ensure that each resident has the right to personal privacy. For purposes of this policy, the term "personal privacy" includes accommodations, medical treatment, written and telephone communications, personal care, visits, and meetings of family and resident groups, but does not include the right to a private room.
- C. **Clinical Records.** Carespring Health Care Management recognizes that the resident has the right to confidential treatment of his or her personal and clinical records, and may approve or refuse the release of his or her personal and clinical records to any individual outside Carespring Health Care Management, except when the resident is transferred to another health care institution, or the record release is authorized or required by law.
- D. **Medical Care & Treatment.** Carespring Health Care Management recognizes that the resident has the right to choose his or her own personal physician and has the right to privacy during medical examination or treatment, and in the care of personal or bodily needs. The resident also has the right to be fully informed of his or her health status and to participate in

treatment decisions, including the right to refuse treatment, unless adjudged incompetent or incapacitated.

- E. **Communication.** Carespring Health Care Management recognizes that the resident has the right upon reasonable request to private and unrestricted communications with his or her family, social worker, and any other person, unless not medically advisable as documented in his or her medical record by the attending physician. The resident also has the right to private and unrestricted communications with a resident's physician, attorney or with public officials. The resident's right of private and unrestricted communication shall include the right to: 1) receive, send, and mail sealed, unopened correspondence; 2) reasonable access to a telephone for private communication; and 3) private visits in accordance with Carespring Health Care Management's policies.
  
- F. **Financial Affairs.** Carespring Health Care Management recognizes that the resident has the right to manage his or her financial affairs or permit the facility to hold and manage his or her funds. Personal funds may not be used to pay for items or services paid for by Medicaid or Medicare.
  
- G. **Abuse, Neglect & Misappropriation of Resident Funds.** Carespring Health Care Management recognizes that the resident has the right to be free of abuse, neglect and misappropriation of his or her funds. All allegations of abuse, neglect or misappropriation will be reported to the state agency and law enforcement (in the case of a crime) in accordance with state and federal law.

### 3.7 - QUALITY OF CARE

#### POLICY

It is the policy of Carespring Health Care Management that it strive to provide the care and services necessary to attain or maintain nursing facility residents' highest practicable physical, mental and psychosocial well-being and to, at a minimum, meet all Medicare requirements of participation.

#### PROCEDURE

- A. **Staffing.** Carespring Health Care Management is committed to meeting both state and federal staffing requirements, and assuring that there is a relationship between the level of

staffing and the acuity of the residents being served. Carespring Health Care Management will also make efforts to reduce employee turnover.

- B. **Comprehensive Care Plans.** Each resident of Carespring Health Care Management will have a comprehensive care plan that is designed and implemented by various members of the interdisciplinary team including, but not limited to, the resident's physician nurses, dietician, social service, activities, and therapists where applicable. These interdisciplinary team meetings will be documented and the content and participants in the meeting will be recorded.
- C. **Medication Management.** Carespring Health Care Management will manage the medications of its residents, including psychotropics, and is committed to the gradual reduction of their use, where medically possible, and to monitoring residents for adverse side effects. Carespring Health Care Management has contracted with a consulting pharmacist who will assist in the management of each resident's medications and will perform regular drug regimen reviews.
- D. **Resident Safety.** Carespring Health Care Management believes that it is the responsibility of everyone who comes in contact with our residents to preserve their safety and well being. With that in mind, Carespring Health Care Management has a policy that its residents will be free of abuse and neglect, and that their possessions will not be misappropriated by anyone. Anyone who is aware of or suspects that a resident is being abused or neglected, or that his or her possessions have been misappropriated will immediately report this knowledge or suspicion in accordance with Carespring Health Care Management's abuse policy.

Carespring Health Care Management also recognizes that its residents have the potential to suffer abuse from not only staff members, but also from other residents and/or visitors. Therefore, Carespring Health Care Management not only conducts background and exclusion checks of its staff members and provides employees with regular inservice training on abuse, neglect prevention and reporting, but Carespring Health Care Management enforces its policy with respect to all that abuse or mistreat Carespring Health Care Management residents.

- E. **Restorative and Personal Care.** Carespring Health Care Management has policies and procedures addressing the prevention and treatment of pressure ulcers, the delivery of range of motion exercises, falls management and prevention, incontinence management and the delivery of personal care and grooming. Carespring Health Care Management strives to meet all state and federal licensing rules and regulations governing the health care services provided to our residents, and to monitor the quality of those services through our quality assurance programs.

### **3.8 - RECORDS & DOCUMENTATION**

## **POLICY**

Accurate and complete recordkeeping and documentation is critical to virtually every aspect of Carespring Health Care Management's operations. It is the policy of Carespring Health Care Management that all documentation shall be timely, accurate, and consistent with applicable professional, legal, and facility guidelines and standards. This includes all aspects of the facility's documentation, including resident assessments and care plans, clinical records, and all billing and payment documentation. Falsification of records is strictly prohibited, including backdating of records. Appropriate late entries duly noted and under applicable professional and legal standards may be made.

## **PROCEDURE**

- A. **Legally Required Documentation.** Carespring Health Care Management will keep all billing and claims documentation, cost reports, MDS assessments, care plans and survey plans of correction in accordance with state and federal requirements.
- B. **Compliance Program Documentation.** Carespring Health Care Management will keep records of its compliance program operations, such as the compliance log, educational activities, corresponding investigations and reports, in order to demonstrate the effectiveness of its compliance program.
- C. **Storage.** All documents will be stored in a safe and secure place and in a manner as to be easily retrievable.
- D. **Destruction.** Destruction policies will conform to applicable state and federal laws. Employees shall not destroy or alter Carespring Health Care Management information or documents in anticipation of, or in response to, a request for documents by any applicable government agency or from any court, or from any party in conjunction with a lawsuit.

## **3.9 - GOVERNMENT RELATIONS**

## **POLICY**

Carespring Health Care Management has many contacts and dealings with governmental bodies and officials. All such contacts and transactions shall be conducted in an honest manner. It is the policy of Carespring Health Care Management to ensure that its dealings with federal, state and local governmental officials, agencies, representatives, and contractors fully comply with all applicable laws and regulations. It is the organization's desire to at all times be in compliance with the law, preserve and protect its reputation, and to avoid even the appearance of impropriety. Any attempt to influence the decision-making process of governmental bodies or officials by an improper offer of any benefit is absolutely prohibited. Any requests or demands by any governmental representative for any improper benefit should be immediately reported.

## **PROCEDURE**

- A. **Licensure and Certification.** Carespring Health Care Management operates a nursing facility that is licensed by the State in which it operates and certified to participate in the Medicare

and Medicaid programs. Employees are expected to be familiar with the laws governing the operation of a nursing facility that affect their specific job responsibilities and to comply with licensure and certification laws applicable to Carespring Health Care Management. Employees shall report any concerns that they have with regard to appropriateness or legality of any actions taken by Carespring Health Care Management.

- B. **Lobbying & Political Activities.** No individual may make any agreement to contribute any money, property, or services at Carespring Health Care Management's expense to any political candidate, party, organization, committee or individual in violation of any applicable law. Officers and employees may personally participate in and contribute to political organizations or campaigns, but they must do so as individuals, and they must use their own funds.
- C. **Governmental Investigations.** Carespring Health Care Management shall not unlawfully obstruct or interfere with government enforcement investigations, and shall cooperate to the fullest extent possible within the confines of applicable law with the relevant government agency/official/agent on such occasions.
- D. **Prohibitions.** Carespring Health Care Management expects its employees to refrain from engaging in any activities that have even the appearance of impropriety.
  - 1. **Gifts or Entertainment.** Employees are strictly prohibited from offering gifts to any federal, state, or local government or employee, surveyor, law enforcement officer, auditor working under contract with a government agency, peer review agency, or any other regulatory entity or agency that interacts with Carespring Health Care Management. Any employee who becomes aware of such activity shall immediately report the violation.
  - 2. **Demands for Improper Benefits.** Any requests or demands by any federal, state, or local government or elected official or employee, surveyor, law enforcement officer, auditor working under contract with a government agency, peer review agency, or any other regulatory entity or agency that interacts with Carespring Health Care Management for any improper benefit should be immediately reported.
  - 3. **False, Fraudulent or Misleading Claims.** Carespring Health Care Management shall not submit false, fraudulent or misleading claims to any governmental entity or third party payor, including claims for services not rendered, claims which characterize the service differently than the service actually rendered, or claims which do not otherwise comply with applicable program or contractual requirements.
  - 4. **False Representations.** Carespring Health Care Management shall not make false representations to any governmental entity or official in order to gain or retain participation in a program or to obtain payment for any service.

### **3.10 - PHYSICIAN AGREEMENTS**

#### **POLICY**

Federal and State anti-kickback and physician self-referral laws prohibit the offer or payment of any compensation to any party for the referral of residents or health care business.

## PROCEDURE

A. **Contracting**. In order to comply with applicable laws governing the referral of residents or health care business, Carespring Health Care Management shall do the following:

1. **Gifts**. Comply with the policies governing gifts set forth in this Compliance Manual;
2. **Submission of Claims**. Not submit nor cause to be submitted a bill or claim for reimbursement for services provided pursuant to a prohibited referral; and
3. **Referrals of Designated Health Services**. Not accept or solicit a referral from a physician to an entity in which the physician (or an immediate family member) has a financial relationship (broadly defined to encompass any ownership interest, investment interest, or compensation arrangement) for a designated health service as deemed in 42 U.S.C. §1395nn(h)(6), except as permitted by law.

*“Designated health services”* include: a) Clinical laboratory services; b) Physical therapy services; c) Occupational therapy services; d) Radiology services, including magnetic resonance imaging (MRI), computerized axial tomography (CAT) scans, and ultrasound services; e) Radiation therapy services and supplies; f) Durable medical equipment and supplies; g) Parenteral and enteral nutrients, equipment, and supplies; h) Prosthetics, orthotics, and prosthetic devices and supplies; i) Home health services; j) Outpatient prescription drugs; and k) Inpatient and outpatient hospital services.

B. **Additional Requirements**. In addition, physician agreements shall:

1. Be in writing;
2. Be approved by Legal Counsel prior to execution;
3. Be negotiated only by the Compliance Officer, Legal Counsel, the Administrator or their designees;
4. Be signed by all parties;
5. When taken as a whole, be reasonable in their entirety;
6. Specify the terms under which compensation and any other benefits are provided, and compensation and benefits shall be consistent with the fair market value of the services provided;
7. Specify all obligations of the parties;
8. Not take into consideration the value or volume of referrals provided to Carespring Health Care Management; and
9. Be for a term of at least one year.

C. **Certification of Credentials**. Carespring Health Care Management also shall require certification that any physician with whom an agreement is executed, and/or who serves as an attending physician in the facility, has current valid licenses as required by law, has not

been excluded from participation in the Medicare and Medicaid programs, and has admitting privileges at a transfer hospital.

### **3.11 - HOSPICE**

#### **POLICY**

Carespring Health Care Management is committed to making available appropriate hospice services to residents who elect hospice coverage.

#### **PROCEDURE**

For residents who are eligible for hospice benefits under Medicare or Medicaid, Carespring Health Care Management and its employees shall:

- A. **Service Agreement.** Provide services pursuant to a written agreement with a hospice program that meets the conditions of participation for hospices upon evidence that the resident qualifies for and has properly elected the hospice benefit.
- B. **Plan of Care.** Develop and implement, in conjunction with the hospice program, a coordinated plan of care.
- C. **Billing.** Bill the Medicare and/or Medicaid programs only for the treatment of conditions unrelated to the terminal illness, as permitted by law.
- D. **Payments from Hospice.** For residents eligible for Medicare hospice benefits and Medicaid coverage of the resident's room and board, Carespring Health Care Management shall not accept payment by a hospice for room and board provided to a hospice resident in excess of the amount that Carespring Health Care Management would have received if the resident had not been enrolled in hospice. Any additional payment from the hospice for items and services purchased from the facility must represent the fair market value of such additional items and services actually provided to the resident that are not included in the Medicaid daily rate.
- E. **Provision of Services.** Provide only those services Carespring Health Care Management is allowed to provide to hospice residents under applicable law.
- F. **Referrals.** Not engage in any arrangement in which Carespring Health Care Management offers, accepts, provides, or receives free services to or from a hospice in exchange for a promise or agreement to refer nursing facility residents to the hospice, or vice versa.

### **3.12 - CONFIDENTIALITY**

#### **POLICY**

Carespring Health Care Management and its employees are in possession of and have access to a broad variety of confidential, sensitive and proprietary information. The inappropriate release of this information could be injurious to individuals, Carespring Health Care Management's business partners and Carespring Health Care Management. Every Carespring Health Care Management employee has an obligation to actively protect and safeguard confidential, sensitive and proprietary information in a manner designed to prevent the unauthorized disclosure of information.

## **PROCEDURE**

- A. **Resident Information.** All Carespring Health Care Management employees have an obligation to maintain the confidentiality of resident information in accordance with all applicable laws and regulations. Employees shall refrain from revealing any personal or confidential information concerning residents, unless supported by legitimate business or resident care purposes. In general, employees shall not disclose confidential medical or personal information pertaining to Carespring Health Care Management's residents without the express written consent of the resident or appropriate legal representative, and in accordance with applicable law and Carespring Health Care Management's policies and procedures. If questions arise regarding an obligation to maintain the confidentiality of information or the appropriateness of releasing information, employees should seek guidance from their supervisor.
- B. **Carespring Health Care Management Information.** Information pertaining to Carespring Health Care Management's competitive position or business strategies, payment and reimbursement information, information relating to negotiations with employees or third parties, quality assurance materials, trade secrets, and protocols and documentation developed in order to operate Carespring Health Care Management should be protected and shared only with employees having a need to know such information in order to perform their job responsibilities.
- C. **Personal Information.** Salary, benefit and other personal information relating to employees shall be treated as confidential. Personnel files, payroll information, disciplinary matters and similar information shall be maintained in a manner designed to ensure confidentiality in accordance with applicable laws. Employees will exercise due care to prevent the release or sharing of information beyond those persons or outside entities that may need such information to fulfill their job function or duties under the law.

## **3.13 - TRANSPARENCY & RESIDENT CHOICE**

### **POLICY**

At times, residents have a choice from which health care providers they wish to receive services. In addition, Carespring Health Care Management believes that residents should understand the relationships among their various affiliated health care providers so that they can make informed choices in determining from whom they wish to receive services. Therefore, it is the policy of Carespring Health Care Management to provide full transparency and accurate disclosure to all residents regarding

common ownership or affiliations it has with other providers, so that residents can make an informed choice regarding the entities from which they receive services.

## PROCEDURE

- A. **Full Transparency.** Carespring Health Care Management will notify residents of any common ownership of, or affiliations with, other health care providers from which the resident may receive services upon admission and whenever a referral is made. Carespring Health Care Management will attempt to answer any questions by residents or their representatives regarding Carespring Health Care Management's affiliations honestly and fully.
- B. **Respect of Resident Choice.** Carespring Health Care Management will inform residents and their responsible parties of their freedom to choose among credentialed providers, when appropriate, and will respect the resident's and responsible party's preferences when they are expressed. Carespring Health Care Management will not require any resident to select a provider affiliated with Carespring Health Care Management for services, threaten any resident who does not wish to select such a provider, or otherwise intimidate or retaliate against any resident for his selection.

## 4.0 - EDUCATION

### 4.1 **Continued Professional Competence**

Employees are expected to participate in educational "inservices" offered by Carespring Health Care Management and by various professional groups and associations, where appropriate, and to be familiar with the laws governing the operation of a nursing facility that affect their specific job responsibilities.

### 4.2 **Educational Elements**

There are three basic educational elements to the compliance education plan: (1) new employee education; (2) continuing education; and (3) corrective education.

- A. **New employee education.** All new employees of Carespring Health Care Management will be required as a condition of their employment to attend a training session, which shall include an introduction to Carespring Health Care Management's culture of compliance, an overview of the Code of Conduct and the compliance policies and procedures applicable to each employee's job responsibilities; procedures for reporting compliance violations, including available reporting mechanisms; and the disciplinary system. Employees will be informed that strict compliance with these policies and procedures is also a condition of their employment.
- B. **Continuing education.** All employees will be required to attend periodic inservice training sessions on fraud and abuse and Carespring Health Care Management's compliance program. In addition, Carespring Health Care Management shall post a

notice detailing its commitment to ethical standards and compliance with all applicable laws and regulations in the conduct of its business at each of its facilities.

- C. **Corrective education.** Directed corrective education will be instituted on a case-by-case basis when issues are raised through audits, reports of violations, or other monitoring activities. The Compliance Officer shall be responsible for recommending corrective education, and the Compliance Committee shall be responsible for determining the form and content of that education.

#### **4.3 Documentation of Educational Efforts**

All compliance education at Carespring Health Care Management shall be documented. The Compliance Officer is responsible for establishing appropriate systems of documentation, and for reporting on the status of educational efforts to the Governing Body.

### **5.0 - MONITORING**

#### **5.1 Compliance Officer Responsibility**

The Compliance Officer, or his or her designee, shall be responsible for conducting periodic reviews of various areas, such as beneficiary billing, admissions procedures, code assignment, employee screening, vendor contracting, and quality of care and life (including compliance with applicable State and Federal health and safety standards), to ensure that applicable laws and regulations are being followed, and that accurate information is being conveyed or submitted.

In fulfilling this responsibility, the Compliance Officer:

- A. May use the services of employees and qualified legal or accounting consultants, as necessary;
- B. May use interviews, questionnaires, onsite visits, unannounced mock surveys, and document reviews, as well as sampling techniques in conducting the review; and
- C. Shall include a copy of whatever findings are made in relevant compliance files.

#### **5.2 Complaint Audits**

Upon receipt of a credible allegation or complaint alleging improper or inaccurate billing practices by Carespring Health Care Management, an audit of billing practices may be undertaken in accordance with Carespring Health Care Management's internal auditing policies and protocols, if deemed necessary by the Compliance Officer or the Compliance Committee.

### **6.0 - ENFORCEMENT & DISCIPLINE**

- A. **Consistent Enforcement.** The standards established in this Compliance Manual shall be consistently enforced through disciplinary proceedings and sanctions. These shall include, but are not limited to, informal reprimands, formal reprimands, demotion, suspension, and termination. In determining the appropriate discipline for any violation of the compliance program, Carespring Health Care Management shall treat all employees equally, without taking into account a particular employee's title, position, or function within Carespring Health Care Management.
- B. **Discipline for Compliance Violations.** Any employee who engages in a violation of standards established in the Compliance Manual, or any other laws or regulations, shall be subject to disciplinary action, up to and including termination in accordance with Carespring Health Care Management's disciplinary policy located in its Employee Manual. Carespring Health Care Management shall accord no weight to an employee's claim that any improper conduct was undertaken for the benefit of Carespring Health Care Management. Any such conduct is not for the benefit of Carespring Health Care Management and is expressly prohibited.
- When appropriate, discipline shall be enforced against employees for failing to detect or report wrongdoing. This means that employees must understand that they have an affirmative duty to report wrongdoing.
- C. **Misconduct by Agents & Contractors.** Carespring Health Care Management will investigate reports of misconduct by its agents and contractors. If misconduct is found, then appropriate actions will be taken, including, if necessary, termination of the independent contractor agreement.

## 7.0 - COMPLIANCE OVERSIGHT

### 7.1 **Governing Body**

The Governing Body is ultimately responsible for supervising the work of the Compliance Officer and adopting and maintaining the standards in this Compliance Manual. The Governing Body is responsible for delegating responsibility and authority and for reviewing the effectiveness of the compliance program.

The specific oversight responsibilities of the Governing Body are:

- A. Overseeing all of the compliance efforts of Carespring Health Care Management;
- B. Consulting with advisors as necessary;
- C. Coordinating with the Compliance Officer to ensure the adequacy of the program;
- D. Receiving periodic reports from the Compliance Officer concerning the compliance program;
- E. Ensuring that appropriate corrective measures are instituted and maintained in response to identified quality issues;
- F. Maintaining, and improving as appropriate, the compliance program and this Compliance Manual;
- G. Reviewing the overall performance of Carespring Health Care Management in light of the compliance program and this Compliance Manual;
- H. Ensuring that Carespring Health Care Management meets applicable standards of business, legal, and ethical compliance; and

- I. Taking action as appropriate and necessary to ensure that Carespring Health Care Management conducts its activities in compliance with applicable law and regulations and sound business ethics.

## **1.2 Compliance Officer**

The Compliance Officer shall have the primary responsibility of developing, implementing and overseeing Carespring Health Care Management's compliance program. The Compliance Officer shall be appointed by the CEO.

The Compliance Officer shall receive periodic training in compliance procedures; have direct access to the Governing Body; have access to necessary records and documentation, including resident records, billing records, and marketing agreements and records; and have authority to conduct investigations. The Compliance Officer will consult with supervisors regarding compliance issues and assist supervisors in responding to reports of suspected noncompliance.

The Compliance Officer shall be responsible for taking steps to ensure that:

- A. The Code of Conduct is distributed to all employees;
- B. Employees receive education and training regarding the Code of Conduct and compliance policies and procedures applicable to their job responsibilities;
- C. This Compliance Manual is revised as needed to reflect changes in State or Federal law, private payor requirements, or changes in Carespring Health Care Management's operations;
- D. A background check is conducted for all prospective employees, including a criminal background check when applicable, and a determination made of whether the prospective employee is subject to sanctions under or exclusion from the Medicare and/or Medicaid programs;
- E. Employees are given appropriate compliance program training, including information regarding the duty to report suspected violations or questionable conduct and the mechanism for such reporting;
- F. Hotline calls, correspondence, and other reports of suspected violations or questionable conduct are treated confidentially (unless specific circumstances dictate to the contrary);
- G. An appropriate inquiry or investigation is initiated with respect to any report of a suspected violation or questionable conduct, and corrective and/or employee disciplinary action is taken, where appropriate;
- H. Reports are periodically provided to the CEO and the Governing Body regarding material matters involving suspected violations or questionable conduct, and on an as needed basis;
- I. Periodic reviews of vulnerable areas are conducted and the findings reported to the CEO and the Governing Body;
- J. A report at least annually regarding the operation of the compliance program is provided to the CEO and the Governing Body;
- K. A compliance filing system is maintained, including a log of all compliance issues raised, the resolution of such issues, and action taken in response, if any;
- L. Specific compliance issues are assigned to individuals outside Carespring Health Care Management for review, as appropriate, such as Legal Counsel, accountants, quality consultants, etc. The Compliance Officer has the authority and responsibility to authorize such reviews;

- M. With Legal Counsel, appropriate reporting and repayment of self discovered overpayments occurs within a reasonable period, but no longer than sixty (60) days from the date it is identified as an overpayment or when the cost report is due, if applicable, whichever is later;
- N. Activities of the Compliance Committee are coordinated to assure that all duties are fully performed; and
- O. Carespring Health Care Management's vendors, suppliers, and other contractors are informed in writing about its compliance program.

### **7.3 Compliance Committee**

Carespring Health Care Management has established a Compliance Committee to assist the Compliance Officer in carrying out his or her duties, and to assist with the development, implementation, and oversight of the compliance program.

The Compliance Committee shall be appointed by the Compliance Officer, and, at a minimum, shall consist of representative from the following disciplines: operations, Administration and finance/reimbursement. Typically committee members are made up of the Executive Team then team members from different levels and locations along the Chain of Command as indicated.

In addition to other responsibilities requested or assigned by the Compliance Officer, the Compliance Committee shall:

- A. Assist the Compliance Officer in analyzing risk areas that should be addressed in Carespring Health Care Management's compliance program, including legal risks, operational issues, and quality of care issues;
- B. Assist in assessing Carespring Health Care Management's policies and procedures, including Carespring Health Care Management's Compliance Manual and program, and in developing new policies or amending existing policies, as appropriate;
- C. Assist in implementing Carespring Health Care Management's compliance policies and procedures;
- D. Work with Carespring Health Care Management's Compliance Officer and staff to develop and implement standards of conduct;
- E. Assist the Compliance Officer in monitoring internal controls for carrying out Carespring Health Care Management's policies and procedures and implementing corrective action; and
- F. Assist the Compliance Officer in employee reporting and education.

### **7.4 Supervisors**

Supervisors serve as the first line of communication regarding compliance issues for employees. supervisors are "deputized" by the Compliance Officer to respond to reports of suspect activity within their area of supervision. If a supervisor needs direction or has a question regarding how to respond to a report of suspect activity, the supervisor should seek guidance from the next level of Carespring Health Care Management's chain of command, in accordance with Carespring Health Care Management's reporting procedures.

Supervisors shall maintain policies and procedures that ensure that functions under their supervision are implemented in compliance with law, and that employees under their supervision perform their duties in compliance with these policies and procedures and applicable law. Supervisors' performance of these responsibilities shall be a factor in their evaluations.

Supervisors must be available to discuss with each employee under their direct supervision:

- A. The principles underlying the Code of Conduct;
- B. That adherence to the Code of Conduct and the compliance program is a condition of employment;
- C. That Carespring Health Care Management shall take appropriate disciplinary action, including termination of employment, for violation of the principles set forth in the compliance program and applicable laws and regulations;
- D. That neither Carespring Health Care Management nor any of its employees will retaliate against any individual for reporting a suspected violation or questionable conduct or assisting in an investigation;
- E. The necessity and importance of participating in ongoing training regarding Carespring Health Care Management's compliance program; and
- F. The necessity of completing any required affirmations of compliance, and to ensure that those statements are acknowledged and returned to appropriate personnel.

Additionally, supervisors are required and directed to report significant compliance issues up the chain of command to the Compliance Officer. Supervisors should exercise discretion as to whether a compliance issue is so significant as to warrant the attention of the Compliance Officer. Generally, systemic issues, issues that involve questions of ethical business practices, and/or legal or billing violations should be reported to the Compliance Officer.

## **7.5 Legal Counsel**

The Compliance Officer and/or the Governing Body may consult Legal Counsel as necessary on issues raised by reports of suspected violations or questionable conduct.

Legal Counsel may be responsible for:

- A. Providing advice regarding Carespring Health Care Management's compliance with applicable laws,;
- B. Conducting and overseeing investigations of allegations of compliance violations;
- C. Reviewing Carespring Health Care Management's compliance program periodically and as needed; and
- D. Assisting in any needed revisions to the compliance program