**TEACHING FAMILY HOMES OF UPPER MICHIGAN**

**CORPORATE COMPLIANCE PLAN**

**I. Introduction and Statement of Purpose.** It is the policy of Teaching Family Homes (TFH) to follow ethical standards of business practice established by the management team and board; by oversight agencies; and state and federal law. TFH has an ongoing commitment to ensure that its affairs are conducted in accordance with applicable law and sound ethical business practice. The TFH Board of Directors, employees, contract providers, interns and volunteers are fully informed of applicable laws and regulations to which the agency is obliged so that they do not inadvertently engage in conduct that may raise compliance issues. TFH recognizes that its business relationships with consumers/clients, contractors, other providers and vendors are subject to legal requirements and accountability standards. To further its commitment to compliance and to protect its employees, TFH places emphasis on its Corporate Compliance Program to address regulatory issues likely to be of most consequence to operations. This includes compliance with the Whistleblowers Act.

The Corporate Compliance Plan establishes the following framework for legal and

corporate compliance for TFH Board of Directors, employees, contract providers,

interns and volunteers:

Designation of responsible persons charged with directing the effort to enhance

compliance and implement the Corporate Compliance Plan;

Incorporation of standards, policies and administrative guidelines directing personnel and others involved with operational practice;

Identification of legal issues that may apply to business relationships and methods of

conducting business;

Development and implementation of an education program for the Board of Directors,

employees, interns and volunteers addressing obligations for adherence to applicable

compliance requirements;

Implementation of a mechanism for employees, interns and volunteers to raise

questions and receive appropriate guidance concerning operational compliance issues;

Development and implementation of an ongoing monitoring and assessment process

identifying potential risk areas and operational issues requiring further education;

Development and implementation of a process for employees, contractors, interns

and volunteers to report possible compliance issues

Enforcement of standards through documented disciplinary guidelines and policies

and training addressing expectations, sanctions and consequences;

Formulation of plans for corrective action to address identified areas of

noncompliance;

Coordination with contract providers to ensure effective compliance in areas where

activities of TFH and the contract provider overlap; and

Implementation of regular review of the overall compliance efforts to

ensure that operational practices reflect current compliance requirements and address

strategic goals for improving operations.

This Corporate Compliance Plan in not intended to set forth all of the substantive

programs and practices of TFH that are designed to achieve compliance. In addition to this plan, TFH has developed and implemented a Quality Assurance Plan establishing guidelines and defining parameters of the compliance efforts. The compliance practices included below are coordinated to direct overall compliance efforts.

**II. Scope.** The Corporate Compliance Plan applies to all TFH operational activities and administrative actions and includes those activities defined in federal and state regulations relating to agency staff and treatment. The Center places particular focus upon the following concerns:

Adhering to requirements related to the quantitative and qualitative documentation of

services and associated billing practices;

Evaluating and managing over and underutilization of services;

Ensuring delivery of treatment necessary services providing the best value for the

consumers/clients and communities served by TFH;

Complying with regulatory guidelines for data collection and submission processes;

Developing and implementing and adhering to policies and procedures relating to

high risk activities

Developing and implementing policies for credentialing clinical staff

Addressing other notable areas identified by the TFH through findings from self assessment monitoring.

It is intended that the scope of all compliance activities promotes integrity, ensures

objectivity, fosters trust and supports and the values of TFH.

**III. Administrative Responsibility.** The primary responsibility for developing, implementing, managing, monitoring and oversight of TFH compliance effort is assigned to the Corporate Compliance Officer. The Compliance Officer will report all compliance efforts and identified issues directly to the Chief Executive Officer and indirectly, and as needed to the Board of Directors. The Agency's CEO has supervisory responsibility for implementation of the Corporate Compliance Plan. The Board of Directors is accountable for governing TFH as a knowledgeable body regarding compliance expectations, practices, identified risk issues and plans for corrective action.

With the guidance of the CEO and with the assistance of the Agency's legal counsel, the Corporate Compliance Officer is responsible for the following activities:

Assist the Quality Assurance Committee and Executive Management Team in the review, revision and formulation of appropriate policies and procedures to guide all activities and functions of the agency that involve issues of compliance;

Ensure processes for compliance integrate with and support the agency’s quality

management monitoring and system self-assessment processes;

Review and amend the Business Code of Conduct and the Corporate Compliance Plan with the Quality Assurance Committee as set forth in this plan,

as necessary;

Assist Staff Development with developing methods to ensure that employees,

contract providers, interns and volunteers are aware of the Agency's Business Code

Conduct and understand the importance of compliance;

Assist Staff Development with developing and delivering educational and training

programs with input from the Quality Assurance Committee;

Receive and review instances of suspected compliance issues, communicate findings

and request and monitor action plans with the program and/or individual suspected of

noncompliance and the Quality Assurance Committee, as set forth in the plan;

Prepare a quarterly compliance summary for the Chief Executive Director, Chief Operations Officer and Quality Assurance Committee and the legal counsel as if deemed appropriate;

Provide other assistance with initiatives regarding corporate compliance, as directed

by the Chief Executive Officer, legal counsel and the Board of Directors.

**IV. Compliance Committee.** A Compliance Committee (Quality Assurance Committee –QUAC) representing the direct care, clinical and administrative services of the agency will be formed to assist the Compliance Officer with the development and implementation of compliance efforts. The Compliance Officer will serve as the chair of the Committee. The role of the Compliance Committee is to advise the Compliance Officer and assist in the implementation of the compliance program. The Committee's responsibilities include:

Analyzing the organization's regulatory obligations;

Assessing existing policies and procedures that address these areas for possible

incorporation into the compliance monitoring program;

Working with employees, interns and volunteers to adhere to standards of conduct

and policies and procedures that promote compliance;

Recommending, developing and monitoring internal systems and controls to carry out

agency standards, policies and procedures as part of the TFH's daily operations;

Determining the appropriate strategy and approach to promote compliance and

detection of potential risk areas through various reporting mechanisms;

Assisting with the development of preventive and corrective action plans;

Developing a system to solicit, evaluate and respond to complaints and problems; and

Monitoring finding of internal and external reviewing bodies for the purpose of

identifying risk areas or deficiencies requiring preventive and corrective action.

**V. Policy Guideline.** TFH has adopted policies and procedures specific to

the agency's operational practices. These policies and procedures are reviewed at least

annually and revisions are made, as necessary. The policies and procedures specific to the agency's compliance effort are intended to support and further define the operational practices and responsibilities and, when possible, are integrated within existing policies and procedures. All new employees, interns, and volunteers receive training and provide acknowledgement of receipt of the agency’s Compliance Program.

**VI. Education and Training.** The Compliance Officer and Quality Assurance Committee are responsible for ensuring agency policies regarding compliance are

disseminated and understood by employees, interns and volunteers. To accomplish this

objective, the Compliance Officer will assist with the development of a systematic and

ongoing training program that enhances and maintains awareness of agency policies.

External training materials provided through seminars or other outside sources, directed

to direct care, clinical, administrative or other regulatory compliance issues must be submitted to the Compliance Officer for review with the Quality Assurance Committee.

All agency employees, interns and volunteers participate in compliance training whereby a system is in place to document that such training has occurred. Training material will identify the agency’s contact person(s) available to respond to questions specific to compliance training or regulatory issues. Employees, interns, and volunteers are made aware of their compliance obligation as a condition of employment, service or as a condition of their contractual agreement, respectively. Adherence to policies will be addressed within the agency's orientation and ongoing training programs, employee job descriptions and provider contracts. Employees, interns, volunteers and contract providers will be expected to have a sufficient level of understanding as a result of compliance training. If a particular compliance issue or risk issue develops, the Compliance Officer and Quality Assurance Committee may recommend that identified persons attend training addressing the risk issue.

**VII. Monitoring.** In coordination with the practices outlined in the agency’s Quality Assurance policy monitoring and review will occur in agency programs including applicable when 1) a request is made by a member of administration 2)

high risk areas are identified through the agency’s risk assessment or 3) at the discretion of the Compliance Officer based on valid compliance violations. The results will be reviewed by the Quality Assurance Committee, reported to the Chief Executive officer and communicated to the program reviewed.

The Chief Executive Officer shall seek consultation with the agency's legal counsel when expert review is necessary to analyze the risk issue. In consultation with

legal counsel, the CEO and Compliance Officer will review the situation to determine whether there appears to have been activity inconsistent with agency policies, procedures or Business Code of Conduct.

**VIII. Reporting Compliance Issues.** As a general practice, and as stated in the

agency’s training materials, employees, volunteers and contract providers are directed to address questions about operational issues to persons having supervisory responsibility for the specific program. As another reporting option for employees, interns and volunteers, training materials will inform employees/individuals that they may report to the agency's Compliance Officer any activity they believe to be inconsistent with agency policies and legal requirements. The training materials will provide a contact method(s) to address compliance issues to the Compliance Officer. The Compliance Officer will use various communication methods, including available electronic and telephonic communications methods, to ensure timely communication of the elements of this compliance plan. At a minimum, one communication method will be available 24 hours a day. All reports will be investigated unless the information provided contains insufficient information to permit a meaningful investigation. Employees, interns, volunteers and contract providers reporting possible compliance issues in good faith will not be subject to retaliation or harassment as a result of the report. Concerns about possible retaliation or harassment should be reported to the Chief Executive Officer, Chief Operations Officer, or Business Director.

**IX. Investigating Compliance Issues.** When conduct is reported that is determined

to be inconsistent with agency operating policy, the Compliance Officer will determine

whether there is a reasonable cause to believe that a risk issue may exist. If this

preliminary review indicates that a problem may exist, the Compliance Officer reports

the risk issue to the CEO and an inquiry into the matter will be undertaken. Agency

employees, interns, volunteers and contract providers will be expected to cooperate fully with any inquiries undertaken. Responsibility for conducting the investigation will be decided on a case-by-case basis by the Corporate Compliance Officer and CEO. The result of the inquiry will be given to the CEO and the Quality Assurance Committee. The investigative process will adhere to any applicable agency policies regarding personnel action to be taken. To the extent practical and appropriate, effort will be made to maintain the confidentiality of such inquiries and the information gathered.

Consequences for conduct inconsistent with the agency’s operating policy will be addressed according to provisions identified in the applicable policies.

**X. Corrective Action Plans.** When a compliance issue has been identified through routine monitoring, a report by an employee, intern, volunteer or contract provider or an investigation, the Compliance Officer will ensure the issue is reported to the supervisor with responsibility for the specific program or employee. The supervisor will be responsible for development of an action plan. Assistance may be solicited from the Compliance Officer and other staff, as appropriate, for documentation to the action plan. The Compliance Officer or supervisor may seek guidance from the Quality Assurance Committee, CEO or Board of Directors. Information about preventive and corrective action plans will be reported to and monitored by the Quality Assurance Committee. Action plans will be designed to ensure not only correction of the specific issue but also, when appropriate, preventive measures to ensure the issue does not recur within the agency’s system of care. In accordance with policy, corrective action may require provision of training; reassignment of duties or functions; personnel action; termination; repayments; or external disclosure to the appropriate oversight body of the risk issue and action taken. If the investigation finds that any non-compliance act has occurred, that finding will be reported to the CEO and the Compliance Committee. Individuals who engage in willful misconduct or conduct that demonstrates willful indifference or reckless disregard of compliance procedures will be subject to disciplinary action, including consideration of termination of employment, respectively, and potential disclosure to the appropriate local, state or federal governmental entity. The action plans will be maintained in a secured file for at least five years.

**XI. Compliance Review.** The Compliance Officer will ensure a review of the agency's status with current compliance and regulatory operations. The purpose of the review is to ascertain whether the compliance operations of the agency are within substantial

compliance with policy and regulatory requirements. The Compliance Officer, with review and comments provided by the Quality Assurance Committee, will prepare the annual compliance report.

**XII. Annual Report and Corporate Compliance Work Plan.**

A report of the compliance efforts during the preceding year will be reported to the Board of Directors. A work plan addressing plans for maintaining and improving agency compliance efforts will be developed by the Compliance Officer with the Quality Assurance Committee if warranted.

**XIII. Revisions to the Corporate Compliance Plan.** The Corporate Compliance Program is intended to be flexible and readily adaptable to changes in regulatory requirements and in the service system as a whole. The program will be regularly reviewed by the Compliance Officer and the Quality Assurance Committee to assess its viability and the inclusion of all appropriate policies and regulatory requirements. The program will be revised as experience demonstrates that a certain approach is not effective or suggests a better alternative. The Corporate Compliance Officer and the Quality Assurance Committee will have the authority to revise or amend the plan as appropriate with approval of the CEO and adoption of the Board of Directors unless the revisions are grammatical in nature.

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ACKNOWLEDGEMENT OF CORPORATE COMPLIANCE PLAN

I have received and read the Teaching Family Homes “Corporate Compliance Plan”. I have been given ample opportunity to ask questions and all my questions have been adequately addressed.

I understand that I have a responsibility as an employee/Board Member of Teaching Family Homes to fully adhere to this plan and its principles and I will abide by those directives set forth in this plan.

If I have a concern regarding a possible violation of agency policy, I will report that concern to the Compliance Officer in accordance with this plan.

I also understand that violation of any “Compliance” standards will be cause for disciplinary action up to and including discharge from employment.

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(Print Full Name)

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(Signature) (Date)