

COMPLIANCE PLAN & POLICY OVERVIEW

Corporate Compliance & Confidentiality

I. Policy:

It has been and continues to be a guiding principle of Birch Family Services to provide the highest quality of services, with the utmost honesty and integrity while also ensuring compliance with all applicable, current federal, state, and local laws and regulations as well as payer requirements. It is also the policy of Birch Family Services to adhere to the Code of Conduct and Business Ethics and the Conflict of Interest Policy that is adopted by the Board of Directors.

Along with internal policies that promote the greatest level of ethical standards, Birch Family Services maintains a Corporate Compliance Plan and a Policy & Procedure Manual, with explicit policies, as mandated by current laws and best practices. These exemplify our commitment to excellence and our mission to support people with autism and developmental disabilities to live a meaningful life, the life they choose and desire. The Plan is updated as warranted when there are modifications made to applicable legislation or internal procedures.

The Corporate Compliance Manual includes the following policies and/or information:

1. Code of Conduct and Conflict of Interest
2. Enforcement of Compliance Standards
3. Exclusion Screening
4. Business Courtesies False Claims Act & Whistleblower Provisions
5. Reporting of Compliance Concerns and Non-Retaliation
6. Investigation of Compliance Issues
7. Reimbursement Practices and Billing Errors
8. Response to Governmental Investigations
9. Role and Responsibilities of the Corporate Compliance Committee

II. Oversight:

Birch Family Services has appointed a Compliance Officer whose primary responsibilities are to design, implement and monitor the agency Compliance Plan. The Compliance Officer conducts periodic reviews of systems and internal controls, staff records and credentials, service delivery documentation, and analysis of compliance data. Birch Family Services also maintains a Compliance Committee whose membership includes the Chief Executive Officer and members of the Board of Directors to assist and oversee the functions of the Compliance Officer, and conduct agency assessments of risk, minimally on an annual basis. This committee is chaired by the Compliance Officer and meets every other month.

III. Commitment:

Birch Family Services is committed to our responsibility to conduct our business affairs with integrity based on sound ethical standards and best practices. The policies and plan apply to all Birch Family Services' employees, Board Members, contracted practitioners, and vendors. All employees, contracted practitioners, and vendors shall acknowledge that it is their responsibility to report any instances of suspected or known compliance matters to their immediate supervisor, an administrator or the Compliance Officer.

Birch Family Services is committed to maintaining and measuring the effectiveness of our compliance policies and standards through monitoring and auditing systems reasonably designed to detect noncompliance, fraud, waste or abuse by its employees and agents. Birch Family Services requires the

performance of regular, periodic compliance audits by the Compliance Officer or designee who have expertise in federal and state health care statutes, regulations, education and health care program requirements. The Compliance Officer reports findings from all internal audits and investigations to the Chief Executive Officer, the Corporate Compliance Committee and Board of Directors.

IV. Communication and Reporting:

In addition to contacting the Compliance Officer, with the implementation of open door communication practices, questions, reports, complaints and/or concerns may be directed to a number of Birch Family Services staff. These can be made in a variety of ways including anonymously via an internal or external hotline without fear of retaliation, intimidation or retribution. Failure by employees to report known noncompliance or making reports which are not in good faith could be grounds for disciplinary action up to and including termination. Reports received by the Compliance Officer related to other matters will be referred to the appropriate executive or department based on the concern (i.e. a workforce matter would be referred to Human Resources).

Detected noncompliance, through any mechanism, i.e., compliance auditing procedures and/or confidential reporting, will be responded to in an expedient manner. All complaints will be investigated to the fullest extent possible. Birch Family Services is dedicated to the resolution of such matters and will take all reasonable steps to prevent further similar violations, including any necessary modifications to the Corporate Compliance Plan.

V. Applicable Laws:

Birch Family Services' policies and practices address and are consistent with the stipulations of the laws described below:

1. The Deficit Reduction Act (DRA) is a federal regulation that places emphasis on fraud detection and protection. This law encourages individual states to design and implement a False Claims Act (FCA) and to provide education on all components of these laws.
2. The False Claims Act (FCA) is designed to prevent and detect fraud, misuse, waste and abuse in federal healthcare programs, including Medicaid and Medicare. Under the FCA, anyone who knowingly submits false claims to the Government is liable for damages.

In order to encourage individuals to come forward and report misconduct involving false claims, the False Claims Act contains a "Qui Tam" or "Whistleblower" provision. An employee's disclosure is protected if the employee first brought the matter to the attention of a supervisor and gave the employer a reasonable opportunity to correct the alleged violation. Protected disclosures are those that assert, in good faith, the employee believes constitute improper quality of care.

Birch Family Services does not take any retaliatory action against an employee if the employee discloses certain information about Birch Family Services' policies, practices, or activities to a regulatory, law enforcement, or other similar agency or public official.

3. Social Service Laws stipulate that it is a violation to knowingly obtain or attempt to obtain payment for items or services under any Social Services program, including Medicaid, by use of a false statement, deliberate concealment, or other fraudulent device. Particular attention is placed upon serious violations of the Medicaid rules such as billing for services not rendered, provision of services by unqualified personnel, and/or providing excessive services that are not deemed "medically necessary". Any person who submits false statements or deliberately conceals material

information in order to receive Medicaid reimbursement, is guilty of criminal activity and civil penalties can be assessed.

4. The Health Insurance Portability & Accountability Act (HIPAA) & The Family Educational Rights and Privacy Act (FERPA): These are federal laws which stipulate that protected health information (PHI) / personally identifiable information (PII) of individuals served may only be disclosed or shared under certain circumstances. FERPA specifically pertains to student educational records. Birch Family Services is committed to safeguarding the privacy of such information when collected, recorded, transmitted and stored. Birch Family Services will share or disclose such information with other service providers or personal representatives of the individuals for the purposes of treatment, payment for services or other routine business operations (TPO) in a confidential, secure manner. Any and all other disclosures, outside of specified documents stipulated in regulation/law to be routinely provided to a personal representative (including legal guardians and parents of a minor) may only be enacted with the written authorization of the individual served or their personal representative. Any disclosures made outside of these provisions are considered violations of personal confidentiality and civil penalties may be levied.

Confidentiality Policies include the following:

1. Use and Disclosure
2. Minimum Necessary Rule
3. Written Authorizations
4. Requests for Disclosures
5. Individual and Personal Representative Rights
6. Subpoenas, Court Orders and Discovery Requests
7. Verification of Identity and Authority of Requestor
8. Marketing Activities & Fundraising Activities
9. Training
10. Assigned Privacy and Security Responsibility
11. Workstation Use

VI. Training:

Birch Family Services conveys its compliance policies, including our Code of Conduct/ Conflict of Interest policy through required training initiatives to all employees, Board Members, contracted practitioners, and vendors. Training is conducted by the Compliance Officer, during staff orientation and a refresher course will be provided minimally annually thereafter. All employees and Board Members are required to participate in the initial training and annual refresher courses.

VII. Compliance Officer Contacts and Compliance Hotlines:

Eileen Berg, Compliance Officer: Direct Office Phone: 212-616-1802

Email address: eileen.berg@birchfamilyservices.org

On-Site Anonymous Hotline: 212-616-1804

External Hotline: Toll-free: 844-450-0003 for English

800-216-1288 for Spanish

855-725-0002 for French

External Vendor Hotline/Website: www.lighthouse-services.com/birchfamilyservices

Email: reports@lighthouse-services.com

Fax: 215-689-3885