



CORPORATE COMPLIANCE PLAN 2014

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I. MISSION STATEMENT

Mid-State Health Network (MSHN) is formed for the purpose of carrying out the provisions of the Mental Health Code, relative to serving as a prepaid inpatient health plan, as defined in 42 CFR 438.2 ("PIHP"), to manage the Medicaid Specialty Support and Services Concurrent 1915(b)/(c) Waiver Programs ("Medicaid"); and ensuring a comprehensive array of services and supports as provided in the PIHP Medicaid Contract with MDCH. MSHN's primary mission is to organize its actions in a manner that preserves the local public community mental health safety net, ensure access to Medicaid services for all citizens, and support the delivery of locally accountable health care services by the participating members. (As approved by the Bylaws adopted by the MSHN Board of Directors on July 29th, 2013 and as amended on August 29th, 2013)

II. VALUE STATEMENT

MSHN and its provider network are committed to consumers, employees, contractual providers, and the community to ensure business is conducted with integrity, in compliance with the requirements of applicable laws, regulations, contractual obligations, and sound business practices, and with the highest standards of excellence. MSHN has adopted a compliance model that provides for prevention, detection, investigation and remediation.

III. DEFINITIONS

These terms have the following meaning throughout this Compliance Plan.

1. CMHSP Participant: refers to one of the twelve member Community Mental Health Services Program (CMHSP) participant in the Mid-State Health Network.
2. CMHSP Participant and/or Coordinating Agency Subcontractors: refers to an individual or organization that is directly under contract with CMHSP and/or Coordinating Agency to provide services and/or supports.
3. Contractual Provider: refers to an individual or organization under contract with the MSHN Pre-Paid Inpatient Health Plan (PIHP) to provide administrative type services including CMHSP participants who hold retained functions contracts.
4. Employee: refers to an individual who is employed by the MSHN PIHP.
5. Provider Network: refers to a CMHSP Participant and a Substance Abuse Coordinating Agency (CA) that is directly under contract with the MSHN PIHP to provide services and/or supports through direct operations or through the CMHSP's and CA's subcontractors.
6. Staff: refers to an individual directly employed and/or contracted with a Community Mental Health Service Provider and/or Coordinating Agency.
7. Substance Abuse Coordinating Agency: refers to the regional coordinating agencies as designated by Michigan Department of Community Health.

IV. COMPLIANCE PROGRAM

A. Compliance Policies

While the Compliance Plan provides the framework of the Compliance Program, the Compliance Policies provide more specific guidance. Refer to **Attachment A** for a list of the Compliance Policies that are part of the Compliance Program.

B. Compliance Plan

The Compliance Plan is prepared as a good-faith effort to summarize MSHN's rules, policies and procedures. To the extent that the Plan conflicts with, or misstates any applicable law or regulation, the law takes precedence.

The purpose of the Compliance Plan is to provide the framework for MSHN to comply with applicable laws, regulations and program requirements. The overall key principles of the Compliance Plan are to:

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

The following elements have been identified by the Medicaid Alliance for Program Safeguards as being essential to an effective compliance program for Managed Care Organizations and Prepaid (Inpatient) Health Plans (PIHP):

- *Standards and procedures* – the organization must have written policies, procedures, and standards of conduct that articulate the organization's commitment to comply with all applicable Federal and State standards, laws and regulations.
- *High level oversight and delegation of authority* – the PIHP must designate a Compliance Officer and a Compliance Committee.
- *Training* – the PIHP must provide for effective training and education for the Board of Directors, Compliance Officer and the organization's employees. The PIHP must assure adequate training is provided through the provider network.
- *Communication* - Effective lines of communication must be established between the Compliance Officer and the organization's employees.
- *Monitoring and auditing* – The organization must take reasonable steps to achieve compliance with defined standards by utilizing reasonably designed monitoring and auditing systems and practices.
- *Enforcement and disciplinary mechanisms* – Standards must be enforced through well-publicized disciplinary guidelines.

- *Corrective actions and prevention* – After an offense (*non-compliance*) has been detected, the organization must take reasonable steps to respond appropriately to the offense and to develop corrective action initiatives and performance improvement. This includes follow-up monitoring and review to ensure the performance improvement plan is effective.

V. STRUCTURE OF THE COMPLIANCE PROGRAM

A. General Structure

- *MSHN Board of Directors*: MSHN's Board of Directors is responsible for the review and approval of the Compliance Plan and Policies, review of the Annual Compliance Report, and review of matters related to the Compliance Program. The MSHN Board of Directors has the highest level of responsibility for the oversight of the Compliance Program.
 - a. The Board shall review reports semi-annually from the MSHN Chief Compliance Officer (CCO).
- *Corporate Compliance Committee*: The Corporate Compliance Committee provides guidance, supervision, and coordination for compliance efforts at MSHN. MSHN's Corporate Compliance Committee (CCC) is comprised of the MSHN Chief Executive Officer, Chief Information Officer, Chief Financial Officer, Chief Compliance Officer, and SUD Coordinator. The Medical Director and Compliance Counsel will be ad-hoc members of the CCC. In addition, Ex-officio members may be asked to attend as non-voting members to provide consultation on specific areas of expertise.
 - a. The Corporate Compliance Committee meets at least semi-annually to review and provide feedback on system process and procedures regarding compliance to the MSHN Chief Compliance Officer. The Corporate Compliance Committee will develop the annual areas of focus that will guide the MSHN compliance efforts.
- *Chief Compliance Officer*: The MSHN Chief Compliance Officer has primary responsibility for ensuring that MSHN maintains a successful Compliance Program. In particular, the Corporate Compliance Officer oversees the implementation and effectiveness of the Compliance Plan and Compliance Policies. The Chief Compliance Officer shall serve as the Chair of the Quality Improvement Council and provide consultative support to the CMHSP participants.
- *Quality Improvement Council*: The Quality Improvement Council advises the Operations Council and the MSHN Chief Executive Officer concerning quality improvement matters. The Quality Improvement Council is comprised of the MSHN Chief Compliance Officer and the CMHSP Participants' Quality Improvement staff appointed by the respective CMHSP Participant Chief Executive Officer/Executive Director. All CMHSP Participants shall have equal representation on this council.

- Operations Council: The Operations Council reviews reports concerning quality improvement matters as identified by the Quality Improvement Council and reported by the MSHN Chief Executive Officer. The Operations Council shall be comprised of the Chief Executive Officers or Executive Directors of each CMHSP Participant and the MSHN Chief Executive Officer who serves as Chair.

See **Attachment B** – MSHN Compliance Process/Governance

B. MSHN Compliance Officer

MSHN designates the Chief Compliance Officer as the PIHP Compliance Officer, who will be given sufficient authority and control to oversee and monitor the Compliance Program related Policies and Procedures, including but not limited to the following:

- Coordinating internal (PIHP Audits) and external provider network audits (MDCH Audit and EQR Audit) and monitoring activities outlined in the compliance plan.
- Directs and is accountable for the implementation and enforcement of the Compliance Plan.
- Serves as chair of the MSHN's Corporate Compliance Committee and provides leadership to MSHN compliance activity and consultative support to CMHSP participants.
- Responsible for oversight of MSHN efforts to maintain compliance with federal and state regulations and contractual obligations.
- Serves as the Privacy Officer for MSHN
- Ensures that effective systems are in place by which actual or suspected compliance violations are reported in a timely manner to appropriate governing bodies.
- Reviews all reports of actual or suspected compliance violations received by MSHN from any source, and ensures that effective investigation and/or other action is taken.
- Monitors changes in federal and state health care laws and regulations applicable to MSHN operations and disseminate to the region.
- Works collaboratively with other MSHN employees and CMHSP Participants to ensure that auditing and monitoring protocols are designed to detect and deter potential compliance violations.
- Ensures that performance improvement plans are adequate to ensure compliance and assures effective implementation of corrective action occurs to reduce risk of future occurrences.
- Prepares and delivers an annual compliance report to the MSHN Board covering the fiscal year, including:
 - A summary of trends in the frequency, nature and severity of substantiated compliance violations;
 - A review of any changes to the Compliance Plan or program; and
 - An objective assessment of the effectiveness of the Compliance Plan and Program.

The authority given the MSHN Compliance Officer will include the ability to review all documents and other information relevant to compliance activities, including, but not limited to, consumer records, billing records, employee records and contracts and obligations of MSHN.

Each MSHN CMHSP Participant shall designate a Compliance Officer who has the authority to perform the duties listed for the MSHN Compliance Officer at their respective CMHSP, as appropriate.

C. Quality Improvement Council

The MSHN Quality Improvement Council will consist of the MSHN Chief Compliance Officer, and the CMHSP Participants' Quality Improvement staff, or designees appointed by MSHN CMHSP Participant's. The Council will meet at regular intervals and shall be responsible for the following:

- Advising the MSHN Chief Compliance Officer and assisting with the development, implementation, operation, and distribution of the Compliance Plan and supporting MSHN policies and procedures.
- Reviewing and recommending changes/revisions to the Compliance Plan and related policies and procedures and developing new policies and procedures as needed.
- Evaluating the effectiveness of the Compliance Plan.
- Determining the appropriate strategy/approach to promote compliance with the Compliance Plan and detect potential violations and areas of risk as well as areas of focus.
- Recommending and monitoring the development of internal systems and controls to carry out the Compliance Plan and supporting policies as part of daily operations.
- Reviewing MDCH, EQR and PIHP related audit results and corrective action plans, making recommendations when appropriate.
- Implementing a Peer Review Process that incorporates best practices related to the QAPIP and Compliance Plan to encourage continuous quality improvement.

VI. COMPLIANCE STANDARDS

MSHN will ensure the development of written policies and procedures, standards, and documentation of practices that govern the PIHP's efforts to identify risk and areas of vulnerabilities and are in compliance with federal regulations and state contract requirements.

A. Standards of Conduct and Ethical Guidelines

MSHN and its Provider Network are committed to conducting the delivery of services and business operations in an honest and lawful manner and consistent with its Vision, Mission, and Values and as defined in the Operating Agreement. (Mid-State Health Network Operating Agreement, Article II - Purpose, Operating Philosophy, Guiding Principles, Scope and Authority of the Entity, 2013) As such, MSHN minimally establishes the following Standards of Conduct to clearly delineate the philosophy and values concerning compliance with the laws, regulations, contractual obligations, government guidelines and ethical standards applicable to the delivery of behavioral health care.

- Provide through its Provider Network, high quality services consistent with MSHN Vision, Mission, and Values;
- Dedicated to ensuring that equality in voice and governance exists, and that the benefit to the citizens meets Medicaid standards while being provided in ways that reflect the needs and resources of the communities in which each CMHSP Participant operates;
- Shared operating structure, using a committee-based system that creates many venues, allowing voices from across the region to be heard;

- MSHN operations are for service to the CMHSP Participants in achieving high levels of regulatory compliance, quality of service, and fiscal integrity;
- MSHN exists to serve in the best interest of and to the benefit of all CMHSP Participants and their consumers;
- Foster each CMHSP Participants' integration activities and locally driven work.
- Conduct business in an honest, legal and competent manner to prevent fraud, abuse and waste;
- Perform all duties in good faith and refrain from knowingly participating in illegal activities;
- Report any actual or suspected violation of the Compliance Plan, Standards of Conduct, MSHN policies or procedures, contract requirements, state and federal regulations or other conduct that is known or suspected to be illegal;
- Provide accurate information to federal, state, and local authorities and regulatory agencies when applicable;
- Promote confidentiality and safeguard all confidential information according to policy;
- Practice ethical behavior regarding relationships with consumers, payers, and other health care providers;
- Protect through its Provider Network, the integrity of clinical decision-making, basing care on identified medical necessity;
- Seek to continually maintain and improve work-related knowledge, skills, and competence; and
- Actively support a safe work environment, free from harassment of any kind.

These Standards of Conduct provide guidance for MSHN Board members and employees, as well as the provider network in performing daily activities within appropriate ethical and legal standards and establish a workplace culture that promotes prevention, detection, and resolution of instances of conduct that do not conform with applicable laws and regulations. While the above standards are expected to be a framework for compliance, the issues addressed are not exhaustive. Therefore, MSHN Board Members, employees and its provider network staff are responsible for conducting themselves ethically in all aspects of business avoiding even the appearance of impropriety. The Provider Network shall comply with the MSHN Compliance Plan or provide evidence of a sufficient Compliance Plan of their own.

B. Legal and Regulatory Standards

It is the policy of MSHN to ensure compliance with all state and federal regulatory agency standards and applicable laws and regulations including, but not limited to, the following:

State/Federal Laws and Rules

- Michigan Mental Health Code and Administrative Rules
- Other Statutes Related to Municipal Organizations and Operations
- Other requirements as identified in the MDCH contract
- Technical Assistance Advisories, as required
- Medicaid State Plan
- Waiver Applications
- Medical Services Administration (MSA) Policy Bulletins
- Michigan Whistleblowers Act, Act 469 of 1980

Federal Medicaid Law, Regulations and Related Items

- Social Security Act, Title XIX (Medicaid)
 - Balanced Budget Act of 1997
 - Deficit Reduction Act/Medicaid Integrity Program of 2005
 - Anti-kickback Statute
- Code of Federal Regulations
- State Operations Manual
- Letters to State Medicaid Directors
- Technical Assistance Tools
 - Quality Improvement Systems for Managed Care (QISMC)
 - Guide to Encounter Data Systems
- Office of Management and Budget (OMB) Circulars
- Government Accounting Standards Board (GASB)

Other Relevant Legislation

- Health Insurance Portability and Accountability Act of 1996 (HIPAA)
- False Claim Act
- Provisions from Public Act 368 of 1978 – revised – Article 6 Substance Abuse
- Office of Inspector General Annual Work Plan
- Stark Law
- HITECH Act

C. Environmental Standards

MSHN shall maintain a hazard-free environment in compliance with all environmental laws and regulations. MSHN shall operate with the necessary security systems, permits, approvals and controls. Maintenance of a safe environment is the responsibility of all employees and contractual providers. In order to maintain a safe environment, MSHN shall enforce policies and procedures (as needed) designed to protect consumers, employees, staff, providers, visitors, the environment, and the community.

D. Workplace Standards of Conduct

In order to safeguard the ethical and legal workplace standards of conduct, MSHN shall enforce policies and procedures, per the MSHN Employee Handbook, that address behaviors and activities within the workplace setting, including but not limited to the following:

1. Confidentiality: MSHN is committed to protect the privacy of its consumers. MSHN Board members, employees, and contractual providers are to comply with the Michigan Mental Health Code, Section, 330.1748, Code of Federal Regulations (CFR), Title 42 and all other privacy laws as specified under the Confidentiality section of this document.
2. Drug and Alcohol: MSHN is committed to maintain its property and to provide a drug-free work environment that is both safe for our employees and visitors, as well as conducive to efficient and productive work standards.
3. Harassment: MSHN is committed to maintaining a work environment free of harassment for Board members, employees, and contractual providers. MSHN will not tolerate harassment based on sex, race, color, religion, national origin, disability, citizenship, chronological age, sexual orientation, union activity, or any other condition, which adversely affects their work environment.
4. Conflict of Interest: MSHN Board members, employees, and contractual providers shall avoid any action that conflicts with the interest of the organization. All Board

members, employees, and contractual providers must disclose any potential conflict of interest situations that may arise or exist.

5. Reporting Suspected Fraud: MSHN Board, staff and contractual providers shall report any suspected or actual “fraud, abuse or waste” of any funds, including Medicaid funds, to the organization.
6. Solicitation and Acceptance of Gifts: MSHN Board members, employees and providers shall not solicit gifts, gratuities or favors. MSHN Board members, employees and providers will not accept gifts worth more than \$25, gratuities or favors of any kind from any individual, consumer, or organization doing business or seeking to do business with MSHN.
7. Workplace Bullying: MSHN defines bullying as “repeated inappropriate behavior, either direct or indirect, whether verbal, physical, or otherwise, conducted by one or more persons against another or others, at the place of work and/or during the course of employment. Such behavior violates MSHN Code of Ethics, which clearly states that all employees will be treated with dignity and respect.
8. Workplace Violence and Weapons: MSHN takes violence and threats of violence extremely seriously. Any act or threat of violence by or against any employee, customer, supplier, partner, or visitor is strictly prohibited.
9. Political Contributions: MSHN shall not use agency funds or resources to contribute to political campaigns or activities of any political party.

E. Contractual Relationships

MSHN shall ensure that all contractual arrangements with providers are structured in accordance with federal and state laws and regulations and are in the best interest of the organization and the consumers served. In order to ethically and legally meet all standards, MSHN will strictly adhere to the following:

1. MSHN and its Provider Network shall not pay or accept payment of any tangible or intangible kind for referrals. Consumer referrals and intakes will be accepted based on the consumer’s needs, eligibility, and the ability to provide the services needed. No employee, contractual provider, or any other person acting on behalf of the organization is permitted to solicit or receive anything of value, directly or indirectly, in exchange for the referral of consumers. Similarly, when making consumer referrals to another healthcare provider, MSHN will not take into account the volume or value of referrals that the provider has made (or may make) to MSHN.
2. The Provider Network shall not enter into financial arrangements with physicians that are designed to provide inappropriate remuneration to the organization in return for the physician’s ability to provide services to federal health care program beneficiaries at MSHN.
3. MSHN does not enter into contractual relationships with individuals or agents/agencies that have been convicted of a criminal offense related to health care or that are listed by a federal agency as debarred, excluded, or otherwise ineligible for participation in federal health care programs. Reasonable and prudent background investigations will be completed prior to entering into contractual relationships with all individuals and agents/agencies.
4. The Provider Network and its contractors shall be responsible, and held accountable, to provide accurate and truthful information in connection with treatment of consumers, documentation of services, and submission of claims.

F. Purchasing and Supplies

MSHN shall ensure that all rental, lease, and purchasing agreements are structured in accordance with applicable federal and state self-referral and anti-kickback regulations as well as federal guidelines regarding tax-exempt organizations. All agreements must be commensurate with the fair market value for equipment or space.

All contractor and supplier arrangements shall be managed in a fair and reasonable manner, consistent with all applicable laws and good business practices. Subcontractors, suppliers, and vendors shall be selected based on objective criteria including quality, technical excellence, price, delivery, and adherence to schedules, services and maintenance of adequate sources of supply.

G. Marketing

Marketing and advertising practices are defined as those activities used by MSHN to educate the public, provide information to the community, increase awareness of services, and recruit employees or contractual providers. MSHN will present only truthful, fully informative and non-deceptive information in any materials or announcements.

The federal Anti-kickback Statute (section 1128B[b] of the Social Security Act) makes it a felony, punishable by criminal penalties, to offer, pay, solicit, or receive “remuneration” as an inducement to generate business compensated by Medicare or Medicaid programs.

H. Financial Systems Reliability and Integrity

MSHN shall ensure integrity of all financial transactions. Transactions shall be executed in accordance with established policies and procedures and with federal and state law and recorded in conformity with generally accepted accounting principles or any other applicable criteria.

MSHN shall develop internal controls and obtain an annual independent audit of financial records and annual compliance examination; shall ensure that reimbursement for services billed is accurate, appropriate, and based on complete documentation; and shall maintain accountability of assets. The Federal Civil False Claims Act prohibits the knowing submission of false or fraudulent claims for payment to the federal or state government, the knowing use of a false record or statement to obtain payment on a false or fraudulent claim, or a conspiracy to defraud the federal or state government by having a false or fraudulent claim allowed or paid.

In accord with the 42 USC 139a(a); Section 1902(a) of the Social Security Act (AKA the Deficit Reduction Act of 2005) MSHN's processes shall monitor for actions by providers of Medicaid services to prevent fraud, abuse, and waste, or are likely to result in unintended expenditures.

I. Information Systems Reliability and Integrity

The MSHN Chief Information Officer shall serve as the Security Officer and shall ensure the reliability and integrity of the information systems utilized within the region to support the effectiveness of the MSHN compliance program, including but not limited to the following:

- Maintaining security, assuring integrity, and protecting consumer confidentiality.
- Controlling access to computerized data.
- Assuring reliability, validity and accuracy of data through periodic auditing processes.
- Following procedures that assure confidentiality of electronic information pursuant to HIPAA, the Michigan Mental Health Code and other applicable laws and regulations.

J. Confidentiality and Privacy

MSHN is committed to protecting the privacy of its consumers and shall strictly govern the disclosure of any information to anyone other than those authorized in compliance with applicable privacy laws, regulations and contractual requirements. To ensure that all consumer information remains confidential, employees and contractual providers are required to comply with all confidentiality policies and procedures in effect, specifically to include the HIPAA Privacy regulations and 42 CFR as outlined below:

- Privacy Notice - MSHN will have a notice of privacy practices.
- CMHSP shall have a consent form - Prior to treatment, a signed consent shall be obtained for permission to treat, bill for and carry out health care operations.
- Authorization - If information is shared, outside of those described in the Privacy Notice, a signed authorization will be obtained from the consumer.
- Any breach of protected health information shall result in notification of the affected individuals as well as the HHS Secretary and the media in cases where the breach affects more than 500 individuals.
- MSHN and CMHSP Participants shall investigate any reports of suspected violations and respond to findings of the investigations in compliance with the HIPAA privacy and security regulations.
- MSHN will perform any necessary risk analyses or assessments to ensure compliance.
- Physical and electronic safeguards shall be in place for MSHN employees and premises, including, but not limited to, door locks, unique logins and secure passwords, firewall and virus protection, disaster recovery mechanisms, and secure email.

VII. AREAS OF FOCUS

The MSHN Chief Compliance Officer under the direction of the MSHN Board of Directors, MSHN Corporate Compliance Committee and the MSHN Quality Improvement Council, will identify strategic areas of focus developed from a risk analysis that will guide the direction of MSHN compliance activities (**Attachment C**).

VIII. TRAINING

A. MSHN Employees, Board Members and Advisory Council Members

All MSHN Employees, Board members and Advisory Council members shall receive training on the MSHN Compliance Plan and Standards of Conduct. Additional training may be required for employees involved in specific areas of risk or as new regulations are issued. Records shall be maintained on all formal training and educational activities. Training is considered a condition of employment and failure to comply will result in disciplinary action up to and including termination.

B. MSHN Provider Network

The Quality Improvement Council will review and recommend an Annual Training Plan (**Attachment D**) to assure and provide consistent training requirements throughout the provider

network. MSHN delegates to the CMHSP Participants the authority to provide and monitor training to CMHSP staff and contractual providers. Where viable, MSHN will offer related compliance training and educational materials to the Provider Network.

IX. COMMUNICATION

Open lines of communication between the MSHN Chief Compliance Officer, the CMHSP Compliance Officer(s) and CMHSP staff within the region are essential to the successful implementation of the Compliance Plan and the reduction of any potential for fraud or abuse. Methods for maintaining open lines of communication may include, but not be limited to the following:

- There shall be access to the MSHN Compliance Officer for clarification on specific standards, policies, procedures, or other compliance related questions that may arise on a day-to-day basis.
- Access to a dedicated toll-free compliance line
- Utilization of interpreter where capacity in the area has been identified
- Information will be shared regarding the results of internal and external audits, reviews, and site visits, utilization data, performance and quality data, and other information that may facilitate understanding of regulations, and the importance of compliance.
- Information may be communicated through a variety of methods such as formal trainings, e-mails, newsletters, intranet resource pages, or other methods identified that facilitate access to compliance related information as a preventative means to reduce the potential for fraud and abuse.
- Compliance contact information shall be available to stakeholders through a variety of methods such as the MSHN & CMHPS Participants customer service handbook, websites, posters, and/or other methods (or processes) identified consistent with standards associated with MSHN Policies.

X. MONITORING AND AUDITING

Monitoring and auditing of MSHN's operations is key to ensuring compliance and adherence to policies and procedures. Monitoring and auditing can also identify areas of potential risk and those areas where additional education and training is required. Results of the below activities will be communicated through the Quality Improvement Council and summarized results to the Operations Council and MSHN Board of Directors through the Annual Compliance Report.

The MSHN CCO in coordination with MSHN employees and the designated CMHSP Participant CCO, shall assure the provision and adequacy of the following monitoring and auditing activities at each CMHSP:

Financial and Billing Integrity

- An independent audit of financial records each year;
- An independent compliance examination in accordance with the MDCH guidelines;
- Contract providers have signed contracts and adhere to the contract requirements;
- Explanation of benefits; and
- Medicaid event verification.

Information Systems Reliability and Integrity

- MSHN Information System employees and CMHSP/CA staff monitor the reliability and integrity of the information system and data;

- Assure appropriate security and redundancies are in place to address loss of information and that provide sufficient disaster recovery plans; and
- MSHN employees and CMHSP/CA staff are trained on use of information systems and provided access based on role and job function.

Clinical/Quality of Care

- Performance indicators are monitored and reviewed in an effort to continually improve services;
- MSHN employees and CMHSP/CA staff are evaluated in writing on their performance and are provided with detailed job descriptions;
- MSHN employees and CMHSP/CA staff are hired through a detailed pre-employment screening and hiring process and complete a comprehensive orientation program;
- Assuring qualification and competency of organizational and practitioner credentialing and privileging directly operated by or under sub-contract with the CMHSP/CA;
- Clinical supervision is provided and documented to ensure competency, as required by PIHP/MDHC contract attachment, Credentialing and Re-Credentialing Process

Consumer Rights and Protections

- Rights complaints and issues are reviewed and investigations are completed as required;
- The CMHSP participant's Recipient Rights Advisory Committee has been established and meets regularly for the purpose of supporting/protecting the office of recipient rights and serving in an advisory capacity;
- Risk events, incident reports and trends are reviewed and there is follow up action as needed;
- Behavior treatment review committee review analyses as defined in the Quality Assurance and Performance Improvement Program (QAPIP); and
- A root cause analysis is completed on each sentinel event as defined in DCH contract.

Environmental Risks

- Comprehensive maintenance reviews of facilities, equipment, and vehicles are completed as required;
- Emergency drills are conducted and evaluated on a regular basis;
- Accommodations provided in accordance with the Americans with Disabilities Act (ADA);
- Privacy reviews of facility/office;
- Ensure appropriate environmental licensures; and
- Initial and ongoing education on health, safety, and emergency issues are routinely provided.

Quality and Utilization Reviews

- Review of delegated managed care functions (see MSHN and CMHSP Medicaid Subcontract Attachment A – PIHP Retained / Delegation Functions);
- Review of adherence and compliance with Quality Assurance and Performance Improvement Program (QAPIP) Plan; and
- Review of adherence and compliance with the Utilization Management (UM) Plan.

Additional Internal Monitoring and Auditing Activities

- Assessment of initial capacity and competency to perform delegated PIHP functions;
- Ongoing PIHP review of delegated functions;
- Consumers Satisfaction Surveys;
- Review of MSHN contracts for administrative services;
- Monitor capacity and demand for services in the PIHP region through the Assuring Network Adequacy contract; and
- Review of Policies and Procedures for any needed revisions or development of new ones.

Additional External Monitoring and Auditing Activities:

- External Quality Reviews
- CMS Site Visits
- DCH Site Visits (including Recipient Rights System reviews)
- Independent Financial Audits
- Independent Compliance Examinations
- Accreditation Surveys

XI. REPORTING AND INVESTIGATIONS

MSHN and its Provider Network shall follow established disciplinary guidelines for their respective employees who have failed to comply with the standards of conduct, policies, and procedures, federal and state law, or otherwise engage in wrongdoing. The guidelines shall be consistently enforced at all levels of the organization.

A. Reporting of Suspected Violations or Misconduct

MSHN shall maintain a reporting system that provides a clear process and guideline for reporting potential offenses or issues.

MSHN employees, contractual providers, consumers, and others are to report suspected violations or misconduct to the MSHN Chief Compliance Officer (CCO) or the CMHSP Compliance Officer and/or designee as outlined below. Suspected violations or misconduct involving a local CMHSP may be reported to the CMHSP Compliance Officer or to the MSHN Chief Compliance Officer by phone/voicemail, email, in person, or in writing. See **Attachment E** for contact information. Information submitted in writing shall utilize the Suspected Compliance Violation or Misconduct Report Form (**Attachment F**).

- The CMHSP Participant Chief Executive Officer (CEO)/Executive Director(ED) and/or designee, shall inform, in writing, the MSHN Chief Executive Officer (CEO) of any material notice to, inquiry from, or investigation by any Federal, State, or local human services, fiscal, regulatory, investigatory (excluding Recipient Rights related to non-PIHP activities), prosecutory, judicial, or law enforcement agency or protection and/or advocacy organization regarding the rights, safety, or care of a recipient of Medicaid services. The CMHSP Participant CEO/ED shall inform, in writing, the MSHN CEO immediately of any subsequent findings, recommendations, and results of such notices, inquiries, or investigations.
- The CMHSP CEO/ED shall report compliance violations to external parties (e.g.. OIG, DCH) as required per DCH contract and/or MSHN/CMHSP contract.
- CMHSP staff with firsthand knowledge of activities or omissions that may violate applicable laws and regulations are required to report such wrongdoing to the MSHN Compliance Officer or to the CMHSP Compliance Officer.
- CMHSP Compliance Officer will review the violation to determine the need to report to the MSHN CCO. The review will be based on but not limited to: external party involvement, Medicaid recipient services, practices and/or system-wide process applicability.
- It is understood that the CMHSP will conduct internal monitoring and quality assurance and have a process to identify chart documentation/billing errors that includes a system for correction and reporting accuracy. Routine, singular, occurrence type events do NOT need to be reported to MSHN, however, the matter may be discussed as appropriate with the MSHN Quality Improvement Council to share and improve regional processes.
- MSHN employees will report all suspected violations or misconduct directly to the MSHN Compliance Officer for investigation. If the suspected violation involves the MSHN Compliance Officer, the report will be made to the MSHN Chief Executive Officer.

- Any suspected violations regarding the MSHN Chief Executive Officer will be reported to the MSHN Compliance Officer and/or the MSHN Board of Directors for investigation.
- Reports of suspected violations or misconduct may be made on a confidential basis to the extent possible.
- No MSHN employee, consumer, contractual provider, or CMHSP staff making such a report in good faith shall be retaliated against by MSHN, its employees or contractual providers.

B. Process for Investigation

All reports of suspected wrongdoing shall be investigated promptly and documented as outlined in the MSHN Compliance Investigation, Resolution and Documentation Process (**Attachment G**). In conducting the investigation, judgment shall be exercised and consideration shall be given to the scope and materiality consistent with the nature of the concern. Each investigation must be carefully documented to include a report describing the disclosures, the investigative process, the conclusions reached and the recommended corrective action, when such is necessary. No one involved in the process of receiving and investigating reports shall communicate any information about a report or investigation, including the fact that a report has been received or an investigation is ongoing, to anyone within MSHN who is not involved in the investigation process or to anyone outside of MSHN without the prior approval of the MSHN Compliance Officer. All MSHN employees, Provider Network staff and subcontractors are expected to cooperate fully with investigation efforts. The MSHN Compliance Officer and the CMHSP Compliance Officers must report any conflict of interest that may exist when investigating a report of suspected wrong doing or misconduct. If a conflict of interest does exist, the MSHN Compliance Officer will be responsible for securing an appropriate source to complete the investigation, which may include utilizing the MSHN Compliance Officer, one of the CMHSP Compliance Officers or an external source if necessary.

XII. Corrective Actions and Prevention

Where an internal investigation substantiates a reported violation, corrective action will be initiated as identified within MSHN policies and procedures and the MSHN/CMHSP contract including, as appropriate, making prompt restitution of any overpayment amounts, notifying the appropriate governmental agency, the provision of a corrective action plan from the designated Provider Network member (as necessary) including follow-up monitoring of adequate implementation, and implementing system changes to prevent a similar violation from recurring in the future.

XIII. References, Legal Authority and Supporting Documents

1. Guidelines for Constructing a Compliance Program for Medicaid Managed Care Organizations and Prepaid Health Plans, Medicaid Alliance for Program Safeguards, May 2002
http://ahca.myflorida.com/medicaid/managed_care/pdf/federal_cms_guidelines_constructing_compliance_program.pdf
2. Anti-kickback Statute (section 1128B[b] of the Social Security Act)
http://www.ssa.gov/OP_Home/ssact/title11/1128B.htm
<https://oig.hhs.gov/compliance/safe-harbor-regulations>
3. False Claims Act
<https://oig.hhs.gov/fraud>
<http://www.legislature.mi.gov>
4. 42 USC 139a(a); Section 1902(a) of the Social Security Act (AKA the Deficit Reduction Act of 2005)
<http://www.cms.hhs.gov/deficitreductionact>
5. Michigan Mental Health Code
http://michigan.gov/documents/mentalhealthcode_113313_7.pdf
6. Department of Health and Human Services, Office of Inspector General
<https://oig.hhs.gov>

ATTACHMENT A

General Management

Compliance and Program Integrity Policy

Compliance, Quality & Performance Improvement

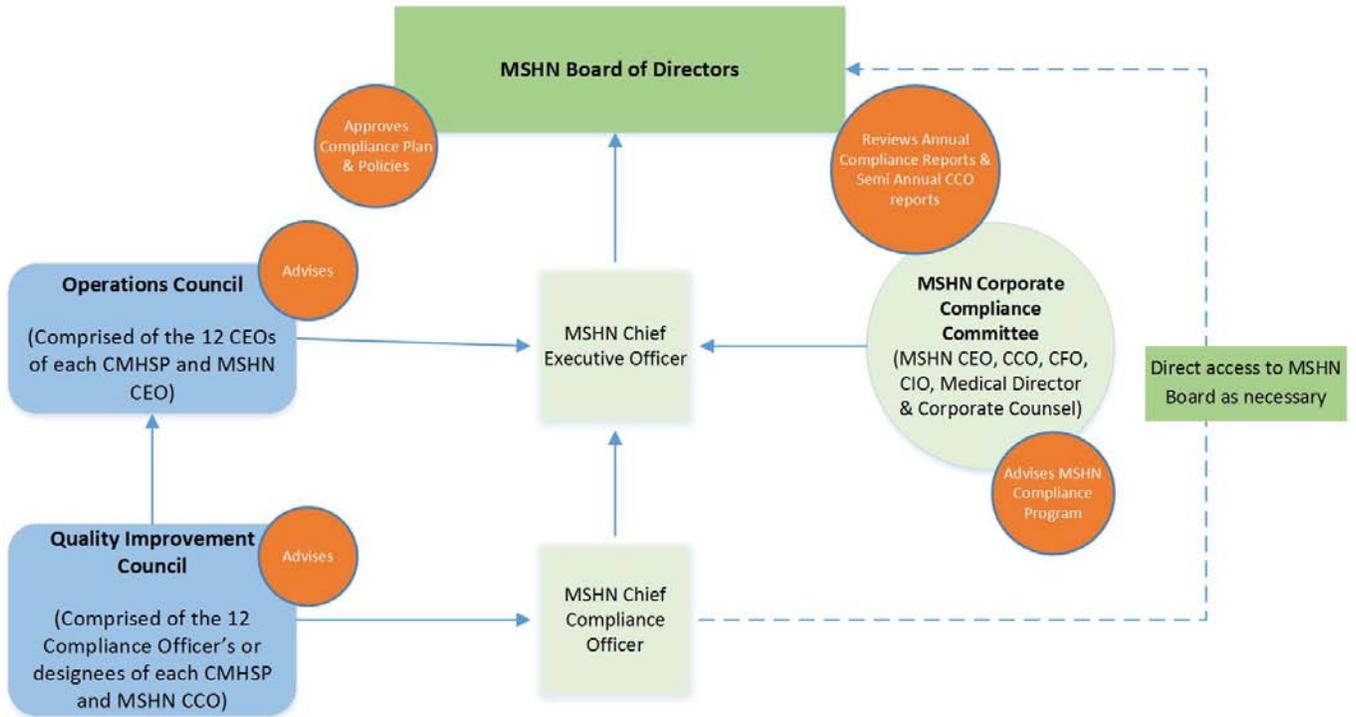
Quality Management Policy

Utilization Management

Utilization Management Policy

ATTACHMENT B

**Mid-State Health Network Compliance Process/
Governance**



ATTACHMENT C

MSHN Chief Compliance Officer in coordination with the MSHN Quality Improvement Council shall focus its efforts on overseeing compliance in the below key areas as identified and prioritized:

Area of Focus	Responsible Party	Task
CMHSP Transition		
Review of Delegated Functions (initial and ongoing)	MSHN	Monitoring through desk audit/site visit
Retained Contracted Functions (initial and ongoing)	MSHN	Contract Oversight and Monitoring through reporting and compliance with contract terms
Electronic Medical Records		
CMHSP Implementation	CMHSP	Monitoring through internal audit (security, integrity and privacy)
CMHSP/IT Contracts Communication	MSHN/CMHSP	Testing and reporting; accuracy verifications
Compliance with New Initiatives		
Autism Reporting Requirements & Timeliness	MSHN QIC	Review data elements, cases, units, approval process & reporting
Integrated Healthcare	MSHN QIC	Review data elements, cases, units, approval process & reporting
Medicaid Expansion / Waiver Changes		
Planning and implementation of changes	MSHN	Review capacity, changes in waiver requirements
Communication Plan	MSHN	Communicate information to Provider Network
ICD-10 & DSM 5		
Regional readiness review & implementation	MSHN/CMHSP	Develop implementation plan and monitor progress
Application for Participation		
Compliance with AFP reporting and process	MSHN	Ongoing review of AFP requirements and timelines

ATTACHMENT D

To assure and provide consistent training requirements throughout the provider network, the Annual Training Plan as recommended by the Quality Improvement Council shall include but not limited to:

- Confidentiality/HIPAA
- Corporate Compliance Plan
- Federal False Claims Act
- Fraud and Abuse Laws
- Michigan False Claims Act
- Reporting & Investigation Process
- Standards of Conduct
- Whistleblowers Protection Act

ATTACHMENT E

MID-STATE HEALTH NETWORK

**CONTACT INFORMATION FOR
SUSPECTED COMPLIANCE VIOLATIONS**

Please report suspected compliance violations to _____

In person:

By phone:

By email:

By mail:

Reports can also be made to MSHN Compliance Officer:

Amanda L. Brown
530 W. Ionia Street, Suite F
Lansing, MI 48933
P: 517.253.7551 C: 989.670.8147
Amanda.Brown@midstatehealthnetwork.org

MSHN COMPLIANCE LINE 1-844-793-1288

Or to:

CMHSP Compliance Officers (or designee):

Bay Arenac Behavioral Health,	Janis Pinter, 989.895.2760, jpinter@babha.org
CMH for Central Michigan,	John Obermesik, 989.772.5938x1408, jobermesik@cmhcm.org
Clinton, Eaton, Ingham CMH,	Kim Zimmerman, 517.887.5316, zimmerma@ceicmh.org
Gratiot County CMH,	Lynn Charping, 989.466.4108, lcharping@gccmha.org
Huron Behavioral Health,	Levi Zagorski, 989.269.1439, levi@huroncmh.org
Ionia County CMH,	Susan Richards, 616.527.1790, srichards@ioniacmh.org
LifeWays CMH,	Elizabeth Knoblauch, 517.789.2485, elizabeth.knoblauch@LifeWayscmh.org
The Montcalm Center for Behavioral Health	Sally Cully, 989.831.7523, sculey@mcbh.org
Newaygo CMH,	Cindy Ingersoll, 231.689.7559, cingersoll@newaygocmh.org
Saginaw County CMH,	Linda Tilot, 989.797.3594, ltilot@sccmha.org
Shiawassee County CMH,	Dirk Love, 989.723.0750, dlove@shiacmh.org
Tuscola Behavioral Health Systems	Todd Lewicki, 989.673.3014, tlewicki@tbhs.net

MDCH Medicaid Fraud Hotline: 1.855.MI.FRAUD (643.7283)

HHS/OIG Hotline: 1.800.HHS.TIPS (447.8477)

MID-STATE HEALTH NETWORK

Compliance Investigation, Resolution and Documentation Processes

I. Investigation

- Within five business days of receiving a report, the MSHN Chief Compliance Officer or CMHSP Compliance Officer shall provide a written acknowledgment of receipt to the individual making the report (if known) and conduct an initial assessment to determine whether the report has merit and warrants further investigation.
- If it is determined that the matter does not constitute a violation of any applicable laws or regulations and warrants no further action, the issue will be closed following the appropriate documentation and reporting by the MSHN Chief Compliance Officer or CMHSP Compliance Officer.
- If it is determined that the matter does not constitute a violation of any applicable laws or regulations, but does identify an area for improvement or raises concern for potential future violations, the matter will be referred to the designated CMHSP Quality Improvement Council Member and/or the MSHN Quality Improvement Council for appropriate discussion, assignment and follow up action if appropriate.
- If it is determined that the matter requires further investigation, the MSHN or CMHSP Compliance Officer will take the necessary steps to assure that documents or other evidence are not altered or destroyed through the following means, as applicable:
 - Suspending normal record/document destruction procedures;
 - Taking control of the files of individuals suspected of wrongdoing;
 - Limiting access of files, computers, and other sources of documents by individuals suspected of wrongdoing; and/or
 - Placing individuals under investigation on temporary suspension.
- If the CMHSP Compliance Officer concludes that reporting to a government agency (CMS, OIG, and DOJ) or a third party may be appropriate, the CMHSP Chief Executive Officer (CEO) and the MSHN Chief Compliance Officer will be informed immediately. The CMHSP CEO shall determine whether such report to the appropriate government agency is indicated. After the CMHSP CEO determines that a violation has occurred, the report will be submitted within 30 days of the determination. The MSHN CEO and CCO shall be notified of the need to report.
- A full investigation will be completed within 90 days from the date of the initial report. The MSHN Compliance Committee may grant an extension.

II. Resolution

- Following the investigation, the MSHN Chief Compliance Officer will document and report the findings of the investigation to the MSHN CEO and the MSHN Compliance Committee. In cases where actions of the MSHN CEO are investigated, the report of findings is made to the Executive Committee of the MSHN Board of Directors.
- If the occurrence involved a MSHN employee, disciplinary action will be taken in accordance with MHSN's policies and procedures and Employee Handbook.
- If the occurrence involved a CMHSP Participant, the CMHSP Participant shall submit a remedial action plan to address any confirmed violations or address areas of concerns raised during the investigation.

III. Documentation

- A record will be maintained by the MSHN Chief Compliance Officer and/or the CMHSP Compliance Officer or designee for all reports of potential/alleged violations utilizing the attached *Compliance Investigation Report* form. The record may also include copies of interview notes and documents reviewed and any other documentation as appropriate.
- Records will be maintained in accordance with the “State of MI, Department of History, Arts and Libraries – Record Management – Records Retention and Disposal Schedule”.
http://www.michigan.gov/documents/hal/mhc_rm_gs20_195724_7.pdf