Compliance Plan

I. Overview:

As adopted by the Board of Trustees (Board) on July 31, 2001 and reviewed annually.

The Board formally adopted the following Compliance Plan and related documents on July 31, 2001. These documents represent the commitment of MHMR to compliance with applicable federal and state laws and the program requirements of federal, state, and private health care plans. MHMR Board, Executive Leadership Team (ELT), managers and staff, affiliated physicians, contractors, and other agents, where appropriate, are expected to read, understand, and agree to abide by this Compliance Plan and any related policies and procedures.

The Compliance Plan of MHMR is designed to prevent, detect and correct any instances of noncompliance with applicable federal and state law and program requirements of federal, state, and private health care plans. Every employee at MHMR has important responsibilities identified in this Compliance Plan, including a duty to report any compliance concerns as explained in this Compliance Plan.

This Compliance Plan is also designed to be consistent with the Department of Health and Human Services Office of Inspector General Compliance Program Guidelines. As regulatory guidance and applicable laws change in the future, this Compliance Plan will be modified as necessary to incorporate these changes. The Compliance Plan is to be reviewed on an annual basis by the Compliance Officer. The outcome of said review will be forwarded to the Chief Executive Officer (CEO). Amendments will be submitted to the MHMR Board for approval.

This Compliance Plan includes seven major elements:

A. Compliance Standards, Policies and Procedures

This element documents general expectations of compliance as defined by three broad compliance principles. The element also outlines the general standards of conduct for employees and establishes that compliance procedures will be developed.

B. Compliance Officer, Compliance Committee and Legal Counsel

This element authorizes the designation of a Compliance Officer and the Compliance Committee. This element also defines the roles and responsibilities of the Compliance Officer and the Compliance Committee, as well as that of the General Counsel.

C. Education and Training
This element identifies the procedure by which MHMR will provide the necessary training to employees and contractors in order to meet the requirements of this Compliance Plan.

D. Communication

This element describes the methods employees may use to communicate their compliance concerns. Reporting is encouraged. There will be no retaliatory action.

E. Auditing and Monitoring

This element describes the action to be taken to monitor the effectiveness of the Compliance Plan. Implementation and effectiveness of the Compliance Plan will be reported to appropriate management staff.

F. Investigations and Corrective Action

This element describes the investigative and corrective procedures for all noncompliance with the Compliance Plan. The element also describes the methods of reporting noncompliance and modification of the organization's practices subsequent to evidence of noncompliance.

G. Disciplinary Actions

This element documents the disciplinary actions that may be taken for noncompliance. These actions are consistent with MHMR's human resources procedures.

II. Compliance Standards, Policies and Procedures:

A. Overview

1. Compliance training will emphasize confidentiality, anonymity, and non-retaliation for compliance related questions. This includes reports of suspected, detected, non-compliance, and fraud, waste and abuse, and record retention.

B. Principles of Compliance

1. MHMR adopts these principles of compliance as the foundation of the compliance policy of the organization:

   a. MHMR and its Trustees, employees and contractors will comply with all applicable federal, state, and local laws and regulations.

   b. At all times, MHMR, its Trustees, employees and contractors will conduct themselves in a manner that is consistent with the provisions of the organization's enabling legislation, by-laws, Board resolutions, and policies, including this Compliance Plan. Specific reference is made to Board Policy A.1 entitled, "Code of Ethics Policy" and Board Policy A.2 entitled "Fraud Policy", which describes MHMR's emphasis on ethical behavior and proper business dealings for a governmental entity and the zero-tolerance for fraud in any form.

   c. MHMR, its employees and contractors will endeavor to properly bill all patients, third-party payors, and government health care programs for services provided by the organization.

C. Standards of Conduct
1. Every employee and contractor shall adhere to and support MHMR's Principles of Compliance (see II. A.).

2. Compliance procedures shall be developed and kept current with all applicable state and federal laws and regulations, to include, but not limited to the Centers for Medicare and Medicaid services (CMS) and the Texas Health and Human Services (HHS). Compliance procedures shall be designed to assist employees and contractors in the performance of their jobs and contractual responsibilities in full compliance with MHMR's Principles of Compliance (see II. A.) and Compliance Plan. The Chief in each division is responsible for the oversight and performance of MHMR's Principles of Compliance, Compliance Plan and related policies and procedures.

D. **Record Retention**

1. As a healthcare entity, MHMR is required to define a process for the maintenance, retention, and disposal of records. This includes employee records and staff records whether they are paper or electronic.

2. All records shall be maintained in accordance with all applicable laws and regulations in a manner consistent with health industry standards.

3. MHMR employees with record contact, shall be responsible for ensuring all records are created, used, maintained, preserved, and destroyed in accordance with any agency policy and procedure.

4. The Health Information Management (HIM) Department, under direction of the MHMR Legal Department, is responsible for leading agency record retention, with support from Information Technology (IT), and the Electronic Health Record (EHR) team.

E. **Employment of/or Contracting with Sanctioned/Excluded Individuals/Businesses**

MHMR will neither knowingly employ nor contract with individuals or businesses that have been convicted of a criminal offense related to health care or that are listed by a federal or state agency as debarred, excluded, or ineligible for participation in federally or state funded health care programs. If any MHMR employee or contractor is charged with criminal offenses related to health care or is being evaluated for debarment or exclusion, such individuals or businesses will be removed from direct responsibility for any federally or state funded health care program. Upon conviction, debarment or exclusion action, MHMR will terminate the employment or contractual relationship with such individuals or businesses. MHMR Human Resources and Contracts Management departments will coordinate with the Compliance Officer to develop appropriate screening procedures for job applicants, employees and contractors.

F. As required by Section 6032 of the Deficit Reduction Act ("DRA") of 2005 (now codified as Section 1902(a)(68) of the Social Security Act) all employees of MHMR and its contractors must acknowledge in writing that they have been provided detailed information about the following statutes and rules:

1. The False Claims Act, 31 U.S.C. §§3729-3733 ("FCA") provides for penalties against any person who knowingly submits or causes to be submitted a false claim, record or statement seeking a payment for Medicaid, Medicare or other federal payments from the United States Government.

   The act defines "knows" to mean that the person:
   - Has actual knowledge of the information
   - Acts in deliberate ignorance of the truth or falsity of the information; or
   - Acts in reckless disregard of the truth or falsity of the information and no proof or specific intent to defraud is required
Some examples of false claims may be:

- A provider who submits a bill for services that the provider knows they have not delivered;
- A provider submitting records that the provider knows (or should know) are falsely indicating compliance with billing or service requirements; or
- A provider obtained money from the federal government to which the provider may not be entitled – then the provider makes false statements to retain the money rather than refunding it as is required.

The FCA also specifically protects employees who report violations of its provision from retaliation by their employer.

2. The Civil Monetary Penalties Law, 42 U.S.C. 1320a-7a, ("CMPL") provides for penalties against any person or entity, including MHMR, that presents or causes to be presented to the United States or its agents an improper claim for payment when that person or entity knows among other things that:
   a. an improper payment code has been used;
   b. the medical item or service is false;
   c. the physician presenting the service was not properly licensed or certified;
   d. the patient was excluded from the program under which the payment was sought;
   e. the payment was for a medical item or service that was not medically necessary or;
   f. the payment was otherwise prohibited under state of federal law governing the payment program.

The purpose of the CMPL is to fully reimburse the government for monies paid for fraudulent submissions and to cover the costs of investigating such fraudulent submissions.

3. Texas Human Resource Code, Chapter 32, Section 32.039 and 32.0391 establishes civil and criminal penalties for a person who presents or causes to be presented to the Texas Health and Human Services Commission a claim that contains a statement or representation the person should know or should have known to be false. Chapter 32 prohibits among other things a person from:
   a. soliciting or receiving either directly or indirectly any cash, remuneration or payment of any kind for the purpose of referring an individual for any item or service under the state medical assistance programs, including Medicare or Medicaid;
   b. soliciting or receiving either directly or indirectly any cash, remuneration or payment of any kind for the purpose of purchasing, leasing or ordering, or arranging for or recommending any good, facility, service or items for which payment may be made under Medicaid or Medicare;
   c. offers or pays either directly or indirectly to induce a person to commit the acts described in either a) or b) above.

4. Texas Human Resources Code Chapter 36 allows an individual employee of MHMR to bring an action of their own behalf and on behalf of the State of Texas for violations of the state's Medicaid program. For example, Chapter 36 makes it unlawful for a person to:
   a. knowingly make or cause to be made a false statement or misrepresentation of a material fact to permit a person to receive a benefit or payment under the Medicaid program that is not
authorized or that is greater than the benefit or payment that is authorized;

b. knowingly conceal or fail to disclose information that permits a person to receive a benefit or payment under the Medicaid program that is not authorized or that is greater than the benefit or payment that it authorized;

c. knowingly apply for and receive a benefit or payment on behalf of another person under the Medicaid program and converts any part of the benefit or payment to a use other than for the benefit of the person on whose behalf it was received;

d. knowingly make, cause to be made, induce, or seek to induce the making of a false statement or misrepresentation of material fact concerning:

   i. the conditions or operation of a facility in order that the facility may qualify for certification or re-certification required by the Medicaid program, including certification or recertification as:

      1. an intermediate care facility for individuals with intellectual disabilities;
      2. an assisted living facility; or
      3. a home health agency; or

   ii. information required to be provided by a federal or state law, rule, regulation, or provider agreement pertaining to the Medicaid program;

e. except as authorized under the Medicaid program, knowingly pay, charge, solicit, accept, or receive, in addition to an amount paid under the Medicaid program, a gift, money, a donation, or other consideration as a condition to the provision of a service or product or the continued provision of a service or product if the cost of the service or product is paid for, in whole or in part, under the Medicaid program;

f. knowingly present or cause to be presented a claim for payment under the Medicaid program for a product provided or a service rendered by a person who:

   i. is not licensed to provide the product or render the service, if a license is required; or
   ii. is not licensed in the manner claimed;

h. knowingly make or cause to make a claim under the Medicaid program for:

   i. a service or product that has not been approved or acquiesced in by a treating physician or health care practitioner;
   ii. a service or product that is substantially inadequate or inappropriate when compared to generally recognized standards within the particular discipline or within the health care industry; or
   iii. a product that has been adulterated, debased, mislabeled, or that is otherwise inappropriate;

i. make a claim under the Medicaid program and knowingly fails to indicate the type of license and the identification number of the licensed health care provider who actually provided the service;

j. knowingly enter into an agreement, combination, or conspiracy to defraud the state by obtaining or aiding another person in obtaining an unauthorized payment or benefit from the Medicaid program or a fiscal agent;

k. is a managed care organization that contracts with the Health and Human Services Commission

(HHSC) or other state agency to provide or arrange to provide health care benefits or services to individuals eligible under the Medicaid program and knowingly:

i. fails to provide to an individual a health care benefit or service that the organization is required to provide under the contract;

ii. fails to provide the commission or appropriate state agency information required to be provided by law, commission or agency rule, or contractual provision; or

iii. engages in a fraudulent activity in connection with the enrollment of an individual eligible under the Medicaid program in the organization's managed care plan or in connection with marketing the organization's services to an individual eligible under the Medicaid program;

k. knowingly obstruct an investigation by the Attorney General of an alleged unlawful act under this section;

l. knowingly make, use, or cause the making or use of a false record or statement to conceal, avoid, or decrease an obligation to pay or transmit money or property to this state under the Medicaid program; or

m. knowingly engage in conduct that constitutes a violation under Section 32.039(b) of the Texas Human Resource Code.

5. Texas Government Code Chapter 531, Subchapter C, allows HHSC to make a monetary award to an individual who reports activity that constitutes fraud or abuse of funds in the state Medicaid program or reports overcharges in the program if the commission determines such report results in the recovery of penalties under Chapter 32.039 of the Texas Human Resources Code.

6. The Texas Whistleblower Act, Texas Government Code Chapter 554, prohibits MHMR from suspending, terminating or taking any other adverse employment action against one of its employees who in good faith reports a violation of law by MHMR or one of MHMR's employees to an appropriate law enforcement authority. This would include protecting MHMR employees from employment retaliation for reporting Medicaid fraud or abuse to an appropriate law enforcement authority such as the office of the Texas Attorney General.

7. Texas Administrative Code, Title 1, Part 15, Chapter 371. The Office of Inspector General within the HHSC is responsible for the investigation of fraud and abuse in the provision of health and human services and Medicaid and other HHSC programs. As part of its authority, the Inspector General may impose sanctions upon a finding by the Inspector General of fraud and abuse in Medicaid. The Inspector General administers program integrity, enforces program violations to the extent of applicable law governing Medicaid. This includes pursuing Medicaid and other health and human services fraud, abuse, overpayment and waste. The Inspector General may grant an award to a person who reports activity that constitutes fraud or abuse of funds in the Medicaid program or reports overcharges in the program. Any MHMR employee may contact the office of Inspector General to report waste, abuse or fraud by contacting the OIG's office online or using their toll free number, 800-436-6184.

8. Section 6402 of the Patient Protection and Affordable Care Act (PPACA), Pub. L. 111 – 148, sets in place a 60–day deadline for providers to report and repay overpayment of federal funds. The time line for repayment begins when any incident of overpayment has been identified. It is the intent of MHMR to comply with this deadline with the understanding that an overpayment has not been identified until (a) it has concluded that an overpayment has occurred and (b) ascertained the amount of the overpayment. The process for determining whether or not an overpayment has been identified is outlined in Section VI. of this policy "Investigations and Corrective Action."
9. All employees, contractors, volunteers, interns with involvement in the administrations or delivery of services, including but not limited to Medicare Parts C and D benefits must receive Fraud, Waste and Abuse training within 90 days of initial hiring and annually thereafter.

G. All employees and contractors must adhere to all Federal and Abuse Laws, as they apply to MHMR, including but not limited to the following statutes (as amended):
   iii. Criminal Health Care Fraud Statute, 18 U.S.C. §§1347,1349; and

III. Compliance Officer, Compliance Committee and General Counsel:

A. Compliance Officer

The MHMR Board has authorized the CEO to designate a Compliance Officer who shall be responsible for the implementation, operation and continuous monitoring of the MHMR Compliance Plan. MHMR’s Compliance Officer shall report to the General Counsel, but is ultimately responsible to the Board and is authorized to communicate to the CEO, Board, the Board Chair and/or its legal counsel and shall be free to conduct such investigations as deemed necessary and appropriate to ensure the continuing implementation of this Compliance Plan. MHMR’s Compliance Officer will report at least quarterly to the Compliance Committee and the full Board, any issues regarding this Compliance Plan and its effectiveness, status of or necessity for investigative work, any corrective measures and/or Compliance Plan modifications. Complaints regarding the conduct of the Compliance Officer should be directed to the General Counsel.

The Compliance Officer’s duties and responsibilities include the following:

1. Update the organization's Compliance Plan on a periodic basis to reflect any changes in MHMR's risk profile and applicable laws and regulations.
2. Develop and review all compliance policies and procedures, principles of compliance, and standards of conduct as it relates to employees adherence to compliance policies.
3. Ensure the effectiveness of the organization's compliance effort.
4. Participate in employee new hire orientation and on-going training programs on compliance.
5. Implement employee communication mechanisms that encourage employees to report potential compliance problems without fear of retaliation.
6. Perform appropriate investigations, provide timely verbal and written feedback of investigation findings, and monitor progress toward corrective action plan requirements to eliminate identified problems and prevent recurrences related to reported compliance violations.
7. Conduct investigations to resolve compliance issues and maintain all records and documentation of investigations. Respond appropriately if a violation is identified.
8. Coordinate with the Contracts Management and Provider Relations Department to ensure the organization's Compliance Plan and its expectations are conveyed to all outside contractors.

9. Coordinate with other organizational departments regarding appropriate verification activity for employee backgrounds, credentialing, exclusion from federal or state programs and disciplinary policy related to compliance.

10. Develop and implement specific controls and productivity measurements for an effective resolution of compliance related matters.

11. Report the Compliance Committee's findings and activities to the MHMR Board on at least a quarterly basis. The report shall provide an overview on the number of calls/allegations received, types of allegations (fraud, theft, etc.), results of the investigation and any refunds that were made as a result of a confirmed allegation.

B. Compliance Committee

The CEO shall appoint appropriate staff members to a Compliance Committee to assist the Compliance Officer in the operation and monitoring of the Compliance Plan. The Chairperson of the Compliance Committee shall be the Compliance Officer. Members of the Compliance Committee shall include representatives from key functional areas instrumental to the success of an effective Compliance Plan. Ad hoc members shall be appointed to the Compliance Committee as needed from various functional areas or departments to deal with specific compliance issues. General Counsel shall be made available to the Compliance Committee and shall attend meetings when requested by the Compliance Officer. Members of the Board shall at all times be entitled to inquire of the Compliance Officer as to compliance issues.

The Compliance Committee's responsibilities and duties include the following:

1. Provide input regarding development of compliance standards and policies and procedures to promote compliance.

2. Analyze the organization's industry environment and the legal requirements with which MHMR must comply in specific areas.

3. Determine the appropriate strategy or approach that the organization should use to promote compliance and detect any potential violations of regulation and law.

4. Recommend and monitor, in conjunction with MHMR Operational Divisions, the development of internal systems and controls to carry out this Compliance Plan.

5. Develop and maintain a system to solicit, evaluate and respond to complaints and potential problems.

6. Review compliance reports and make continuous improvement recommendations.

7. Act to resolve all internal disputes between clinical/operations staff and the Compliance Officer and auditors regarding specific compliance with rules and regulations. Solicit input from the Chief Medical Officer, Chief Nursing Officer, and/or General Counsel, as appropriate, in resolving disputes.

8. Ensure final MHMR decisions in compliance matters are documented in writing.

9. Facilitate communication regarding the Compliance Plan to MHMR departments, personnel and contractors.

10. Identify resources necessary to implement compliance activities.

11. Hold its members responsible for attendance at quarterly scheduled Compliance Committee meetings.
meetings, as well as specially called meetings. Unless otherwise prohibited by law or regulation, member can attend meetings by phone, video conference or any other electronic method available which will give member opportunity to effectively participate in the meeting.

12. Hold itself accountable to the MHMR's CEO and Board in carrying out its responsibilities and duties.

C. General Counsel

The Board will utilize General Counsel to advise MHMR regarding compliance legal issues. General Counsel will be available to advise the Compliance Officer and Compliance Committee. General Counsel is authorized by the CEO and Board to investigate with the Compliance Officer on behalf of MHMR reported instances of noncompliance and to obtain pertinent information for the purpose of developing and providing legal advice to MHMR.

Nothing in this Compliance Plan shall constitute a waiver of applicable legal privileges, including without limitation, medical review committee privilege, the attorney-client privilege and the attorney work product protection. Any such privileges and protections as are available for MHMR's benefit may only be waived by affirmative vote of the Board.

IV. Education and Training:

Compliance education and training programs shall be provided to employees and contractors associated with MHMR, as appropriate to ensure material compliance with the Compliance Plan and applicable laws.

A. Scope of Education and Training

Education and training shall consist of the following:

1. Employees:
   a. All new MHMR employees shall receive appropriate compliance training as a part of new employee orientation training, within 90 days of hire.
   b. Compliance Plan training shall be conducted to inform MHMR employees of the Compliance Plan, its purpose and its requirements, and how to identify compliance concerns, maintain records, and ask compliance related questions for clarification. Employees shall be specifically trained and counseled regarding their responsibility to report misconduct and the consequences of failing to comply with the Plan.
   c. All employees must acknowledge in writing that they have read, understood, and agreed to abide by the MHMR Compliance Plan. This documentation will be maintained in the training file.
   d. Employee compliance training shall be conducted as appropriate, but at least on an annual basis.
   e. Written educational materials regarding the Compliance Plan and related compliance subjects shall be distributed periodically to employees as deemed appropriate.
   f. Employees shall attend periodic educational courses as required to maintain proficiency as it relate to compliance requirements.

2. Contractors:
   a. All contractors, where appropriate, must acknowledge in writing that they have read, understood, and agreed to abide by the MHMR Compliance Plan and the applicable principles
of compliance, record retention, and standards of conduct within ninety (90) after commencement of the contract term. This documentation will be maintained in the contract files.

b. All contractors, where appropriate, shall be provided and contractors shall acknowledge in writing MHMR's Compliance Plan, at least on an annual basis, upon renewal of any contract term.

c. Written educational materials regarding the Compliance Plan and related compliance subjects shall be distributed periodically to contractors, as deemed appropriate by MHMR.

B. Attendance and Documentation

Employee attendance and participation in mandatory educational opportunities shall be a condition of continued employment. The MHMR Learning and Development Department will be responsible for tracking and maintaining the documentation of Compliance Plan training and providing documentation of non-compliance to the Compliance Officer. The Compliance Officer will periodically review Learning and Development Department documentation of Compliance Plan Training which shall include the name and position of the employee, the date and duration of the educational activity and a brief description of the subject matter of the education.

V. Communication:

A. Policy

The elements of the Compliance Plan shall be communicated to employees and contractors, as appropriate. Also, the organization shall have an internal reporting system in place for employees and others to report issues and concerns regarding violations and noncompliance within MHMR anonymously, and without fear of retaliation or retribution. This internal reporting system shall establish a method of communication between the reporting person and the Compliance Officer to encourage reporting of incidents, potential violations, and compliance issues.

B. Scope of Communication

Communication of the Compliance Plan shall consist of the following:

1. The Compliance Plan shall be distributed to all employees and other affected parties as deemed appropriate.

2. All personnel shall acknowledge in writing that they have read, understood, and agreed to abide by the Compliance Plan and all appropriate compliance standards, policies and procedures.

3. Information regarding the Compliance Plan shall be distributed and made available to employees and contractors through various media to communicate the existence of the Compliance Plan and each individual's responsibility to follow the guidelines of the plan. This communication shall include publishing compliance related information and articles periodically in MHMR publications and/or via the Intranet, which are distributed to employees and parties.

4. Inclusion of standard compliance provisions in contracts with contractors.

5. A communication schedule shall be developed by the Compliance Officer, and shall include, but not be limited to: formal presentations, newsletters and other publications, electronic communications, notices in common work areas, and other communication media as deemed appropriate.

C. Employee and Contractor Responsibility and Internal Reporting System
All employees and contractors are required to promptly report to the Compliance Officer any instances of noncompliance with the requirements of this Compliance Plan. An employee or contractor who fails to report instances of noncompliance or who knowingly falsifies a report of noncompliance shall be subject to disciplinary action as described in the Disciplinary Actions section.

The MHMR reporting system will maintain confidentiality, to the greatest extent possible. The system also allows for anonymity and provides non-intimidation and non-retaliation for good faith reporting of compliance concerns and participation in the compliance program.

1. A toll-free telephone number shall be maintained and made available to be used by employees and others to anonymously report concerns regarding violations of compliance.

2. The toll-free number shall be posted in common work areas.

3. Specific information regarding the confidentiality and non-retaliatory aspects of the Compliance Plan shall be communicated to employees to encourage reporting noncompliance.

4. Online communication is available by operators for each call received.

5. A log shall be maintained by the Compliance Officer documenting incoming calls and all other forms of communication regarding compliance issues, the nature of the concern, investigations and the results of the investigation.

6. There shall be no retaliation for any report. Any threat of retaliation or retribution against the reporting employee or contractor shall result in disciplinary action, as provided in section VIII.

7. Employees and others using the toll-free line shall be informed that MHMR strives to maintain employee confidentiality (when requested). However, there may be a point where the employee's identity may become known or may have to be revealed due to legal or regulatory requirements.

8. Steps shall be followed to assure confidentiality of all call logs, reports and other documentation maintained by the Compliance Officer.

9. All employees and others shall have access to report directly to the Compliance Officer rather than through supervisors or other intermediaries.

10. Employees and others shall be encouraged to ask for clarification if they have a question regarding the compliance standards, policies or procedures.

11. Supervisors/managers and/or administrators may be disciplined for failing to detect compliance violations in their departments, facilities or areas of responsibility if reasonable diligence on their part would have led to the discovery of the problem and given MHMR the opportunity to address the issues at the earliest possible time.

12. Internal reporting guidelines shall consist of the following:

**VI. Auditing and Monitoring:**

Internal Medicaid Audit staff will work closely with the Compliance Officer to keep audit tools current and focused on areas where the greatest risk of noncompliance may exist. Contract providers' billings also will be included in the audit procedure. Audit procedures are designed to determine the accuracy and validity of coding and billing submitted to Medicaid and to detect instances of noncompliance. During an audit process, if it is discovered that there appear to be weaknesses in Medicaid compliance, follow-up procedures will be
VII. Investigations and Corrective Action:

A. Investigation Procedures

The Compliance Officer shall promptly investigate or cause the investigation of any allegations or reports of noncompliance with MHMR’s Principles of Compliance or other aspects of the Compliance Plan. The Compliance Officer may consult with General Counsel to determine what investigations are warranted depending upon the nature of the alleged violation. Also, some investigations may be conducted under the direction of General Counsel if preservation of the attorney/client privilege is warranted. Investigations shall be undertaken promptly and in a manner to determine whether a material violation has in fact occurred. MHMR can take immediate corrective action and fulfill any applicable reporting requirements as needed. The investigation shall use techniques consistent with applicable laws and which support a rapid resolution of the situation. Due respect shall be shown for the rights of individuals who may be involved, either as sources of information or as possible violators. Management shall cooperate in all investigations related to compliance. If the Compliance Officer, with the advice of General Counsel, determines the integrity of an investigation may be compromised because of the presence of employees or contractors under investigation, management shall remove such employees or contractors from their responsibilities pending completion of the investigation.

B. Documentation

Documentation of the alleged violation, interview and other notes, a description of the investigation process, and any documents reviewed shall be maintained for seven (7) years. A report of the investigation results and of management’s corrective action plan shall be maintained for seven (7) years.

C. Corrective Action

The Compliance Officer shall report the results of investigations to the Compliance Committee, the CEO, the ELT, and the Board minimally on a quarterly basis. In situations where an investigation confirms a violation occurred, a corrective action plan shall be developed and immediate action shall be taken to correct the problem with the advice of General Counsel, as necessary. MHMR shall report any violations to payors, state, federal or law enforcement agencies, as required by law. If the investigation determines the issue in question is consistent with applicable laws then corrective action is not necessary.

VIII. Disciplinary Actions:

A. Policy

Appropriate disciplinary action shall be taken against any employee or contractor who fails to comply with MHMR’s Compliance Plan. In view of the fact that MHMR guarantees an anonymous and non-retaliatory
reporting system through which an employee may communicate a compliance concern, \textit{any failure, on the part of an employee, to communicate a known compliance violation or suspected violation, will be considered a failure to comply with the Compliance Plan.}

1. Contracts and agreements with MHMR contractors shall contain compliance requirements and provisions for appropriate sanctions should violations occur.

2. Supervisors shall be responsible for implementation of the Compliance Plan with respect to employees under their supervision.

3. Disciplinary sanctions for failure to comply with the Compliance Plan, standards, laws and procedures shall apply to all employees of MHMR.

4. Employees and others affiliated with MHMR (as appropriate) shall be informed of the disciplinary standards for noncompliance and that certain actions prohibited by these guidelines may also violate criminal laws which may result in personal criminal prosecution and fines and/or imprisonment upon conviction.

5. Every disciplinary action related to the Compliance Plan \textbf{must} be reported to the Compliance Officer by the Managing Director of Human Resources.

6. MHMR will neither knowingly employ nor contract with individuals or businesses that have been convicted of a criminal offense related to health care or that are listed by a federal or state agency as debarred, excluded, or ineligible for participation in federally or state funded health care programs.

\textbf{B. Disciplinary Actions and Sanctions}

The following actions and sanctions may be applied:

1. Employees involved in a violation of this Compliance Plan shall be subject to significant sanctions, up to and including termination, if appropriate. Depending upon the violation retraining may be required. Such disciplinary actions shall be in accordance with MHMR's human resources and procedures and shall be consistent with the degree of severity of the improper conduct and may include remedial training, oral warnings, written reprimands, probation, suspension, or immediate termination, depending upon the nature of the violation at the sole discretion of MHMR.

2. Intentional, reckless or repetitive noncompliance will subject employees to significant disciplinary action up to and including termination.

3. Contractors involved in a confirmed violation shall be subject to significant sanctions in accordance with contract terms and conditions, including termination of the contract when warranted.

4. If any MHMR employee or contractor is charged with criminal offenses related to health care or is being evaluated for debarment or exclusion, such individuals or businesses will be removed from direct responsibility for any federally or state funded health care program.

\textbf{IX. Compliance Review and Reporting:}

On or before the end of each fiscal year, the Compliance Officer will conduct a review of MHMR's current compliance and regulatory operations. The purpose of the review is to ascertain whether the compliance operations of MHMR are within the standards of the Compliance Plan.

A written report shall be prepared within ninety (90) days after the end of the fiscal year, if it is determined that any current compliance or regulatory operations vary from the standard of the Compliance Plan.
## Approval Signatures

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<tr>
<td>Susannah Garnett: Chief Executive Officer</td>
<td>10/2020</td>
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<td>Brian Brooks: Communication Manager</td>
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<tr>
<td>Aleed Rivera: General Counsel [HH]</td>
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<td>Catherine Carlton: Chief of Staff [HH]</td>
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<td>Paul Duncan: Director of Rights Compli</td>
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<td>Aleed Rivera: General Counsel</td>
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MHMR of Tarrant County