

KALAMAZOO COMMUNITY MENTAL HEALTH AND SUBSTANCE ABUSE SERVICES

ADMINISTRATIVE POLICY & PROCEDURE 10.01

Subject: Corporate Compliance	Section: Compliance & Risk Management	
Applies To: <input checked="" type="checkbox"/> KCMHSAS Staff <input checked="" type="checkbox"/> KCMHSAS Contract Providers		Page: 1 of 5
Approved: <div style="text-align: center;">----- (Jeff Patton, Chief Executive Officer)</div>		
Revised: 09/15/2017	Supersedes: 05/28/2015	First Effective: 04/13/2005

PURPOSE

To establish the KCMHSAS Corporate Compliance Program and related compliance processes for Kalamazoo Community Mental Health and Substance Abuse Services (KCMHSAS) and its provider network.

DEFINITIONS

Corporate Compliance Program

The specific compliance principles, components and activities of KCMHSAS and its provider network. These include activities KCMHSAS performs both for itself as a healthcare management entity and as a service provider as well as for its provider network.

Corporate Compliance

The mechanisms, including the written Corporate Compliance Program and policies, that are collectively intended to prevent and detect unethical and/or illegal business practices and violations of law.

POLICY

It shall be the policy of KCMHSAS to deliver services in an environment characterized by strict conformance to the highest standards of accountability for administration, programs, services, business, marketing, human resources and financial management as it pertains to regulatory management. KCMHSAS is fully committed to the need to prevent and detect fraud, waste and abuse (FWA), including fiscal mismanagement and misappropriation of funds, and to the strict adherence of all federal and state laws, rules and regulations. To accomplish this end, KCMHSAS shall develop and manage a

Corporate Compliance Program that addresses all required elements promulgated by the Michigan Department of Health and Human Services/Office of Inspector General (MDHHS/OIG) for an effective compliance program as described by guiding documents issued through the Department of Justice, CMS, OIG and Federal Sentencing Guidelines, Chapter 8, 1991.

STANDARDS

I. GENERAL FRAMEWORK

- A. KCMHSAS shall establish, implement and maintain a Corporate Compliance Program ([exhibit A](#)) for directly provided and purchased services within its provider network that emphasizes the seven essential elements of a compliance plan as defined by the Health Care Compliance Association (HCCA):
1. Standards and Procedures
 2. Oversight
 3. Education and Training
 4. Monitoring and Auditing
 5. Reporting
 6. Enforcement and Discipline
 7. Response and Prevention
- B. KCMHSAS shall establish and maintain a Corporate Compliance Program that ensures:
1. Organizations and persons affiliated with KCMHSAS adhere to explicit ethical standards throughout all facets of their business and clinical practices. Services, operations and business practices are rendered and reported in a manner that fully complies with all federal, state and other applicable laws.
 1. The management and oversight of how federal funds are used and reported.
 2. A common methodology by which a person may confidentially file a complaint (either verbally or in writing) of an alleged wrongful action without reprisal.
 3. A common methodology, by which complaints of alleged wrongdoing are logged, investigated and reported.
 4. Ongoing risk assessment
 5. Training as an essential element
 6. Defining ethics and compliance standards and procedures
 7. Proper screening and enrollment requirements as required by 42 CFR 438.602(b) and Section 5005(b)(2) of the 21st Century Cures Act and implemented per MDHHS and SWMBH.
- C. KCMHSAS Corporate Compliance Program shall seek to meet the following goals:
1. Maintain and enhance the quality of services.
 2. Demonstrate a sincere effort to comply with all applicable laws.
 3. Revise and develop new policies and procedures to enhance compliance.

4. Establish and conduct ongoing evaluation of the effectiveness of the seven elements of a comprehensive compliance program as per MDHHS/OIG and this Policy.
 5. Establish an effective method to assess and manage risks.
 6. Enhance communications with governmental entities to ensure compliance.
 7. Empower all involved parties to prevent, detect, respond to, report and resolve conduct that does not conform to applicable laws and regulations, and the organization's ethical standards/code of conduct.
 8. Establish mechanisms for staff members to ensure that questions and concerns about compliance issues are appropriately and promptly addressed.
 9. Promoting an organizational culture of ethics and compliance
- D. All persons that provide services within, or are formally affiliated with KCMHSAS (e.g., officers/board members, employees, consultants, volunteers, students, internal contractors, agents, etc.) are expected and must sign an attestation agreeing to:
1. Conduct themselves in a manner that promotes the KCMHSAS Mission/Vision and Code of Ethics.
 2. Abide by the KCMHSAS Corporate Compliance Program and the standards set forth in this policy guideline.
 3. Immediately report suspected wrongdoing to the KCMHSAS Compliance Office (CO).
- E. The KCMHSAS Board of Directors shall delegate, by formal resolution or policy, the overall responsibility for KCMHSAS Corporate Compliance Program to its Chief Executive Officer (CEO). The CEO shall ensure the retainment of a CO capable of managing the functions of the Compliance Office as contained in this policy guideline. The CO will have a direct reporting channel to the CEO and KCMHSAS Board of Directors. The CO will effectively communicate with leadership on agency matters while functioning independently with express authority to communicate with the CEO and KCMHSAS Board of Directors regarding any compliance issue on a regular ongoing basis.

II. INFRASTRUCTURE COMPLIANCE PROCESSES

- A. Each Organizational Provider under contract with KCMHSAS shall ensure its officers, board members, employees, students, volunteers and other agents affiliated with its organization are trained on the KCMHSAS Compliance policies and procedures, including policy guideline on reporting suspected wrongdoing and on all relevant laws, rules and regulations applicable to its organization.
- B. Each Organizational Provider under contract with KCMHSAS shall ensure its officers, board members, employees, students, volunteers and other agents affiliated with its organization are appropriately screened and enrolled per 42 CFR 438.602(b) and Section 5005(b)(2) of the 21st Century Cures Act and implemented per MDHHS and SWMBH.

- C. KCMHSAS will develop and implement a quality monitoring process for regulatory management, compliance and risk assessment.
- D. KCMHSAS addresses HIPAA Privacy and Security requirements through other policy and procedure.
- E. KCMHSAS shall ensure the most updated copy of this policy guideline is posted on its website (<http://www.kazoocmh.org/>) and that complaint reporting forms are readily available for complainants.

III. TRAINING

- A. The KCMHSAS CO shall be charged with the responsibility to ensure that network providers receive training on Compliance. This does not mean that this office must conduct all the training, but shall ensure that each Organization is training its officers, board members, employees, students, volunteers, etc. on compliance, in accordance with the policy guideline.
- B. The CO, in collaboration with the KCMHSAS Compliance Committee and Human Resources, shall be charged to ensure the availability of adequate training materials, which may include e-learning modules.
- C. Each Provider Organization shall ensure training of its representatives and employees, and shall document such training in its training logs or personnel files.
- D. Organizations may either use the educational/training materials put forth by KCMHSAS or may substitute this curriculum with alternative approved curriculum, approved by the KCMHSAS Compliance Committee.
- E. Each Provider Organization shall ensure the appropriate documentation of employee/representative training, including use of approved curriculum and appropriate documentation of training logs/personnel file documentation.

REFERENCES

- A. Federal Laws
 - 2. Deficit Reduction Act, United States Code, Vol. 42, Sec. 1396a (a)(68) (Section 6032 of the Deficit Reduction Act of 2005)
 - 3. False Claims Act, United States Code, Vol. 31, Secs. 3729-3733
 - 4. Program Fraud and Civil Remedies Act, United States Code, Vol. 31, Secs. 3801-3812 (Program Fraud Civil Remedies Act of 1986)
 - 5. Anti-Kickback Statute
 - 6. United States Organizational Sentencing Guidelines (1991)
 - 7. Stark Laws I (1989) and Stark Laws II (1993)
 - 8. Health Insurance Portability and Accountability Act of 1996 (HIPAA)
 - 9. Balance Budget Act of 1997 (BBA)
 - 10. Social Security Act, specifically 1903(m)(95)(i)

11. Affordable Care Act (Public Law 111-148; 111-152 of 2010)
 12. Whistleblowers Protection Act of 1980
 13. HITECH Act of 2009
 14. 42 CFR, Parts 400 and 438 (Balanced Budget Act)
 15. 45 CFR Part 164 (Health Information Portability and Accountability Act)
 16. 21st Century Cures Act
 17. 1991 Federal Sentencing Guidelines, Chapter 8
 18. 2010 Federal Sentencing Guidelines, 2010 Amendments
 19. Sarbanes Oxley Act
 20. Yates Memo written by Sally Quillian Yates, Deputy Attorney General, 9/5/15
- B. Michigan Laws
1. Medicaid False Claims Act, Michigan Compiled Laws, Annotated Sections 400.601-613
 2. HIPAA Privacy Rule Preemption Analysis Matrix for the Michigan Medical Records Access Act, Public Act 47 of 2004 (revised 11/04)
 3. Michigan Mental Health Code, PA 258, as amended
 4. Michigan Public Health Code, PA 368, as amended
- C. Michigan Department of Health and Human Services (MDHHS)
1. MDHHS/PIHP Medicaid Managed Specialty Supports and Services Contract – Section 6.9 Regulatory Management
 2. MSA-Medicaid Provider Manual
 3. MDHHS: Application for Participation, Section 4.0
- D. PIHP
1. [Southwest Michigan Behavioral Health Compliance Program](#)
 2. [Southwest Michigan Behavioral Health Policy](#)
 - a. 10.2 (Compliance Policy Development)
 - b. 10.3 (Code of Conduct Distribution and Training)
 - c. 10.4 (Compliance Oversight Committee)
 - d. 10.5 (Compliance Education and Training)
 - e. 10.6 (Compliance Reporting and Responsibilities)
 - f. 10.7 (Compliance Auditing and Monitoring)
 - g. 10.8 (Compliance Reviews and Investigations for Reporting)
 - h. 10.9 (Compliance Enforcement and Discipline)
 - i. 10.11 (Fraud and Abuse)

EXHIBITS

- A. [KCMHSAS Corporate Compliance Program](#)