INTEGRITY AGREEMENT
BETWEEN THE
OFFICE OF INSPECTOR GENERAL
OF THE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
AND
THE COUNTY OF ORANGE HEALTH CARE AGENCY,
BEHAVIORAL HEALTH SERVICES DIVISION

I. PREAMBLE

The County of Orange Health Care Agency Behavioral Health Services Division (OCHCA-BHSD) hereby enters into this Integrity Agreement (IA) with the Office of Inspector General (OIG) of the United States Department of Health and Human Services (HHS) to promote compliance with the statutes, regulations, and written directives of Medicare, Medicaid, and all other Federal health care programs (as defined in 42 U.S.C. § 1320a-7b(f)) (Federal health care program requirements). Contemporaneously with this IA, OCHCA-BHSD is entering into a Settlement Agreement with the United States.

Prior to the Effective Date of this IA, OCHCA-BHSD established a voluntary compliance program that includes certain compliance measures, including the appointment of a Compliance Officer and Compliance Committee, and the establishment of: 1) standards of conduct, 2) training and education requirements, 3) a disclosure program, 4) screening measures for ineligible persons, 5) monitoring and auditing procedures, and 6) enforcement and disciplinary measures.

OCHCA-BHSD shall continue the operation of its compliance program in accordance with the terms set forth below for the term of this IA. OCHCA-BHSD may modify its compliance program measures as appropriate, but, at a minimum, OCHCA-BHSD shall ensure that during the term of this IA, it shall comply with the integrity obligations in this IA.

II. TERM AND SCOPE OF THE IA

A. The period of the compliance obligations assumed by OCHCA-BHSD under this IA shall be 3 years from the effective date of this IA, unless otherwise specified. The effective date shall be the date on which the final signatory of this IA executes this IA (Effective Date). Each one-year period, beginning with the one-year period following the Effective Date, shall be referred to as a "Reporting Period."

B. Sections VII, IX, X, and XI shall expire no later than 120 days after OIG's receipt of: (1) OCHCA-BHSD's final annual report; or (2) any additional materials submitted by OCHCA-BHSD pursuant to OIG's request, whichever is later.

C. The scope of this IA shall be governed by the following definitions:

1. "Covered Persons" includes:

a. all officers, directors, and employees of OCHCA-BHSD;

b. all contractors, subcontractors, agents, and other persons who provide behavioral health care items or services or who perform billing or coding functions on behalf of OCHCA-BHSD; and

c. members of the medical staff (including physicians with staff privileges).

Notwithstanding the above, this term does not include part-time or per diem employees, contractors, subcontractors, agents, and other persons who are not reasonably expected to work more than 160 hours per year, except that any such individuals shall become "Covered Persons" at the point when they work more than 160 hours during the calendar year.

2. "Relevant Covered Persons" includes all individuals involved in the delivery of behavioral health care item or services, and/or in the preparation or submission of claims for reimbursement for behavioral health care item or services, that are reimbursable in whole or in part by any Federal health care program.

3. "Off-Site Contractor Providers." The term "Off-Site Contractor Providers" refers to Covered Persons who contract with OCHCA-BHSD (or who are employed by or subcontract with a person or entity who contracts with OCHCA-BHSD) to provide behavioral health services at locations that are not owned or leased by the Orange County Health Care Agency (OCHCA).

4. "Pre-Existing Contractors." The term "Pre-Existing Contractors" refers to Covered Persons who are independent contractors with whom OCHCA-

BHSD has an existing contract on the Effective Date of this IA that has not been renewed or modified after the Effective Date. Once OCHCA-BHSD renegotiates, modifies, or renews a contract with a Pre-Existing Contractor, that contractor ceases to be a Pre-Existing Contractor as that term is used for the purposes of this IA, and OCHCA-BHSD will have full responsibility for the certification and training compliance obligations as pertaining to that contractor.

III. CORPORATE INTEGRITY OBLIGATIONS

OCHCA-BHSD represents that it has established and shall maintain a Compliance Program that includes the following elements:

A. Compliance Officer and Committee.

1. *Compliance Officer.* Prior to the Effective Date, OCHCA-BHSD appointed an individual to serve as its Compliance Officer and OCHCA-BHSD shall maintain a Compliance Officer for the term of the IA. The Compliance Officer shall be responsible for developing and implementing policies, procedures, and practices designed to ensure compliance with the requirements set forth in this IA and with Federal health care program requirements. The Compliance Officer shall be a member of OCHCA-BHSD's Executive Team; shall make periodic (at least quarterly) reports regarding compliance matters directly to the OCHCA Director and to the County of Orange Director of Internal Audit Department. The Compliance Officer shall have an independent reporting relationship to the Director of the County of Orange Internal Audit Department, which serves as the independent audit committee to the Orange County Board of Supervisors, and shall be authorized to report on compliance matters directly to the Internal Audit Department any time. The Compliance Officer shall not be (or be subordinate to) the County of Orange Counsel or the County of Orange Chief Financial Officer. The Compliance Officer shall be responsible for monitoring the day-to-day compliance activities engaged in by OCHCA-BHSD as well as for any reporting obligations created under this IA.

OCHCA-BHSD shall report to OIG, in writing, any changes in the identity or position description of the Compliance Officer, or any actions or changes that would affect the Compliance Officer's ability to perform the duties necessary to meet the obligations in this IA, within 15 days after such a change.

2. *Compliance Committee*. Prior to the Effective Date, OCHCA-BHSD appointed a Compliance Committee. The Compliance Committee shall, at a minimum, include the Compliance Officer and other members of senior management personnel necessary to meet the requirements of this IA (e.g., senior management personnel of relevant departments, such as billing, clinical, human resources, and audit). The Compliance Officer shall chair the Compliance Committee and the Committee shall support the Compliance Officer in fulfilling his/her responsibilities (e.g., shall assist in the analysis of the organization's risk areas and shall oversee monitoring of internal and external audits and investigations).

OCHCA-BHSD shall report to OIG, in writing, any changes in the composition of the Compliance Committee, or any actions or changes that would affect the Compliance Committee's ability to perform the duties necessary to meet the obligations in this IA, within 15 days after such a change.

B. Written Standards.

1. *Code of Conduct*. Prior to the Effective Date, OCHCA-BHSD has developed, implemented, and distributed a written Code of Conduct to all Covered Persons. OCHCA-BHSD shall make the promotion of, and adherence to, the Code of Conduct an element in evaluating the performance of all employees. The Code of Conduct shall, at a minimum, set forth:

a. OCHCA-BHSD's commitment to full compliance with all Federal health care program requirements, including its commitment to prepare and submit accurate claims consistent with such requirements;

b. OCHCA-BHSD's requirement that all of its Covered Persons shall be expected to comply with all Federal health care program requirements and with OCHCA-BHSD's own Policies and Procedures as implemented pursuant to Section III.B (including the requirements of this IA);

c. the requirement that all of OCHCA-BHSD's Covered Persons shall be expected to report to the Compliance Officer, or other appropriate individual designated by OCHCA-BHSD, suspected

violations of any Federal health care program requirements or of OCHCA-BHSD's own Policies and Procedures;

d. the possible consequences to both OCHCA-BHSD and Covered Persons of failure to comply with Federal health care program requirements and with OCHCA-BHSD's own Policies and Procedures and the failure to report such noncompliance; and

e. the right of all individuals to use the Disclosure Program described in Section III.E, and OCHCA-BHSD's commitment to nonretaliation and to maintain, as appropriate, confidentiality and anonymity with respect to such disclosures.

If not already done within 60 days prior to the Effective Date, then each Covered Person shall certify, in writing or electronically, that he or she has received, read, understood, and shall abide by OCHCA-BHSD's Code of Conduct. New Covered Persons shall receive the Code of Conduct and shall complete the required certification within 30 days after becoming a Covered Person or within 90 days after the Effective Date, whichever is later.

At least annually (and more frequently, if appropriate), OCHCA-BHSD shall review the Code of Conduct to determine if revisions are appropriate and shall make any necessary revisions based on such review. Any revised Code of Conduct shall be distributed within 30 days after any revisions are finalized. Each Covered Person shall certify, in writing or electronically, that he or she has received, read, understood, and shall abide by the revised Code of Conduct within 30 days after the distribution of the revised Code of Conduct.

2. *Policies and Procedures*. To the extent not already accomplished, within 90 days after the Effective Date, OCHCA-BHSD shall implement written Policies and Procedures regarding the operation of OCHCA-BHSD's compliance program and its compliance with Federal health care program requirements. At a minimum, the Policies and Procedures shall address:

a. the subjects relating to the Code of Conduct identified in Section III.B.1; and

b. subjects related to compliance with all Federal health care program requirements governing the licensure and qualifications of individual behavioral health service providers.

To the extent not already accomplished, within 90 days after the Effective Date, the relevant portions of the Policies and Procedures shall be distributed to all individuals whose job functions relate to those Policies and Procedures. Appropriate and knowledgeable staff shall be available to explain the Policies and Procedures.

At least annually (and more frequently, if appropriate), OCHCA-BHSD shall assess and update, as necessary, the Policies and Procedures. Within 30 days after the effective date of any revisions, the relevant portions of any such revised Policies and Procedures shall be distributed to all individuals whose job functions relate to those Policies and Procedures.

C. Training and Education.

1. *General Training.* Within 90 days after the Effective Date, OCHCA-BHSD shall provide at least two hours of General Training to each Covered Person. This training, at a minimum, shall explain OCHCA-BHSD's:

a. IA requirements; and

b. OCHCA-BHSD's Compliance Program (including the Code of Conduct and the Policies and Procedures as they pertain to general compliance issues).

New Covered Persons shall receive the General Training described above within 30 days after becoming a Covered Person or within 90 days after the Effective Date, whichever is later. After receiving the initial General Training described above, each Covered Person shall receive at least one hour of General Training in each subsequent Reporting Period.

For purposes of the General Training requirements, if OCHCA-BHSD provided training on its Compliance Program that satisfies the requirements set forth in Section III.C.1.b, above, to Covered Persons within 180 days prior to the Effective Date, then OCHCA-BHSD may satisfy its remaining General Training obligations for the first Reporting Period by notifying those Covered Persons of the fact that OCHCA-BHSD

entered into a IA, and notifying and explaining to them OCHCA-BHSD's requirements and obligations under the IA, and making the IA readily available to them.

2. *Specific Training*. Within 90 days after the Effective Date, each Relevant Covered Person shall receive at least two hours of Specific Training in addition to the General Training required above. This Specific Training shall include a discussion of:

a. Federal health care program requirements regarding the accurate coding and submission of claims;

b. policies, procedures, and other requirements applicable to the documentation of medical records;

c. the personal obligation of each individual involved in the claims submission process to ensure that such claims are accurate;

d. applicable reimbursement statutes, regulations, and program requirements and directives;

e. Federal health care program requirements governing the licensure and qualifications of individual behavioral health service providers;

f. the legal sanctions for violations of Federal health care program requirements; and

g. examples of proper and improper claims submission practices.

Relevant Covered Persons shall receive this training within 30 days after beginning of their employment or becoming Relevant Covered Persons, or within 90 days after the Effective Date, whichever is later. An OCHCA-BHSD employee who has completed the Specific Training shall review a new Relevant Covered Person's work, to the extent that the work relates to the delivery of patient care items or services and/or the preparation or submission of claims for reimbursement from any Federal health care program, until such time as the new Relevant Covered Person completes his or her Specific Training. To the extent that OCHCA-BHSD has provided training that satisfies the Specific Training requirements set forth above within 180 days prior to the Effective

Date, OIG shall credit that training for purposes of satisfying the applicable part of OCHCA-BHSD's training obligations for the first Reporting Period of the IA.

After receiving the initial Specific Training described in this Section, each Relevant Covered Person shall receive at least two hours of Specific Training in each subsequent Reporting Period.

3. *Certification.* Each individual who is required to attend training shall certify, in writing, or in electronic form, if applicable, that he or she has received the required training. The certification shall specify the type of training received and the date received. The Compliance Officer (or designee) shall retain the certifications, along with all course materials. These shall be made available to OIG, upon request.

4. *Exception for Non-Employee Physician Members of OCHCA-BHSD's Staff.* Notwithstanding any other provision of this IA, OCHCA-BHSD shall make the General Training and the Specific Training, where appropriate, available to all physicians with privileges with OCHCA-BHSD or at OCHCA-BHSD owned or leased facilities, and shall use its best efforts to encourage and obtain such physicians' attendance and participation. The Compliance Officer shall maintain records of the names and percentage of all such physicians who attend the training, and shall include such percentages in each Implementation and Annual Report to the OIG.

5. *Exception for Off-Site Contractor Providers.* OCHCA-BHSD shall make the General Training as appropriate to job responsibilities available to all Off-Site Contractor Providers. OCHCA-BHSD shall use its best efforts to encourage Off-Site Contractor Provider attendance and participation. The Compliance Officer shall maintain records of the names and percentage of the Off-Site Contractor Providers who do and do not attend such training, and shall include such percentages in each Implementation and Annual Report to the OIG. Such records shall also be available for inspection by OIG.

6. *Exception for Pre-Existing Contractors.* OCHCA-BHSD shall attempt to renegotiate contracts with Pre-Existing Contractors to require such contractors to meet all of the certification and training requirements of this IA. OCHCA-BHSD shall make General Training as appropriate to job responsibilities available to all Pre-Existing Contractors. OCHCA-BHSD shall use its best efforts to encourage Pre-Existing Contractors attendance and participation. The Compliance Officer shall maintain records of the names and percentage of all Pre-Existing Contractors who do and do not attend

such training, and shall include such percentages in each Implementation and Annual Report to the OIG. Such records shall also be available for inspection by OIG.

7. *Qualifications of Trainer.* Persons providing the training shall be knowledgeable about the subject area.

8. *Update of Training.* OCHCA-BHSD shall review the training annually, and, where appropriate, update the training to reflect changes in Federal health care program requirements, any issues discovered during internal audits, the Claims Review, the Verification Review, the Unallowable Costs Review, and any other relevant information.

9. *Computer-based Training.* OCHCA-BHSD may provide the training required under this IA through appropriate computer-based training approaches. If OCHCA-BHSD chooses to provide computer-based training, it shall make available appropriately qualified and knowledgeable staff or trainers to answer questions or provide additional information to the individuals receiving such training.

D. Review Procedures.

1. *General Description.*

a. *Engagement of Independent Review Organization.* Within 180 days after the Effective Date, OCHCA-BHSD shall engage an entity (or entities), such as an accounting, auditing, or consulting firm (hereinafter "Independent Review Organization" or "IRO"), to perform reviews to assist OCHCA-BHSD in assessing and evaluating its billing and coding practices and certain other obligations pursuant to this Agreement and the Settlement Agreement. The applicable requirements relating to the IRO are outlined in Appendix A to this Agreement, which is incorporated by reference.

Each IRO engaged by OCHCA-BHSD shall have expertise in the billing, coding, reporting, and other requirements applicable to OCHCA-BHSD and in the general requirements of the Federal health care program(s) from which OCHCA-BHSD seeks reimbursement. Each IRO shall assess, along with OCHCA-BHSD,

whether it can perform the IRO review in a professionally independent and objective fashion, as appropriate to the nature of the engagement, taking into account any other business relationships or other engagements that may exist.

The IRO(s) review shall evaluate and analyze OCHCA-BHSD's coding, billing, and claims submission to the Federal health care programs and the reimbursement received (Claims Review), and shall analyze whether OCHCA-BHSD sought payment for certain unallowable costs (Unallowable Costs Review).

b. *Frequency of Claims Review.* The Claims Review shall be performed annually and shall cover each of the Reporting Periods. OCHCA-BHSD shall perform all components of each annual Claims Review, subject to Section III.D.1.d. The IRO shall perform a verification review, as described in Section III.D.1.c., below.

c. *IRO Verification Review.* The IRO shall conduct a review of at least 20% of the sampling units reviewed by OCHCA-BHSD in its internal Claims Review ("Verification Review").

As part of OCHCA-BHSD's Annual Report, the IRO shall submit a report that verifies that the requirements outlined in Section III.D and in Appendix A to this IA have been satisfied and shall report the results, sampling unit by sampling unit, of the Verification Review performed.

d. *IRO Claims Review.* Following its review of OCHCA-BHSD's Annual Report, if, in its sole discretion, OIG determines that OCHCA-BHSD's internal reviews were not satisfactory, OIG can require that all aspects of future Claims Reviews be done by the IRO.

e. *Frequency of Unallowable Costs Review.* The IRO shall perform the Unallowable Costs Review for the first Reporting Period.

f. *Retention of Records.* The IRO and OCHCA-BHSD shall retain and make available to OIG, upon request, all work papers,

supporting documentation, correspondence, and draft reports (those exchanged between the IRO and OCHCA-BHSD) related to the reviews.

2. *Claims Review*. The Claims Review shall include a Discovery Sample and, if necessary, a Full Sample. The applicable definitions, procedures, and reporting requirements are outlined in Appendix B to this Agreement, which is incorporated by reference.

a. *Discovery Sample.* OCHCA-BHSD shall randomly select and review a sample of 100 Paid Claims, which shall be comprised of 50 Paid Claims submitted by or on behalf of OCHCA-BHSD to Medicare and 50 Paid Claims submitted by or on behalf of OCHCA-BHSD to Medicaid. The 100 Paid Claims shall constitute the Discovery Sample. The Paid Claims shall be reviewed based on the supporting documentation available at OCHCA-BHSD or under OCHCA-BHSD's control and applicable billing and coding regulations and guidance to determine whether the claim submitted was correctly coded, submitted, and reimbursed.

i. If the Error Rate (as defined in Appendix B) for a Discovery Sample is less than 5%, no additional sampling is required, nor is a Systems Review required. (Note: the 5% threshold does not imply that this is an acceptable error rate. Accordingly, OCHCA-BHSD should, as appropriate, further analyze any errors identified in the Discovery Sample. OCHCA-BHSD recognizes that OIG or other HHS components, in their discretion and as authorized by statute, regulation, or other appropriate authority, may also analyze or review Paid Claims included, or errors identified, in the Discovery Sample.)

ii. If a Discovery Sample indicates that the Error Rate is 5% or greater, OCHCA-BHSD and/or the IRO shall perform a Full Sample and a Systems Review, as described below.

b. *Full Sample.* If necessary, as determined by procedures set forth in Sections III.D.1 and III.D.2.a, OCHCA-BHSD shall select an

additional sample of Paid Claims using commonly accepted sampling methods and in accordance with Appendix B. The Full Sample shall be designed to: (i) estimate the actual Overpayment in the population with a 90% confidence level and with a maximum relative precision of 25% of the point estimate; and (ii) conform with the Centers for Medicare and Medicaid Services' statistical sampling for overpayment estimation guidelines. The Paid Claims selected for the Full Sample shall be reviewed based on supporting documentation available at OCHCA-BHSD's office or under OCHCA-BHSD's control and applicable billing and coding regulations and guidance to determine whether the claim was correctly coded, submitted, and reimbursed. For purposes of calculating the size of the Full Sample, the Discovery Sample may serve as the probe sample, if statistically appropriate. Additionally, OCHCA-BHSD may use the Items sampled as part of the Discovery Sample, and the corresponding findings for those Paid Claims, as part of its Full Sample, if: (1) statistically appropriate and (2) OCHCA-BHSD selects the Full Sample Items using the seed number generated by the Discovery Sample. OIG, in its sole discretion, may refer the findings of the Full Sample (and any related workpapers) received from OCHCA-BHSD to the appropriate Federal health care program payor, including the Medicare and/or Medicaid contractor (e.g., carrier, fiscal intermediary, fiscal agent, DMERC, etc.), for appropriate follow-up by that payor.

c. *Systems Review*. If a Discovery Sample identifies an Error Rate of 5% or greater, OCHCA-BHSD shall also conduct a Systems Review. Specifically, for each claim in the Discovery Sample and Full Sample that resulted in an Overpayment, OCHCA-BHSD shall perform a "walk through" of the system(s) and process(es) that generated the claim, to identify any problems or weaknesses that may have resulted in the identified Overpayments. OCHCA-BHSD shall formulate its observations and develop recommendations on suggested improvements to the system(s) and the process(es) that generated the claim, and shall enact those recommendations prior to the initiation of the next Claims Review.

d. *Repayment of Identified Overpayments.* In accordance with Section III.H.1 of this Agreement, OCHCA-BHSD shall repay within 30 days any Overpayment(s) identified in the Discovery Sample or the Full Sample (if applicable), regardless of the Error Rate, to the appropriate payor and in accordance with payor refund policies. OCHCA-BHSD shall make available to OIG all documentation that reflects the refund of the Overpayment(s) to the payor.

3. *Claims Review Report.* OCHCA-BHSD and the IRO, if OCHCA-BHSD conducted an internal Claims Review with an IRO Verification Review, or just the IRO, if the IRO conducted the Claims Review, shall prepare a report based upon the Claims Review performed (the "Claims Review Report"). Information to be included in the Claims Review Report is detailed in Appendix B to this IA.

4. *Unallowable Costs Review.* The IRO shall conduct a review of OCHCA-BHSD's compliance with the unallowable costs provisions of the Settlement Agreement. The IRO shall determine whether OCHCA-BHSD has complied with its obligations not to charge to, or otherwise seek payment from, federal or state payors for unallowable costs (as defined in the Settlement Agreement) and its obligation to identify to applicable federal or state payors any unallowable costs included in payments previously sought from the United States, or any state Medicaid program. This unallowable costs analysis shall include, but not be limited to, payments sought in any cost reports, cost statements, information reports, or payment requests already submitted by OCHCA-BHSD or any subsidiaries. To the extent that such cost reports, cost statements, information reports, or payment requests, even if already settled, have been adjusted to account for the effect of the inclusion of the unallowable costs, the IRO shall determine if such adjustments were proper. In making this determination, the IRO may need to review cost reports and/or financial statements from the year in which the Settlement Agreement was executed, as well as from previous years.

5. *Unallowable Costs Review Report.* The IRO shall prepare a report based upon the Unallowable Costs Review performed. The Unallowable Costs Review Report shall include the IRO's findings and supporting rationale regarding the Unallowable Costs Review and whether OCHCA-BHSD has complied with its obligation not to charge to, or otherwise seek payment from, federal or state payors for unallowable costs (as defined in the Settlement Agreement) and its obligation to identify to applicable federal

or state payors any unallowable costs included in payments previously sought from such payor.

6. *Validation Review.* In the event OIG has reason to believe that: (a) OCHCA-BHSD's Claims Review or the IRO's Unallowable Costs Review fails to conform to the requirements of this Agreement; or (b) the IRO's findings or Claims Review results or Unallowable Cost Review results are inaccurate, OIG may, at its sole discretion, conduct its own review to determine whether the Claims Review or Unallowable Costs Review complied with the requirements of the Agreement and/or the findings or Claims Review results or Unallowable Costs Review results are inaccurate (Validation Review). OCHCA-BHSD shall pay for the reasonable cost of any such review performed by OIG or any of its designated agents. Any Validation Review of Reports submitted as part of OCHCA-BHSD's final Annual Report must be initiated no later than one year after OCHCA-BHSD's final submission (as described in Section II) is received by OIG.

Prior to initiating a Validation Review, OIG shall notify OCHCA-BHSD of its intent to do so and provide a written explanation of why OIG believes such a review is necessary. To resolve any concerns raised by OIG, OCHCA-BHSD may request a meeting with OIG to: (a) discuss the results of any Claims Review or Unallowable Costs Review submissions or findings; (b) present any additional information to clarify the results of the Claims Review or Unallowable Cost Review or to correct the inaccuracy of the Claims Review or Unallowable Costs Review; and/or (c) propose alternatives to the proposed Validation Review. OCHCA-BHSD agrees to provide any additional information as may be requested by OIG under this Section in an expedited manner. OIG will attempt in good faith to resolve any Claims Review or Unallowable Costs Review issues with OCHCA-BHSD prior to conducting a Validation Review. However, the final determination as to whether or not to proceed with a Validation Review shall be made at the sole discretion of OIG.

7. *Independence and Objectivity Certification.* The IRO shall include in its report(s) to OCHCA-BHSD a certification or sworn affidavit that it has evaluated its professional independence and objectivity, as appropriate to the nature of the engagement, with regard to the Claims Review and/or Unallowable Costs Review and that it has concluded that it is, in fact, independent and objective.

E. Disclosure Program.

OCHCA-BHSD shall maintain a Disclosure Program that includes a mechanism (e.g., a toll-free compliance telephone line and/or written submissions) to enable individuals to disclose, to the Compliance Officer or some other person who is not in the disclosing individual's chain of command, any identified issues or questions associated with OCHCA-BHSD's policies, conduct, practices, or procedures with respect to a Federal health care program believed by the individual to be a potential violation of criminal, civil, or administrative law. OCHCA-BHSD shall appropriately publicize the existence of the disclosure mechanism (e.g., via periodic e-mails to employees or by posting the information in prominent common areas).

The Disclosure Program shall emphasize a nonretribution, nonretaliation policy, and shall include a reporting mechanism for anonymous communications for which appropriate confidentiality shall be maintained. Upon receipt of a disclosure, the Compliance Officer (or designee) shall gather all relevant information from the disclosing individual. The Compliance Officer (or designee) shall make a preliminary, good faith inquiry into the allegations set forth in every disclosure to ensure that he or she has obtained all of the information necessary to determine whether a further review should be conducted. For any disclosure that is sufficiently specific so that it reasonably:
(1) permits a determination of the appropriateness of the alleged improper practice; and
(2) provides an opportunity for taking corrective action, OCHCA-BHSD shall conduct an internal review of the allegations set forth in the disclosure and ensure that proper follow-up is conducted.

The Compliance Officer (or designee) shall maintain a disclosure log, that shall include a record and summary of each disclosure received (whether anonymous or not), the status of the respective internal reviews, and any corrective action taken in response to the internal reviews. The disclosure log shall be made available to OIG upon request.

F. Ineligible Persons.

1. *Definitions*. For purposes of this IA:

a. an "Ineligible Person" shall include an individual or entity who:

i. is currently excluded, debarred, suspended, or otherwise ineligible to participate in the Federal health care programs or in Federal procurement or nonprocurement programs; or

ii. has been convicted of a criminal offense that falls within the ambit of 42 U.S.C. § 1320a-7(a), but has not yet been excluded, debarred, suspended, or otherwise declared ineligible.

b. "Exclusion Lists" include:

i. the HHS/OIG List of Excluded Individuals/Entities (available through the Internet at http://www.oig.hhs.gov); and

ii. the General Services Administration's List of Parties Excluded from Federal Programs (available through the Internet at http://www.epls.gov).

c. "Screened Persons" include prospective and current officers, directors, employees, contractors, subcontractors, and agents of OCHCA-BHSD.

2. *Screening Requirements.* OCHCA-BHSD shall ensure that all Screened Persons are not Ineligible Persons, by implementing the following screening requirements.

a. OCHCA-BHSD shall screen all Screened Persons against the Exclusion Lists prior to engaging their services and, as part of the hiring or contracting process, shall require such Screened Persons to disclose whether they are Ineligible Persons.

b. OCHCA-BHSD shall screen all Screened Persons against the Exclusion Lists within 90 days after the Effective Date and on an annual basis thereafter.

c. OCHCA-BHSD shall implement a policy requiring all Screened Persons to disclose immediately any debarment, exclusion,

suspension, or other event that makes that person an Ineligible Person.

Nothing in this Section affects the responsibility of (or liability for) OCHCA-BHSD to refrain from billing Federal health care programs for items or services furnished, ordered, or prescribed by an Ineligible Person. OCHCA-BHSD understands that items or services furnished by excluded persons are not payable by Federal health care programs and that OCHCA-BHSD may be liable for overpayments and/or criminal, civil, and administrative sanctions for employing or contracting with an excluded person regardless of whether OCHCA-BHSD meets the requirements of Section III.F.

3. *Removal Requirement.* If OCHCA-BHSD has actual notice that a Screened Person has become an Ineligible Person, OCHCA-BHSD shall remove such Screened Person from responsibility for, or involvement with, OCHCA-BHSD's business operations related to Federal health care programs and shall remove such Screened Person from any position for which the Screened Person's compensation or the items or services furnished, ordered, or prescribed by the Screened Person are paid in whole or part, directly or indirectly, by Federal health care programs or otherwise with Federal funds at least until such time as the Screened Person is reinstated into participation in Federal health care programs.

4. *Pending Charges and Proposed Exclusions.* If OCHCA-BHSD has actual notice that a Screened Person is charged with a criminal offense that falls within the ambit of 42 U.S.C. §§ 1320a-7(a), 1320a-7(b)(1)-(3), or is proposed for exclusion during the Screened Person's employment or contract term, OCHCA-BHSD shall take all appropriate actions to ensure that the responsibilities of that Screened Person have not and shall not adversely affect the quality of care rendered to any beneficiary, patient, or resident, or the accuracy of any claims submitted to any Federal health care program.

G. Notification of Government Investigation or Legal Proceedings.

Within 30 days after discovery, OCHCA-BHSD shall notify OIG, in writing, of any ongoing investigation or legal proceeding known to OCHCA-BHSD conducted or brought by a governmental entity or its agents involving an allegation that OCHCA-BHSD has committed a crime or has engaged in fraudulent activities. This notification shall include a description of the allegation, the identity of the investigating or prosecuting agency, and the status of such investigation or legal proceeding. OCHCA-BHSD shall also provide written notice to OIG within 30 days after the resolution of the

matter, and shall provide OIG with a description of the findings and/or results of the investigation or proceedings, if any.

H. Reporting.

1. *Overpayments.*

a. *Definition of Overpayments.* For purposes of this IA, an "Overpayment" shall mean the amount of money OCHCA-BHSD has received in excess of the amount due and payable under any Federal health care program requirements.

b. *Reporting of Overpayments.* If, at any time, OCHCA-BHSD identifies or learns of any Overpayment, OCHCA-BHSD shall notify the payor (e.g., Medicare fiscal intermediary or carrier, Medicaid fiscal agent, etc.) within 30 days after identification of the Overpayment and take remedial steps within 60 days after identification (or such additional time as may be agreed to by the payor) to correct the problem, including preventing the underlying problem and the Overpayment from recurring. Also, within 30 days after identification of the Overpayment, OCHCA-BHSD shall repay the Overpayment to the appropriate payor to the extent such Overpayment has been quantified. If not yet quantified, within 30 days after identification, OCHCA-BHSD shall notify the payor of its efforts to quantify the Overpayment amount along with a schedule of when such work is expected to be completed. Notification and repayment to the payor shall be done in accordance with the payor's policies, and, for Medicare contractors, shall include the information contained on the Overpayment Refund Form, provided as Appendix C to this IA. Notwithstanding the above, notification and repayment of any Overpayment amount that routinely is reconciled or adjusted pursuant to policies and procedures established by the payor should be handled in accordance with such policies and procedures.

2. *Reportable Events.*

a. *Definition of Reportable Event.* For purposes of this IA, a "Reportable Event" means anything that involves:

i. a substantial Overpayment;

ii. a matter that a reasonable person would consider a probable violation of criminal, civil, or administrative laws applicable to any Federal health care program for which penalties or exclusion may be authorized; or

iii. the filing of a bankruptcy petition by OCHCA-BHSD.

A Reportable Event may be the result of an isolated event or a series of occurrences.

b. *Reporting of Reportable Events.* If OCHCA-BHSD determines (after a reasonable opportunity to conduct an appropriate review or investigation of the allegations) through any means that there is a Reportable Event, OCHCA-BHSD shall notify OIG, in writing, within 30 days after making the determination that the Reportable Event exists. The report to OIG shall include the following information:

i. If the Reportable Event results in an Overpayment, the report to OIG shall be made at the same time as the notification to the payor required in Section III.H.1, and shall include all of the information on the Overpayment Refund Form, as well as:

(A) the payor's name, address, and contact person to whom the Overpayment was sent; and

(B) the date of the check and identification number (or electronic transaction number) by which the Overpayment was repaid/refunded;

ii. a complete description of the Reportable Event, including the relevant facts, persons involved, and legal and Federal health care program authorities implicated;

iii. a description of OCHCA-BHSD's actions taken to correct the Reportable Event; and

iv. any further steps OCHCA-BHSD plans to take to address the Reportable Event and prevent it from recurring.

v. If the Reportable Event involves the filing of a bankruptcy petition, the report to the OIG shall include documentation of the filing and a description of any Federal health care program authorities implicated.

IV. NEW BUSINESS UNITS OR LOCATIONS

In the event that, after the Effective Date, OCHCA-BHSD changes locations or sells, closes, purchases, or establishes a new business unit or location related to the furnishing of items or services that may be reimbursed by Federal health care programs, OCHCA-BHSD shall notify OIG of this fact as soon as possible, but no later than within 30 days after the date of change of location, sale, closure, purchase, or establishment. This notification shall include the address of the new business unit or location; phone number; fax number; Medicare and Medicaid Provider number(s), provider identification number(s) and/or supplier number(s); and the corresponding contractor's name and address that has issued each Medicare and Medicaid number. Each new business unit or location shall be subject to all the requirements of this IA.

V. IMPLEMENTATION AND ANNUAL REPORTS

A. Implementation Report. Within 120 days after the Effective Date, OCHCA-BHSD shall submit a written report to OIG summarizing the status of its implementation of the requirements of this IA (Implementation Report). The Implementation Report shall, at a minimum, include:

1. the name, address, phone number, and position description of the Compliance Officer required by Section III.A, and a summary of other noncompliance job responsibilities the Compliance Officer may have;