

JOHN J KANE REGIONAL CENTERS

Code of Conduct and Compliance Plan



**Honesty Compassion Respect Quality
Teamwork Accountability Integrity
Commitment Ethics Compliance
Communication Leadership
Resident Care**

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SECTION I

JOHN J. KANE REGIONAL CENTERS

Code of Conduct

I. MISSION, VISION AND VALUES STATEMENT

Mission: To provide quality nursing and rehabilitation services through shared values to enhance the lives of our residents, families, and community.

Vision: We, the dedicated employees of John J. Kane Regional Centers, will lead the future of short and long term care.

In pursuit of our mission, we believe the following value statements are essential and timeless.

1. **Honesty.** We act with absolute honesty, integrity, and fairness in the way we conduct ourselves.
2. **Compassion.** We treat all those we serve with compassion, kindness and appreciation.
3. **Respect.** We recognize and affirm the unique and intrinsic worth of each individual.
4. **Quality.** We consider quality to mean the highest possible quality and continuously improving service. We strive to attain the residents' highest practical physical, mental and psychosocial well-being.
5. **Teamwork.** We trust our employees as valuable members of our healthcare team and pledge to treat one another with loyalty, respect, and dignity.
6. **Accountability.** Our conduct is always responsible, trustworthy, and safe. We make personal commitments to residents, families, and colleagues. We hold ourselves accountable for these commitments, and we take individual responsibility for our decisions and actions to get results.

II. PURPOSE OF OUR CODE OF CONDUCT

This Code is a critical component of our overall Compliance Program. We developed the Code to insure that we meet our ethical standards and comply with applicable laws and regulations. The Code provides a corporate statement of principles that guides our day-to-day operations and sets forth our expectations, and summarizes the basic legal principles under which we operate.

The Code is intended to be comprehensive and easily understood. In some instances, the Code provides all necessary guidance to an ethical issue. In many cases, however, the issue is so complex that additional guidance is needed. In these cases, you are encouraged to seek guidance from your supervisor, another member of management, the Compliance Officer or the Compliance Hot Line.

Though we promote the concept of management autonomy at the departmental level, the policies set forth in this Code are both universal and mandatory for all John J. Kane Regional Center departments.

The Code and all John J. Kane Regional Centers compliance policies and procedures were developed under the direction and supervision of the compliance officer, compliance committee and operational managers. They are applicable to all employees, physicians, suppliers, agents and contractors.

III. LEADERSHIP RESPONSIBILITIES

All John J. Kane Regional Centers employees are obligated to follow our Code of Conduct. However, we expect our leaders to set the example. Managers must be positive role models in every respect. They must ensure that those under their supervision have sufficient information to comply with laws, regulations, and policies, and have the resources to resolve ethical dilemmas. Managers must help to create a culture within John J. Kane Regional Centers that promotes the highest standard of ethics and compliance. Everyone in the Organization must feel free to raise concerns as they arise. We must never sacrifice our commitment to ethics and compliance in the pursuit of business objectives.

John J. Kane Regional Centers is a county-owned Organization. The authority of the Organization and the governance and management of its affairs are vested in the County of Allegheny elected and appointed officials; and the powers, duties and functions of the Organization conferred by the County shall be exercised, performed or controlled by the Executive Director and Regional Center Administrators, as designated by the County Manager.

The Executive Director, Administration and employees of John J. Kane Regional Centers are committed to developing, implementing and maintaining a system of checks and balances to ensure compliance with the Code of Conduct and the Organization's internal policies and procedures.

John J. Kane Regional Centers adopts this as their Code of Conduct. This Code shall evidence the policy of this Organization regarding compliance with all applicable state and federal laws, including, but not limited to, the Federal False Claims Act, Patient Protection and Affordable Care Act, Elder Justice Act, all applicable regulations governing participation in the Medicare and Medicaid programs, the requirements necessary to maintain any exemptions from federal, state and local taxes, the Stark Bill, the Medicare and Medicaid Anti-kickback laws, the Pennsylvania Department of Health regulations, and all federal, state and local civil rights laws.

IV. OUR FUNDAMENTAL COMMITMENT TO STAKEHOLDERS

We affirm the following commitments to John J. Kane Regional Centers' stakeholders:

To our residents: We are committed to providing quality care that is sensitive, compassionate, prompt and cost effective.

To our employees: We are committed to a work environment that treats all employees with fairness, dignity, and respect. All employees are afforded an opportunity to grow and develop professionally and to work in a team environment where the free exchange of ideas is encouraged.

To our affiliated physicians: We are committed to providing our affiliated physicians with safe facilities, reliable equipment, and dedicated professional support staff.

To our third-party payers: We are committed to dealing with our third-party payers in a manner which demonstrates our commitment to our contractual obligations and our shared concern for bringing quality and cost effective healthcare services to our residents. We encourage our third-party payers to adopt their own set of comparable ethical principles to explicitly recognize their obligations to residents and providers.

To our regulators: We are committed to creating an environment where compliance with rules, regulations and sound business practices is woven into our Organization's culture. We accept the responsibility to self-govern and monitor our adherence to the law, regulations and our Code of Conduct.

To the communities we serve: We are committed to understanding the particular needs of the communities we serve and to providing these communities with quality, cost-effective healthcare. As a healthcare organization, we have a responsibility to assist those in need where we can.

To our suppliers: We are committed to fair competition among prospective suppliers and to our responsibilities as a good customer.

To our volunteers: We believe the concept of voluntary assistance is an integral part of the healthcare industry. We are committed to insuring that our volunteers experience a sense of meaning from their volunteer work and receive appropriate recognition for their volunteer efforts.

V. RELATIONSHIPS WITH OUR HEALTHCARE PARTNERS

Residents

Resident Care and Rights

Our mission is to provide high quality healthcare to all of our residents. We treat all residents with respect and dignity, and provide care that is both necessary and appropriate. We make no distinction in the admission, transfer or discharge of residents, or in the care we provide, based on race, color, national origin, religion, method of payment or any other illegal criteria. Clinical care is based on identified resident healthcare needs, not on resident or Organization economics.

Upon admission to John J. Kane Regional Centers, each resident is provided with a written statement of Resident Rights in accordance with applicable federal and state law.

We ensure each resident is involved in all aspects of their care and obtain appropriate consent prior to resident treatment. Each resident or resident representative is provided with a clear explanation of care including diagnosis, treatment plan, right to refuse or accept care, care decision dilemmas, advance directive options, estimates of treatment costs and an explanation of the risks and benefits associated with available treatment options.

Residents are informed of their right to make Advance Directives and of the Organization's policy concerning Advance Directives. Resident Advance Directives will be honored within the limits of the law and the Organization's mission, values, policies and capabilities.

Residents and their representatives will be accorded appropriate confidentiality, privacy, security and protective services, opportunity for resolution of complaint, and pastoral counseling. Any restrictions on a resident's visitors, mail, telephone, or other communications must be evaluated for their therapeutic effectiveness and fully explained to and agreed upon by the resident or resident representative, unless otherwise necessary for purposes of resident or staff safety. During stays in the facility, residents have the right to refuse to perform tasks in or for the facility.

Residents are treated in a manner that preserves their dignity, autonomy, and self-esteem. John J. Kane Regional Centers employees receive training on resident rights and understand their role in supporting them.

Compassion and care are part of our commitment to the residents and to the communities that we serve. John J. Kane Regional Centers strive to provide health education, health promotion, and illness-prevention programs as part of our efforts to improve the quality of life of our residents and our communities.

Transfer

Residents' care is of the utmost importance to John J. Kane Regional Centers. Residents have the right to request transfers to other facilities. In such cases, the resident will be given an explanation of the benefits, risks, and alternatives associated with the transfer. On this basis, residents will only be transferred to another facility under the following circumstances:

1. Upon the resident's request with thirty (30) days advance notice;
2. If necessary to meet the resident's needs;
3. If the safety or health of individuals is endangered;
4. If after notice, the resident has failed to make payment for past services;
5. If the facility ceases to operate.

Resident Information

We collect information about residents' medical condition, history, medication, and family illnesses to provide the best possible care. We recognize the sensitive nature of this information and are committed to maintaining its confidentiality. We do not release or discuss resident-specific information with others unless it is necessary to serve the resident or required by law.

John J. Kane Regional Centers employees must never disclose confidential information about our residents. No John J. Kane Regional Centers employee, affiliated physician, or other healthcare partner has a right to any resident information other than the minimum necessary to perform his or her job.

Residents can expect that their privacy will be protected and that resident-specific information will be released only to persons authorized by law or by the resident's written consent. The resident's consent is not required in an emergency situation, when such information is requested by an institution or by the physician currently treating the resident. In all cases, however, the name of the institution and the person requesting the information will be verified.

Additional information regarding release of information, confidentiality and other privacy concerns are outlined in John J. Kane Regional Centers HIPAA Policies and Procedures.

Affiliated Services

All business arrangements with physicians will be structured to insure compliance with all legal requirements. All arrangements will be in writing and officially approved in accordance with Allegheny County policy/procedure.

To meet all ethical and legal standards regarding referrals and admissions, we adhere strictly to two primary rules:

1. We do not pay for referrals. We accept resident referrals and admissions based solely on the residents' clinical needs and our ability to render the needed services. We do not pay or offer to pay remuneration of any type to anyone - employees, physicians, or other persons – for referral of residents.
2. We do not accept payments for referrals that we make. No John J. Kane Regional Centers employee 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 residents. Similarly, when making resident referrals to another healthcare provider, we do not take into account the volume or value of referrals that the provider has made (or may make) to us.

Third-Party Payers

Billing

We strive to assure that all billings to governmental agencies and to private insurance payers are accurate and conform to all pertinent federal and state laws and regulations. John J. Kane Regional Centers prohibits its employees and agents from knowingly presenting or causing to be presented claims for payment or approval that are false, fictitious, or fraudulent.

We monitor our operations to ensure that claims are submitted only for services that have been provided and are medically necessary. Our policies emphasize the critical nature of complete and accurate documentation of services provided. As part of our documentation effort, we maintain current and accurate medical records in accordance with the records retention policy of the Organization and in compliance with federal and state laws and regulations.

Subcontractors engaged to perform billing-related services must have the necessary skills, quality assurance processes, systems, and appropriate procedures to ensure that all billings for government and commercial insurance programs are accurate and complete. John J. Kane Regional Centers prefers to contract with such entities that have adopted their own ethics and compliance programs. Third-party billing entities, contractors, and preferred vendors that we consider must be approved consistent with Allegheny County policy. All subcontractors are required to agree to our Business Associate Agreement which sets forth our expectations regarding protected health information, confidentiality and disclosure.

Cost Reports

Our business involves reimbursement under government programs that require us to submit reports of our costs of operation. We will comply with federal and state laws relating to all cost reports. These laws and regulations define allowable costs and outline the appropriate methodologies to report the cost of services provided to program beneficiaries. Because of their complexity, John J. Kane Regional Centers requires that all issues related to the completion and settlement of cost reports be coordinated with our Fiscal Department.

VI. REGULATORY COMPLIANCE

John J. Kane Regional Centers provides a variety of healthcare services to its residents. In general, these services may be provided only pursuant to appropriate federal, state, and local laws and regulations. These laws and regulations govern subjects such as licenses, permits, accreditation, access to treatment, consent to treatment, medical record-keeping, access to medical records and confidentiality, residents rights, terminal care decision-making, medical

staff membership and clinical privileges, as well as Medicare and Medicaid regulations. John J. Kane Regional Centers is subject to numerous other laws and regulations as well.

We will comply with all applicable laws and regulations. All employees, medical staff members, privileged practitioners, agents and contract service providers must be knowledgeable about and ensure compliance with all laws and regulations, and must immediately report violations or suspected violations to a supervisor or to a member of management, the Compliance Hot Line, or the Compliance Officer.

John J. Kane Regional Centers will be forthright in dealing with any billing inquiries. Requests for information will be answered with complete, factual, and accurate information. We will cooperate with and be courteous to all government inspectors and provide them with the information to which they are entitled during an inspection.

During a government investigation, we must never conceal, destroy, or alter any documents, lie, or make misleading statements to government representatives. You must not attempt to cause another employee to fail to provide accurate information or obstruct, mislead, or delay the communication of information or records relating to a possible violation of law.

To ensure that we fully meet all regulatory obligations, John J. Kane Regional Centers employees will be informed about areas of potential compliance concern. The Department of Health and Human Services, and particularly its Inspector General, has routinely notified healthcare providers of areas in which these government representatives believe that insufficient attention is being accorded to government regulations. We will be diligent in the face of such guidance about reviewing these elements of our system to ensure their correctness.

John J. Kane Regional Centers will provide its employees with the information and education they need to comply fully with all applicable laws and regulations.

VII. INTERACTING WITH LICENSING AND ACCREDITING BODIES

John J. Kane Regional Centers will interact with all licensing and accrediting bodies in a direct, open and honest manner. John J. Kane Regional Centers employees and agents are prohibited from taking any action that would mislead an accrediting body, their survey teams, or their agents, either directly or indirectly.

The scope of matters related to licensing and accreditation is critical to our operation and often broader than the scope of this Code. John J. Kane Regional Centers employees and agents are to be prepared at all times to address the interests of a licensing or accrediting body.

VIII. BUSINESS INFORMATION AND INFORMATION SYSTEMS

Accuracy, Retention, and Disposal of Documents and Records

Each John J. Kane Regional Centers employee is responsible for the integrity and accuracy of our Organization's documents and records, not only to comply with regulatory and

legal requirements but also to ensure that records are available to defend our business practices and actions. No one may alter or falsify information on any record or document.

Medical and business documents and records are retained in accordance with the law and with our record retention policy. Medical and business documents include paper documentation such as letters and memos, information stored through electronic or magnetic means, such as e-mail or computer files, and any other medium that contains information about the Organization or its business activities. It is important to retain and destroy records appropriately according to our policy. You must not tamper with records, nor remove or destroy them prior to the specified date.

Confidential Information

Confidential information about our Organization's strategies and operations is a valuable asset. Although you may use confidential information to perform your job, it must not be shared with others outside of John J. Kane Regional Centers or your department unless the individuals involved have a legitimate need to know the information and have agreed to maintain the confidentiality of the information. Confidential information includes personnel data maintained by the Organization, resident lists and clinical information, pricing and cost data, information pertaining to acquisitions, divestitures, affiliations and mergers, financial data, research data, strategic plans, marketing strategies, techniques, employees lists and data maintained by the Organization, supplier and subcontractor information, and proprietary computer software. Any disclosure of confidential information to outside parties must be approved by the Executive Director.

This provision does not restrict the right of an employee to disclose, if he or she wishes, information about his or her own compensation, benefits, or terms and conditions of employment.

Electronic Media

All communications systems, electronic mail, Internet access, or voice mail are the property of the Organization and are to be primarily used for business purposes. Highly limited reasonable personal use of John J. Kane Regional Centers communications systems is permitted. However, you should assume that these communications are not private. Resident and confidential information should not be sent through the Internet unless confidentiality can be assured.

John J. Kane Regional Centers reserves the right to periodically access, monitor, and disclose the contents of e-mail and voice mail messages.

Employees may not use internal communication channels or access to the Internet at work to post, store, transmit, download, or distribute any threatening, knowingly, recklessly, or maliciously false or obscene materials, including anything constituting or encouraging a criminal offense, giving rise to civil liability, or otherwise violating any laws. Additionally, these channels of communication may not be used to send chain letters, personal broadcast messages,

or copyrighted documents that are not authorized for reproduction. Nor are they to be used to conduct a job search or to open mis-addressed mail.

Employees who abuse our communications systems or use them excessively for non-business purposes may lose these privileges and be subject to disciplinary action.

Social Networking Policy

Facebook, Twitter, Tumblr, YouTube and Flickr are all examples of social networking sites. John J. Kane Regional Centers reserves the right to monitor the use of such social media sites whether used inside the facility on a company computer, or outside the facility during an employee's personal time.

Identifying yourself as an employee of John J. Kane Regional Centers, in any setting, means that you are taking on the responsibility of representing the Organization in a professional manner. Improper use of these and other sites not named above could violate company policies such as the Anti-Harassment Policy, Code of Conduct, IT Policy, HIPAA regulations or the Compliance Program.

Defamatory statements and/or references towards the Organization, its staff members or its residents could lead to disciplinary action, up to and including termination of employment, and possible legal action being taken against the author of any such statement/reference.

Financial Reporting and Records

We have established and maintained a high standard of accuracy and completeness in the documentation and reporting of all financial records. These records serve as a basis for managing our business, and are important in meeting our obligations to residents, employees, suppliers, and others. They are also necessary for compliance with tax and financial reporting requirements.

All financial information will reflect actual transactions and conform to generally accepted accounting principles. No undisclosed or unrecorded fund or assets will be established. John J. Kane Regional Centers maintains a system of internal controls to provide reasonable assurances that all transactions are executed in accordance with management's authorization and are recorded in a proper manner so as to maintain accountability of the Organization's assets.

IX. WORKPLACE CONDUCT AND EMPLOYMENT PRACTICES

Conflicts of Interest

Conflicts of interest may occur if outside activities or personal interests influence or appear to influence your ability to make objective decisions in the course of your job responsibilities. Conflicts of interest may also exist if the demands of any outside activities hinder or distract you from the performance of your job, or cause you to use John J. Kane

Regional Centers resources for other than John J. Kane Regional Centers purposes. It is your obligation to ensure that you remain free of conflicts of interest in the performance of your responsibilities at John J. Kane Regional Centers. If you have any questions about whether an outside activity might constitute a conflict of interest, you must obtain the approval of your supervisor before pursuing the activity. Such conflicts may include outside employment, affiliations or activities which conflict with the Organization's mission statement.

Misuse of Controlled Substances

Some of our employees routinely have access to prescription drugs, controlled substances, and other medical supplies. Many of these substances are governed and monitored by specific regulatory organizations and must be administered by physician's order only. It is extremely important that these items be handled properly and only by authorized individuals to minimize risks to our residents and ourselves. If you become aware of the diversion of drugs from the Organization you should report it immediately to your Department Manager.

Statements of Compliance

Non Discrimination in Employment, Services and Care

John J. Kane Regional Centers does not discriminate in providing services and care to its residents or in the terms and conditions of employment, on the basis of race, color, national origin, ancestry, religion, sex, age, handicap, disability, marital status, political belief or any other characteristic protected by law. It is at all times the intent of John J. Kane Regional Centers to comply with the Pennsylvania Human Relations Act and Title VI and VII of the Civil Rights Act of 1964. This policy applies to all employees and residents of John J. Kane Regional Centers. It is, therefore, prohibited for any employee to discriminate against a fellow employee or resident of John J. Kane Regional Centers in the terms and conditions of employment with John J. Kane Regional Centers, or in providing services and care to residents, on the basis of race, color, national origin, ancestry, religion, sex, age, handicap, disability, marital status, political belief or other characteristic protected by law.

The following acts are specifically prohibited:

1. Segregating buildings, wings, floors and rooms for reasons of race, color, national origin, ancestry, religion, sex, age, handicap, disability, marital status, political belief or other characteristic protected by law;
2. Discriminating on the basis of race, color, national origin, ancestry, religion, sex, age, handicap, disability, marital status, political belief or other characteristic protected by law in providing inpatient or outpatient admission or care;
3. Assigning patients or residents to rooms, floors and sections based on race, color, national origin, ancestry, religion, sex, age, handicap, disability, marital status, political belief or other characteristic protected by law;

4. Asking patients or residents about room preferences, where asking resident about room preferences would violate the Pennsylvania Human Relations Act and Title VI and VII of the Civil Rights Act of 1964;
5. Discriminating on the basis of race, color, national origin, ancestry, religion, sex, age, handicap, disability, marital status , political belief or other characteristic protected by law:
 - a. In assigning staff to patients or resident services to the resident or the employee;
 - b. In granting staff privileges of professionally qualified personnel;
 - c. In utilization of the healthcare services provided at John J. Kane Regional Centers;
 - d. In transfers of residents from their rooms.

It is the duty of all employees to assist John J. Kane Regional Centers in complying with its Non-Discrimination policy, with the Pennsylvania Human Relations Act, with Titles VI and VII of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973 (as implemented by 45 CFR part 84); the Age Discrimination Act of 1975 (as implemented by 45 CFR part 90); and the Americans with Disabilities Act of 1990. Any employee who believes that John J. Kane Regional Centers is not in compliance with the Non-Discrimination policy must report such non-compliance to the Administrator within 24 hours of obtaining knowledge of such non-compliance. Any violation of this policy, including failure to report non-compliance, can result in disciplinary action, up to and including termination.

Employees and residents are encouraged to file a complaint of discrimination should he or she feel that there has been discrimination on the basis of race, color, national origin, religion age, handicap, ancestry, or sex , political belief or other characteristic protected by law. In addition to reporting complaints with the Administrator, such complaints can be filed with:

Pennsylvania Human Relations
Commission
Pittsburgh Regional Office
301 Fifth Avenue
Suite 390, Piatt Place
Pittsburgh, PA 15222
(412) 565-5395

Allegheny County Human Relations
Commission
102 County Office Building
542 Forbes Avenue
Pittsburgh, PA 15219
(412) 350-6945
www.alleghenycounty.us/HRC

Disability Accommodation

John J. Kane Regional Centers is committed to complying fully with the Americans with Disabilities Act (ADA) and ensuring equal opportunity in employment for qualified persons with disabilities.

Reasonable accommodation is available to all disabled employees. All employment decisions are based on the merits of the situation in accordance with defined criteria, not the disability of the individual.

Qualified individuals with disabilities are entitled to equal pay and other forms of compensation (or changes in compensation) as well as in job assignments, classifications, Organizational structures, position descriptions, lines of progression, and seniority lists. Leaves of all types will be available to all employees on an equal basis.

John J. Kane Regional Centers is also committed to not discriminating against any qualified employees or applicants because they are related to or associated with a person with a disability.

This policy is neither exhaustive nor exclusive. John J. Kane Regional Centers is committed to taking all other actions necessary to ensure equal employment opportunity for persons with disabilities in Accordance with the ADA and all other applicable federal, state, and local laws.

Harassment Free Working Conditions

It is the continuing policy of John J. Kane Regional Centers to afford full equal employment opportunity to qualified employees and applicants regardless of their race, color, religion, sex, national origin, age, disabilities, military veteran status, political belief or other characteristic protected by law in conformity with all applicable federal and state laws and regulations. This policy is founded not only upon the belief that all employees and applicants have the inherent right to work in an environment free from discrimination or harassment because of their race, color, religion, sex, national origin, age, disabilities, military veteran status, political belief or other characteristic protected by law but also upon the conviction that such discrimination or harassment interferes with employee work performance and productivity. Therefore, it is the policy of John J. Kane Regional Centers to provide a working environment free of harassment that is based upon race, color, national origin, religion, sex, age, disability, political belief or other characteristic protected by law. Such harassment is willful misconduct and will not be tolerated. Any employee committing such harassment is subject to disciplinary action, up to and including termination.

Employees have the duty to report any known or suspected violation of this policy to the appropriate Department Director. If the employee's Department Director is involved, they may report the incident to the Administrator. If the Administrator is involved they may report the incident to the Manager of human Resources. The complaint will be investigated and, as appropriate, the employee will be advised of the findings and conclusions.

All actions taken to resolve a harassment report through internal investigations shall be conducted confidentially to the extent possible. There will be no discrimination or retaliation against any employee for making a report. Any employee knowingly making a false allegation of harassment will be subject to appropriate discipline, up to and including termination.

Sexual Harassment

John J. Kane Regional Centers are committed to providing a working environment free of sexual harassment. John J. Kane Regional Centers considers sexual harassment a very serious matter and prohibits it in the workplace by any person and in any form.

- Everyone has an affirmative duty to maintain his/her workplace free from sexual harassment.
- This policy shall be communicated to all employees to assure them that they are not required to endure insulting, degrading, or exploitative sexual harassment.
- No one shall threaten or insinuate, either explicitly or implicitly, that an employee's refusal to submit to sexual advances will adversely affect the employee's employment, evaluation, wages, advancement, assigned duties, shifts, other conditions of employment or career development.
- Other sexually harassing conduct in the workplace, whether committed by supervisors or non-supervisory personnel, is also prohibited, including:

Unwelcome sexual flirtations, advances, or propositions;
Verbal or written abuse of a sexual nature;
Graphic verbal comments about an individual's body;
Sexually degrading words used to describe an individual; and
The display in the workplace of sexually suggestive pictures or objects.

- Any employee who believes that a violation of John J. Kane Regional Centers Sexual Harassment Policy has occurred, has a duty to report the alleged act immediately to his or her Department Director, who shall inform the Administrator of the report. If the employee prefers not to discuss the report with the Department Director or if the Director is the individual involved in the harassment, the employee may make the report directly to the Administrator or to the Manager of the Human Resources Department.
- The Department Director will notify the Administrator of the report, and investigate the report immediately. The employee will be advised of the findings and conclusions. All actions taken to investigate and resolve the sexual harassment report through internal investigations shall be conducted discretely and confidentially to the extent possible.
- Any exempt or non-exempt employee who is found, after appropriate investigation, to have engaged in sexual harassment will be subject to appropriate disciplinary action up to and including termination. There will be no discrimination or retaliation against any employee for making a sexual harassment report.

- To insure a workplace free from sexual harassment, employees have an affirmative duty to report sexual harassment in the workplace to a supervisor.

No retaliation

No individual who reports or complains about harassment or improper conduct, or who assists John J. Kane Regional Centers in an investigation of harassment, will be subjected to retaliation.

John J. Kane Regional Centers will not tolerate any effort to avoid, hinder or corrupt the complaint or investigation process, including refusal to cooperate with an investigation or knowingly making false statements to management during the complaint or investigation process.

Health and Safety

All John J. Kane Regional Centers facilities will comply with all government regulations and rules, and with John J. Kane Regional Centers policies or required facility practices that promote the protection of workplace health and safety. Our policies have been developed to protect employees, residents, and visitors from potential workplace hazards.

License and Certification Renewals

Employees and individuals retained as employees or independent contractors in positions that require professional licenses, certifications, or other credentials are responsible for maintaining the current status of their credentials and must comply at all times with federal and state requirements applicable to their respective disciplines. To assure compliance, John J. Kane Regional Centers requires proof of license, certification or credentials.

John J. Kane Regional Centers will not allow any employee or independent contractor to work without valid, current licenses or credentials.

Personal Use of John J. Kane Regional Centers Resources

It is the responsibility of each John J. Kane Regional Centers employee to preserve our Organization's assets, including time, materials, supplies, equipment, and information. Organization assets are to be maintained for business related purposes. As a general rule, the personal use of any John J. Kane Regional Centers asset without the prior approval of a supervisor is prohibited. The occasional use of items, such as copying facilities or telephones, where the cost to John J. Kane Regional Centers is not significant, is permissible. Any community or charitable use of Organization resources must be approved in advance by an Administrator. Any use of Organization resources for personal financial gain unrelated to John J. Kane Regional Centers business is prohibited.

Relationships Among John J. Kane Regional Centers Employees

In the normal day-to-day functions of an organization like John J. Kane Regional Centers, there are issues that arise which relate to how people in the Organization deal with one another. It is impossible to foresee all of these, and many do not require explicit treatment in a document such as this. A few issues commonly arise, however that should be directly addressed. One involves gift giving among employees. While we wish to avoid any strict rules, no one should ever feel compelled to give a gift to anyone. Employees should use discretion in gift giving; any gifts offered or received should be appropriate under the circumstances. A lavish gift to anyone in a supervisory role is an example of a gift that would clearly violate Organization policy. Another situation that routinely arises is a fund-raising or similar effort for charitable purposes. No one is ever required to participate in a fund raising activity, nor should anyone ever be made to feel compelled to participate.

Relationships with Subcontractors, Suppliers, and Educational Institutions

We must manage our subcontractor and supplier relationships in a fair and reasonable manner, consistent with all applicable laws and good business practices. We promote competitive procurement to the maximum extent practicable. Our selection of subcontractors, suppliers, and vendors will be made on the basis of objective criteria including quality, technical excellence, price, delivery, adherence to schedules, service and maintenance of adequate sources of supply. Our purchasing decisions will be made on the supplier's ability to meet our needs, and not on personal relationships and friendships. We will always employ the highest ethical standards in business practices in source selection, negotiation, determination of contract awards, and the administration of all purchasing activities. We will not communicate to a third-party confidential information given to us by our suppliers unless directed in writing to do so by the supplier or as required by law.

Substance Abuse and Mental Acuity

To protect the interests of our employees and residents, we are committed to an alcohol and drug-free work environment. All employees must report for work free of the influence of alcohol and illegal drugs. Reporting to work under the influence of any illegal drug or alcohol, having an illegal drug in your system, or using, possessing, or selling illegal drugs while on John J. Kane Regional Centers work time or property may result in immediate termination. It is also recognized that individuals may be taking medications that are prescribed to them by a Physician, which could impair judgment or other skills required in job performance. Should you believe the taking of such medication may impair your ability to complete your job functions, refer to the Organization's Fitness for Duty Policy/Procedure and discuss such impacts with your supervisor as appropriate.

X. MARKETING PRACTICES

Marketing and Advertising

We may use marketing and advertising activities to educate the public, provide information to the community, increase awareness of our services, and to recruit employees. We will present only truthful, fully informative, and non-deceptive information in these materials and announcements. All marketing materials will reflect services available, as well as the level of licensure and certification.

Gathering Information about Competitors

It is not unusual to obtain information about other organizations, including our competitors, through ethical and legal means such as public documents, public presentations, journal and magazine articles, and other published and spoken information. However, it is not acceptable for you to obtain proprietary or confidential information about a competitor through unethical or illegal means. It is also not acceptable to seek proprietary or confidential information when doing so would require anyone to violate a contractual agreement, such as a confidentiality agreement with a prior employer.

Anti-competitive Action

Be alert to potential situations where it may not be appropriate for you to participate in discussions regarding prohibited subjects with our competitors. Prohibited subjects include any aspect of pricing, our services in the market, key costs such as labor costs, and marketing plans. If a competitor raises a prohibited subject, end the conversation immediately. If engaged in a trade association meeting or other meeting where minutes are kept, document your refusal to participate in the conversation by requesting that your objection be reflected in the meeting minutes. Notify the Compliance Officer of the incident.

Avoid discussing sensitive topics with competitors or suppliers, unless you are proceeding with the advice of the Administrator. You must also avoid providing any information in response to oral or written inquiry concerning such matters without first consulting the Administrator, who shall consult with the Executive Director.

The Regional Centers expect to compete on a level playing field in the marketplace and to promote fair competition. Discussions about how our prices are set, disclosing the terms of supplier relationships, allocating markets among competitors, or agreeing with a competitor to refuse to deal with a supplier are some examples of conduct which may be considered to be anti-competitive. Discussing John J. Kane Regional Centers business with a competitor should be done with great care. Our competitors include other health systems and facilities in markets where we operate.

XI. ENVIRONMENTAL COMPLIANCE

It is our policy to comply with all environmental laws and regulations as they relate to our Organization's operations. We will act to preserve our natural resources to the full extent reasonably possible. We will comply with all environmental laws and operate our facility with the necessary permits, approvals, and controls. We will diligently employ the proper procedures with respect to the handling and disposal of hazardous and bio-hazardous waste, including but not limited to medical waste.

In helping John J. Kane Regional Centers comply with these laws and regulations, employees must understand how job duties may impact the environment, adhere to all requirements for the proper handling of hazardous materials, and immediately alert a supervisor to any situation regarding the discharge of a hazardous substance, improper disposal of medical waste, or any situation which may be potentially damaging to the environment.

XII. BUSINESS COURTESIES

General

Nothing in this part of the Code should be considered in any way as an encouragement to make, solicit, or receive any type of entertainment or gift. For clarity purposes, please note that these limitations govern activities with those outside of John J. Kane Regional Centers. This section does not pertain to actions between the Organization and its employees, nor actions among John J. Kane Regional Centers employees themselves.

Receiving Business Courtesies

We recognize that there will be times when you may wish to accept from a current or potential business associate an invitation to attend a social event in order to further develop your business relationship. These events must not include expenses paid for any travel costs (other than in a vehicle owned privately or by the host company) or overnight lodging. The cost associated with such an event must be reasonable and appropriate.

Sometimes a business associate will extend training and educational opportunities that include travel and overnight accommodations to you at no cost to you or John J. Kane Regional Centers. Similarly, there are some circumstances where you are invited to an event at a vendor's expense to receive information about new products or services. Prior to accepting any such invitation, you must receive approval to do so consistent with the Organization's policy on this subject from your Administrator. The Administrator shall in turn obtain proper authorization per policy/procedure.

As a John J. Kane Regional Centers employee, you may accept gifts with a total value of \$25.00 or less in any one year from any individual or organization who has a business relationship with John J. Kane Regional Centers. For purposes of this paragraph, physicians practicing in John J. Kane Regional Centers are considered to have such a relationship.

Perishable or consumable gifts given to a department or group are not subject to any specific limitation but may not be excessive. You may never accept cash or cash equivalents, such as gift certificates. Finally, under no circumstances may you solicit a gift.

Extending Business Courtesies to Non-referral Sources

No portion of this section, “Extending Business Courtesies to Non-referral Sources,” applies to any individual who makes, or is in a position to make, referrals to John J. Kane Regional Centers.

There may be times when you may wish to extend to a current or potential business associate (other than someone who may be in a position to make a resident referral) an invitation to attend a social event in order to further or develop your business relationship. The purpose of the entertainment must never be to induce any specific favorable business action. During these events, topics of a business nature must be discussed and the host must be present. These events must not include expenses paid for any travel costs (other than in a vehicle owned privately or by the host entity) or overnight lodging. The cost associated with such an event must be reasonable and appropriate. Moreover, such business entertainment with respect to any particular individual must be infrequent, which, as a general rule, means not more than quarterly, and preferably less often. Guidelines may be established by the Corporate Compliance Officer in accordance with federal and state laws and regulations.

John J. Kane Regional Centers may routinely sponsor events with a legitimate business purpose. Provided that such events are for business purposes, reasonable and appropriate meals and entertainment may be offered. However, all elements of such events, including these courtesy elements, must be consistent with the Organization’s policy on such events.

It is critical to avoid even the appearance of impropriety when giving gifts to individuals who do business or are seeking to do business with John J. Kane Regional Centers. We will never use gifts or other incentives to improperly influence relationships or business outcomes. You may never give cash or cash equivalents, such as gift certificates. The Organization policy on business courtesies may from time to time provide modest flexibility in order to permit appropriate recognition of the efforts of those who have spent meaningful amounts of volunteer time on behalf of John J. Kane Regional Centers.

The United States Government and the state governments have strict rules and laws regarding gifts, meals, and other business courtesies for their employees. John J. Kane Regional Centers policy is to not provide any gifts, entertainment, meals, or anything else of value to any employee of the executive branch of the federal government, except for refreshments in connection with business discussions or promotional items with John J. Kane Regional Centers or facility logo valued at no more than \$10.00. With regard to gifts, meals, and other business courtesies involving any other category of government official or employee, you must determine the particular rules applying to any such person and carefully follow them.

Extending Business Courtesies to Possible Referral Sources

Any entertainment or gift involving physicians or other persons who are in a position to refer residents to our healthcare facilities must be undertaken in accordance with our policies. We will comply with all federal laws, regulations, and rules regarding these practices.

XIII. POLITICAL ACTIVITIES AND CONTRIBUTIONS

The Organization's political participation is limited by law. John J. Kane Regional Centers' resources are not to be used to contribute to political campaigns or for gifts or payments to any political party or any of their affiliated organizations. The Organization's resources include financial and non-financial donations such as use of work time and telephones to solicit for a political cause or candidate, or the loaning of John J. Kane Regional Centers' property for use in a political campaign.

It is important to separate personal and Organization political activities in order to comply with the appropriate rules and regulations relating to lobbying or attempts to influence government officials. You may, of course, participate in the political process on personal time and at your own expense. While you are doing so, it is important not to give the impression that you are speaking on behalf of, or representing, John J. Kane Regional Centers in these activities. You cannot seek to be reimbursed by John J. Kane Regional Centers for any personal contributions for such purposes.

At times, John J. Kane Regional Centers may ask employees to make personal contact with government officials or to write letters to present our position on specific issues. In addition, it is a part of the role of some John J. Kane Regional Centers management to interface on a regular basis with government officials. If you are making these communications on behalf of the Organization, be certain that you are familiar with any regulatory constraints and observe them. Guidance is always available from the Administrator or Executive Director as necessary.

XIV. THE CORPORATE COMPLIANCE PROGRAM

Program Structure

The Corporate Compliance Program is designed to prevent fraudulent activities and to assure that our Organization operates in compliance with the requirements of all health care programs with which we work. Employees should identify and become familiar with the existing compliance policies and procedures.

Our Program policies and procedures for detecting and preventing fraud, waste, and abuse are organized around eight (8) key elements for compliance programs, as suggested by the Office of Inspector General for the U.S. Department of Health & Human Services in 2000, and as supplemented in the Federal Register on September 30, 2008.

1. The development and distribution of written standards of conduct, as well as written policies, procedures, and protocols to promote the Organization's commitment to compliance;
2. The designation of a Compliance Officer and other responsible staff or committees charged with the responsibility to develop, operate, and monitor the Compliance Program and who report directly to the Executive Director;
3. The development and implementation of regular effective education and training for all affected employees;
4. The creation and maintenance of effective lines of communication between the Compliance Officer and all employees, including procedures for anonymous reporting (such as a Hotline) and for the protection of "whistleblowers";
5. The use of audits and other risk evaluation techniques to monitor compliance, identify problem areas, and assist in the reduction of identified problems;
6. The development of policies and procedures addressing the non-retention and non-employment of persons or entities excluded from participation in Federal healthcare programs and the enforcement of appropriate disciplinary action against employees or contractors who violate corporate or compliance policies and procedures, applicable laws and regulations, or private payor healthcare program requirements;
7. The development of policies and procedures for investigating identified system-wide problems including prompt and proper response when improper conduct is found, the prompt initiation of corrective action, repayments, measures to prevent them from happening again, where appropriate; and
8. The defining of clear roles and responsibilities and the ensuring of effective oversight.

John J. Kane Regional Centers currently has a "Hotline" that anyone can call anonymously to report suspected improper activities at any time, 24 hours a day, every day of the year. The Hotline number is provided in Section II of the Compliance Program, on our website and at various locations where employee information is posted. Any employee may call the Hotline to report compliance concerns.

Information on the Compliance Officer and Compliance Committee is also provided in Section II of the Compliance Program.

Any employee may contact the Compliance Officer directly. Employees are encouraged to work with their own colleagues, supervisor(s) or with the Facility's Department Heads or Administrator to resolve problems where possible, especially where that is the best and fastest way to resolve the problem.

All employees are provided with Education and Training Programs related to the Organization's Code of Conduct and Compliance Program annually. Specialized programs are provided for employees with jobs that involve more potential compliance risks. These risk areas are defined in Section V of the Compliance Program's Monitoring and Auditing Policy.

The Compliance Program is intended to demonstrate in the clearest possible terms the absolute commitment of the Organization to the highest standards of ethics and compliance. That commitment permeates all levels of the Organization. There is a Compliance Committee consisting of senior management, as well as a Chief Compliance Officer. All of these individuals are prepared to support you in meeting the standards set forth in this Code.

Policies and Procedures

In conjunction with this Code of Conduct, John J. Kane Regional Centers has also adopted Policies and Procedures to meet the OIG requirements, and prevent instances of fraud and abuse as well as remain compliant with Medicare and Medicaid program standards, including compliance with Federal and State laws and regulations. Compliance with this Code and the Policies and Procedures are essential for the creation of an effective Compliance Program. Additional training will occur, and compliance with the Code, the Policies, and training requirements is a condition of continued employment with John J. Kane Regional Centers. You may be disciplined for failing to follow the terms of this Code, the related Policies, or for failing to adequately instruct subordinate employees or detect instances of non-compliance, where reasonable diligence would have led to the discovery of a problem or violation.

Personal Obligation to Report

We are committed to ethical and legal conduct that is compliant with all relevant laws and regulations, and to correcting wrongdoing wherever it may occur in the Organization. Each employee has an individual responsibility for reporting any activity by any employee, physician, subcontractor, or vendor that appears to violate applicable laws, rules, regulations, or this Code.

Internal Investigations of Reports

We are committed to investigating all reported concerns promptly and confidentially to the extent possible. The Compliance Officer will coordinate any investigations, and any findings from the investigations, and immediately recommend corrective action or changes that need to be made. We expect all employees to cooperate with investigation efforts.

Corrective Action

Where an internal investigation substantiates a reported violation, it is the policy of the Organization to initiate corrective action, including, as appropriate, making prompt restitution of any overpayment amounts, notifying the appropriate governmental agencies, instituting whatever

disciplinary action is necessary, and implementing systemic changes to prevent similar violations from occurring in the future at John J. Kane Regional Centers.

Discipline

All violators of this Code will be subject to disciplinary action. The precise discipline utilized will depend on the nature, severity, and frequency of the violation in accordance with the company's Progressive Discipline system, and may result in any of the following disciplinary actions:

- Verbal Warning
- Written Warning
- Written Reprimand
- Suspension
- Termination
- Restitution

Internal Monitoring and Auditing

John J. Kane Regional Centers is committed to the aggressive monitoring of compliance with its policies. Much of this monitoring effort is provided by routine internal audits of issues that have regulatory or compliance implications. The Organization also routinely seeks other means of ensuring and demonstrating compliance with laws, regulations and John J. Kane Regional Centers policy, including compliance audits contracted with outside firms.

Acknowledgment Process

John J. Kane Regional Centers requires all employees, physicians, agents and contractors to sign an acknowledgment confirming they have received a copy of this Code, that they have been given the opportunity to review it thoroughly, that they understand it, and that they have had an opportunity to have their questions answered. New employees will be required to sign this acknowledgment as a condition of employment.

Adherence to and support of John J. Kane Regional Centers Code and participation in related activities and training will be considered in decisions regarding hiring, promotion, and compensation for all candidates and employees.

SECTION II

JOHN J. KANE REGIONAL CENTERS

Compliance Program, Committee & Officer Duties

I. Overview of Compliance Program

The Compliance Program is designed to prevent fraudulent activities and to assure that John J. Kane Regional Centers operates in compliance with the requirements of all applicable health care programs. Employees should identify and become familiar with the existing compliance policies and procedures.

Our Program policies and procedures for detecting and preventing fraud, waste, and abuse are organized around eight (8) key elements for compliance programs, as suggested by the Office of Inspector General for the U.S. Department of Health & Human Services in 2000 and as supplemented with the Federal Register on September 30, 2008:

1. The development and distribution of written standards of conduct, as well as written policies, procedures, and protocols to promote the Facility's commitment to compliance;
2. The designation of a Compliance Officer and other responsible staff or committees charged with the responsibility to develop, operate, and monitor the Compliance Program and who report directly to the Executive Director;
3. The development and implementation of regular effective education and training for all affected employees;
4. The creation and maintenance of effective lines of communication between the Compliance Officer and all employees, including procedures for anonymous reporting (such as a Hotline) and for the protection of "whistleblowers";
5. The use of audits and other risk evaluation techniques to monitor compliance, identify problem areas, and assist in the reduction of identified problems;
6. The development of policies and procedures addressing the non-retention and non-employment of persons or entities excluded from participation in Federal healthcare programs and the enforcement of appropriate disciplinary action against employees or contractors who violate corporate or compliance policies and procedures, applicable laws and regulations, or private payor healthcare program requirements;
7. The development of policies and procedures for investigating identified system-wide problems including prompt and proper response when improper conduct is found, the

prompt initiation of corrective action, repayments, measures to prevent them from happening again, and, where appropriate; and

8. The defining of clear roles and responsibilities and the ensuring of effective oversight.

John J. Kane Regional Centers currently has a “Hotline” that anyone can call anonymously to report suspected improper activities at any time, 24 hours a day, every day of the year. The Hotline number is **412-422-8352**. Any employee may call the Hotline to report compliance concerns.

Our Compliance Officer is located at Kane–Glen Hazel. The Compliance Officer can be reached via telephone (412) 422-6050, fax (412) 422-6966, or email.

Any employee may contact the Compliance Officer directly. Employees are encouraged to work with their own colleagues, supervisor(s) or with the Facility’s Department Heads or Administrator to resolve problems where possible, especially where that is the best and fastest way to resolve the problem.

All employees are provided with education and training programs related to the Organization’s Code of Conduct and Compliance Program annually, including specialized programs for employees with jobs that involve more potential compliance risks. Risk areas are identified in Section V on page 34 of this program.

II. Duties of Compliance Committee

The Compliance Committee is John J. Kane Regional Centers’ permanent workgroup responsible for oversight of the Compliance Program. The Compliance Committee is comprised of the following members:

- Chief Compliance Officer
- Chief Nursing Officer
- Human Resources Manager
- Accounting Manager-Revenue
- IT Manager
- Pharmacy Manager
- Kane–Glen Hazel ADON
- Kane–Scott Administrator
- Kane–McKeesport ADON
- Kane–Ross Administrator

The Compliance Committee's primary functions include:

1. Providing final authority on the adoption and/or revision of organizational policies and procedures that affect compliance.
2. Reviewing compliance audit findings and making recommendations to improve the compliance program.
3. Assisting in the annual update of the Organization's Compliance Program.
4. Providing assistance as necessary and if requested, to the Compliance Officer.
5. Determining, based upon the severity of the violation, how John J. Kane Regional Centers will report or resolve compliance issues.

The Compliance Committee will also serve as leaders to the Organization by remaining committed to the goal of abiding by governmental regulations and laws.

This Committee shall meet at least quarterly to discuss and monitor compliance activity. The Committee shall report directly to the Executive Director and shall update the Executive Director at least quarterly on complaints, audits, investigations and resolutions. The Compliance Officer is the Committee chairperson.

III. Duties of the Compliance Officer (CCO)

John J. Kane Regional Center's Chief Compliance Officer is charged with overseeing the administration of the Organization's Compliance Program. This oversight includes monitoring employee training sessions, investigating and responding to inquiries received from employees, implementing internal compliance audits, oversight of compliance audits by outside professional firms, providing annual reports to the Compliance Committee. The CCO shall ensure that the Compliance Program meets its objectives. The CCO will keep all conversations with employees confidential to the maximum extent consistent with the fair and rigorous enforcement of the Compliance Program. The Compliance Officer will also regularly review and disseminate new statutes, regulations, pronouncements and directives of applicable federal, state and local agencies that may affect these standards.

A formal job description is also maintained by the Human Resources department.

A. Designation

John J. Kane Regional Centers designates a full-time position as Compliance Officer. The Compliance Officer shall be responsible for directing the development of compliance policies and standards, oversight and monitoring of John J. Kane Regional Center's

compliance policies, staff education and achievement and maintenance of compliance standards.

B. Primary Responsibilities

The duties of the Compliance Officer shall include, but not be limited to, the following:

1. Overseeing and monitoring implementation of the compliance program;
2. Reporting on a regular basis to the Administrators and the compliance committee on the progress of Program implementation, and assisting in establishing methods to improve John J. Kane Regional Center's efficiency and quality of services, and to reduce the Organization's vulnerability to fraud, abuse, and waste;
3. Periodically revising the Program in light of changes in the Organization's needs, and in the law and policies of Government and private payor health plans;
4. Developing, coordinating, and participating in a multifaceted educational and training program that focuses on the elements of the compliance program, and seeking to ensure that all relevant employees and management understand and comply with pertinent Federal and State standards;
5. Ensuring that independent contractors and agents who furnish physician, nursing, or other health care services to the residents of John J. Kane Regional Centers are aware of the residents' rights as well as requirements of the compliance program applicable to the services they provide;
6. Coordinating personnel issues with John J. Kane Regional Center's Human Resources/Personnel office to ensure that (i) the National Practitioner Data Bank has been checked with respect to all medical staff and independent contractors (as appropriate) and (ii) the OIG's List of Excluded Individuals/Entities has been checked with respect to all employees, medical staff, and independent contractors;
7. Assisting John J. Kane Regional Center's financial management in coordinating internal compliance review and monitoring activities, including annual or periodic reviews of departments;
8. Independently investigating and acting on matters related to compliance, including the flexibility to design and coordinate internal investigations (e.g., responding to reports of problems or suspected violations) and any resulting corrective action (e.g., making necessary improvements to the Organization's policies and practices, taking appropriate disciplinary action, etc.) with all nursing facility departments, subcontracted providers, and health care professionals under the nursing facility's control;

9. Participating with the Organization's counsel in the appropriate reporting and correcting of self-discovered violations of program requirements; and
10. Continuing the operation and improvement of the compliance program after the initial implementation.

C. Audit Responsibilities

The Compliance Officer shall be responsible for overseeing both internal compliance audits and compliance audits conducted by outside professional firms. Internal compliance audits shall be conducted on at least an annual basis and shall involve an examination of:

1. Evidence that John J. Kane Regional Centers complies with all applicable state and Federal statutes and regulatory requirements;
2. Evidence of compliance with all organizational policies and procedures and subsequent identification of risk areas; and
3. Business conduct that is likely to result in potential legal risk.

Areas of inclusion in the compliance audit are as follows:

1. Fraud and abuse issues (e.g., purchasing and marketing practices, including payment policies and discounts, and relations with physicians);
2. Employment policies (e.g., ADA and sexual harassment policies and procedures);
3. Third party billing practices, pricing practices, contractual relationships, and reporting and record keeping practices.
4. Quality of care documentation and delivery of services.
5. Review of annual DOH surveys and UMR results.
6. Other areas necessary to evaluate and monitor those risks identified in Section V of this Program.

D. Audits by Outside Counsel

The Compliance Officer, after review with the Executive Director, may consult with legal counsel as needed for guidance on issues arising under the Compliance Program and may authorize and implement compliance, with consent of the Executive Director, if the need arises. With assistance from counsel, the Compliance Officer will identify the

specific areas on which the external compliance audit will focus and a timetable for completing the audit. The Compliance Officer will oversee, organize and implement all audits conducted by outside counsel.

E. Report to the Executive Director

At the conclusion of the compliance audit, during the next scheduled quarterly meeting, the Compliance Officer shall review the audit findings with the Compliance Committee. The results of any compliance audits conducted shall also be included in the next scheduled reporting to the Executive Director, or sooner if deemed necessary.

F. Employee Training

The Compliance Officer shall be responsible for overseeing the development of employee education seminars and for ensuring that these seminars are conducted in accordance with the Compliance Program on Employee Training Policies (see Section III). Employees will receive training regarding the Compliance Program and Code of Conduct at least once a year and such training sessions shall be repeated at regularly scheduled times. Employees who perform services in higher risk compliance areas (such as MDS or billing), shall receive appropriate additional education in accordance with the Organization's Employee Education Policy. Additional training sessions shall be conducted as the need arises, or when necessary due to changes in laws or regulations.

G. Complaint Review

An employee, manager, resident, family member, physician, agent, supplier or contractor may report concerns or complaints to the Compliance Officer. The Compliance Officer shall quickly pursue and investigate any such concerns and complaints. While the Compliance Officer will strive to keep all concerns/complaints confidential to the extent possible, the Compliance Officer receiving the concern/complaint may seek advice and guidance from legal counsel or an external auditing or consulting firm. The Compliance Officer's investigation shall include interviews and reviews of relevant documents. The Compliance Officer shall develop procedures to ensure that no documents are destroyed during the investigation. If the Compliance Officer believes that the integrity of an investigation may be compromised because of the presence of employees under investigation, the employee(s) allegedly involved in the misconduct may be removed from his/her present work activity until completion of the investigation. Ultimately, the Compliance Officer must report all concerns/complaints and the resolution of these concerns/complaints to the Compliance Committee at the next scheduled monthly meeting and/ or may convene the committee at once to address the specific concern.

If management receives credible evidence of misconduct and has reasonable grounds to believe that the misconduct either: a) violates criminal law; or b) constitutes a material violation of the civil law, rules and regulations governing federally funded health care programs, then the Executive Director, the CCO, and legal counsel shall be notified at

once. Based on advice of counsel, John J. Kane Regional Centers may opt to inform the OIG of the misconduct within sixty (60) days after receipt of the credible evidence of misconduct.

Examples of fraud in the Medicare program may take the form of: billing for services or supplies that were not provided; intentionally misrepresenting the diagnosis for the resident/client to justify the services furnished; intentionally altering claims forms to obtain a higher payment amount; billing both Medicare and another insurer in an attempt to get paid twice; soliciting, offering, or receiving a kickback, bribe, or rebate; and collusion between a provider and a beneficiary, or between a supplier and a provider resulting in higher costs or charges to the Medicare Program.

The Compliance Officer shall be responsible for reviewing all complaints/concerns reported on the John J. Kane Regional Centers Hotline in accordance with the standards set forth above, investigating all complaints, developing action plans as necessary and responding to the complainant for non-anonymous reports of potential violations.

SECTION III

JOHN J. KANE REGIONAL CENTERS

Conducting Effective Training and Education

I. Overview of Programs

The education and training of the Organization's officers, managers, and health care professionals, and the continual retraining of current personnel at all levels, are critical elements of our compliance program. These training programs include sessions summarizing the Organization's Compliance Program, fraud and abuse laws, and Federal health care program and private payor requirements. More specific training is provided to those employees exposed to those risk factors identified in Section V of this program.

II. Management of Programs

John J. Kane Regional Centers takes steps to communicate its standards and procedures effectively to all affected employees, physicians, independent contractors, and other significant agents. This is accomplished by requiring participation in training programs such as disseminating and discussing publications that explain regulations and requirements, and conducting in-services, video recorded training sessions or on-line training.

Managers of specific departments or groups assist in identifying areas that require training and in carrying out such training. Training instructors come from outside or inside the Organization, are qualified to present the subject matter involved, and are sufficiently experienced in the issues presented to adequately field questions and coordinate discussions among those being trained.

III. Training Requirements

John J. Kane Regional Centers trains new employees and temporary employees before they are assigned responsibility for resident care. Training programs and materials are designed to take into account the skills, experience, and knowledge of the individual trainees. The Compliance Officer documents any formal training undertaken by the Organization as part of the compliance program. Certificates of Completion are entered into the permanent Employee Record by Human Resources.

Employees, physicians, officers, agents and contractors must receive an annual compliance update.

IV. Training Methods

A variety of teaching methods, as necessary to support a culturally diverse staff, such as interactive training, will be utilized so that all affected employees (including temporary staff) understand the Organization's standards of conduct, including procedures for alerting senior management to problems and concerns.

V. Program Content

In addition to specific training in the risk areas identified by section V of the Monitoring and Auditing Policy, primary training for appropriate officers, managers, and facility staff includes such topics as:

- Compliance with Medicare participation requirements relevant to their respective duties and responsibilities;
- Appropriate and sufficient documentation;
- Prohibitions on paying or receiving remuneration to induce referrals;
- Proper documentation in clinical or financial records;
- Residents' rights; and
- The duty to report misconduct.

All relevant personnel participate in the various educational and training programs of the Organization. Employees may be required to have a minimum number of educational hours per year, as appropriate, as part of their employment responsibilities. Certain employees involved in certain nursing facility functions require periodic training in applicable laws and regulations. Periodic training updates are critical and are required annually or in response to changes in law.

VI. Condition of Employment

Participation in training programs is a condition of continued employment and failure to comply with training requirements results in disciplinary action. Adherence to the training requirements as well as other provisions of the compliance program is a factor in the annual evaluation of each employee. The nursing facility retains adequate records of its training of employees, including attendance logs and material distributed at training sessions.

SECTION IV

JOHN J. KANE REGIONAL CENTERS

Reporting Policy

Employees may obtain guidance on an ethics or compliance issue, or report a suspected violation in a variety of ways. The method of reporting should be based on the type of issue, severity of its implications, frequency of occurrence, topic or individuals involved, and sense of urgency.

I. Reporting to Department Director, HR, or Administration

We encourage resolution of issues at the department level whenever possible. However, if this is not possible for reasons of manager involvement, confidentiality, or type of issue, staff is encouraged to consult with any other member of management, Human Resources or the Administrator.

Management will investigate compliance concerns in a timely manner and will insure confidentiality as appropriate. If appropriate, Management will attempt to obtain the consent of the Complainant before involving other staff, managers or officers if it becomes necessary to do so during their investigation of the complaint.

Management will respond to the Complainant with information related to the investigation and resolution, as appropriate. If management is unable to resolve the concern to the satisfaction of the Complainant, the complainant may utilize any other reporting approach to report a potential compliance violation.

Management will not retaliate against any Complainant who takes steps to report a suspected compliance violation in good faith.

II. Reporting to Compliance Hotline

John J. Kane Regional Centers has established a compliance hotline to facilitate the reporting and resolving of potential compliance violations where the Complainant wishes to remain anonymous. All Complainants are advised to utilize the compliance hotline for any compliance related issues. The Compliance Officer will initiate an appropriate investigation as a result of hotline reports. All records obtained by the Compliance Officer during the investigation will be maintained securely and confidentially. The Compliance Officer will fully investigate the concern, determine if a violation has occurred, develop a corrective action plan (involving self-reporting, if necessary) report to the Compliance Committee and respond to the Complainant (where Complainant has not requested anonymity).

III. Reporting to Compliance Officer (CCO)

A Complainant may also report potential violations directly to the Compliance Officer by contacting the CCO by phone, in person, via email or by anonymous complaints left on the Compliance Hotline or in a Compliance Inbox. These complaints will be investigated by the CCO in accordance with the provisions set forth above.

IV. Prohibiting Misuse

Misuse of the hotline is not permitted. It is important to realize that employees may be improperly motivated in using the hotline. Employees who report information in “good faith” shall be protected from retaliation or retribution, and those who purposefully abuse the hotline will be subject to disciplinary action. Reporting in good faith means employees believe the problem or information they are reporting is accurate.

V. Non-retaliation

Any form of retaliation against any employee who reports a perceived problem or concern in good faith is strictly prohibited, and any employee who commits or condones any form of retaliation will be subject to discipline up to, and including, termination.

VI. Types of Complaints

The following is a list of some compliance or fraud and abuse issues that are appropriate for the hotline:

1. Billing for services not rendered
2. Retention of overpayments
3. Inaccurate coding or billing
4. Violations of anti-kickback, Stark, Fraud and Abuse laws
5. Illegal contracts
6. HIPAA violations
7. Violations of employment laws: FLSA, FNLA, Title VII, ADA, ADEA, PA Wage and Collection Law, Personnel Files Act
8. Violations of laws pertaining to Residents Rights and Abuse
9. Improper financial reporting procedures
10. Receipts of gifts, money or things of value in violation of the Code of Conduct

Issues involving employment, wages, benefits or working conditions should be resolved using John J. Kane Regional Center’s internal process unless a violation of law is suspected.

SECTION V
JOHN J. KANE REGIONAL CENTERS
Monitoring and Auditing Policy

In furtherance of its obligations as a participant in Medicare, Medicaid and other government-funded healthcare payment programs, John J. Kane Regional Centers has adopted this Monitoring and Auditing Policy to assist the Organization in its efforts to monitor the accuracy of invoices, bills and claims submitted to these programs, as well as the Organization's compliance with the participation requirements of these agencies. This policy is adopted to ensure that claims from all of John J. Kane Regional Center's individual and institutional providers are periodically reviewed in a manner that will enable the Organization to promptly identify deficiencies in the billing process that may result in inaccurate claims, and to ensure that John J. Kane Regional Centers is in compliance with Program Participation Requirements.

This Monitoring and Auditing Policy is intended to satisfy the applicable due diligence requirements set forth in the Federal Sentencing Guidelines which impose sanctions on healthcare organizations for failure to detect and prevent criminal conduct by its employees and agents.

I. Auditing Process

John J. Kane Regional Centers will conduct audits in accordance with the procedures set forth below. The audits will be performed in accordance with the policies and procedures contained in the applicable auditing tool or protocol utilized by John J. Kane Regional Centers. John J. Kane Regional Centers will devote such resources as are reasonably necessary to ensure that the audits are (1) adequately staffed (2) completed by persons with appropriate knowledge and experience to conduct the audits (3) performed utilizing audit tools and protocols which are periodically updated to reflect changes in applicable laws and regulations and (4) reasonably funded to allow for effectiveness.

II. Audit Plan

A. Audits. John J. Kane Regional Centers will conduct audits as necessary to evaluate risk areas identified by the OIG and regulatory agencies, implement facility-specific programs and monitor the performance of such programs. John J. Kane Regional Centers will audit those potential risk areas defined within the OIG Guidelines, which may include:

1. Resident Safety
2. Quality of Care
3. Resident Rights
4. Employee Screening
5. Comprehensive Resident Care Plans
6. Vendor Relationships

7. Billing
8. MDS/Case Mix
9. Cost Reporting
10. Record Keeping
11. Therapy Services
12. Claim Submission
13. Staffing
14. Medication Management
15. Psychotropic Drugs
16. Restorative Services
17. Kickbacks
18. Admissions
19. Employee Compliance and Training

- B. Periodic Audits.** John J. Kane Regional Centers will conduct periodic audits of claims submitted to the Medicare and Medicaid programs in accordance with established audit protocol. All audits will be performed using the audit protocol set forth in III below.
- C. Complaint Audits.** Upon receipt of a credible allegation or complaint alleging improper or inaccurate MDS or billing practices at John J. Kane Regional Centers, as determined by the Compliance Officer, John J. Kane Regional Centers' Compliance Committee shall undertake a review of the matter, including any necessary audits using the audit protocol set forth in III below.
- D. Trend analysis Audits.** John J. Kane Regional Centers will periodically review trends in complaints, provision of service, level of care, and satisfaction. The goal of these reviews is to identify trends, especially those that negatively impact the Organization or otherwise demonstrate a poor quality of care.

III. Audit Protocols

The methodology set forth below will be utilized to insure audits are completed consistently, accurately and effectively. All audits will be conducted in accordance with the following steps.

1. Select a valid sample, and include the:
 - a. Goal of the sample.
 - b. Target of the sample.
 - c. Sampling unit
 - d. Scope of the sample.
 - e. Sample population
2. Analyze the sample results

3. Conduct a full audit if necessary
4. Identify results which require reporting or implementation of an action plan
5. Report findings and actions in accordance with Organization policy

Documentation of audits will be recorded and maintained.

SECTION VI
JOHN J. KANE REGIONAL CENTERS
Employee/Vendor Screening Policy

I. Overview

It is the policy of John J. Kane Regional Centers to make reasonable inquiries into the background of prospective employees and vendors whose job function or activities involve direct resident care or may materially impact the Medicare/Medicaid claim development and submission process, the Organization's relationship with physicians, or referral patterns between providers.

II. Purpose

This Employee/Vendor Screening Policy is intended to satisfy the applicable due diligence requirements set forth in the Federal Sentencing Guidelines; which states:

“The organization must have used due care not to delegate substantial discretionary authority to individuals whom the organization knew, or should have known through the exercise of due diligence, had a propensity to engage in illegal activities.”

III. Employee Screening

Prospective employees shall be screened to determine whether they have been (a) convicted of a criminal offense related to healthcare, or (b) listed by a federal agency as debarred, excluded or otherwise ineligible for federal program participation. Where a potential employee has not been a resident of Pennsylvania continuously for the past two years, other procedures apply. Employment or continued employment is contingent upon the successful completion of all screenings. Screenings will also be completed annually and/or in accordance with federal, state and local laws, regulations and ordinances.

IV. Vendor and Contractor Screening

John J. Kane Regional Centers will not knowingly contract with or retain on its behalf any person or entity which has been (a) convicted of a criminal offense related to healthcare (unless such person or entity has implemented a compliance program as part of an agreement with the federal government), or (b) listed by a federal agency as debarred, excluded or otherwise ineligible for federal program participation.

V. Inquiry and Exclusion Lists

In attempting to ascertain whether an individual or entity is excluded from participation in governmental programs, John J. Kane Regional Centers shall review the following sources:

- DHHS/OIG List of Excluded Individuals/Entities (LEIE). The LEIE is an OIG–produced report available on the internet at <http://www.exclusions.oig.hhs.gov>. This report is updated on a regular basis to reflect the status of persons who have been excluded from participation in the Medicare and Medicaid programs. Questions may be directed to: Office of the Inspector General, Office of Enforcement and Compliance, 7175 Suite 210, Room N2-01-26, Baltimore, Maryland, 21244, (410) 281-3060.
- List of Parties Excluded from Federal Procurement and Nonprocurement Programs. The System for Award Management maintains a monthly listing of debarred contractors on the internet at www.sam.gov. This list identifies those parties excluded throughout the U.S. Government (unless otherwise noted) from receiving Federal contracts or certain subcontracts and from certain types of Federal financial and nonfinancial assistance and benefits.
- The Pennsylvania State Police (if the individual has been a resident of Pennsylvania for two or more years immediately preceding employment at John J. Kane Regional Centers). The State Police Report is obtained through submitting to the Pennsylvania State Police a completed SP 4-164 form. The SP 4-164 can be obtained from the Pennsylvania State Police Criminal Repository, located at 1800 Elmerton Avenue, Harrisburg, Pennsylvania, 17110-9973.
- The Federal Bureau of Investigation (if the individual has not been a resident of Pennsylvania the entire two years (without interruption) immediately preceding employment at John J. Kane Regional Centers). The Federal Bureau of Investigation Report can be obtained from the Federal Bureau of Investigation through the Pennsylvania Department of Aging. The proper forms and procedures can be obtained at the Pennsylvania Department of Aging, Federal Bureau of Investigation Check Unit, 555 Walnut Street, Fifth Floor, Harrisburg, Pennsylvania, 17101-1919.
- The Department of Public Welfare, Medichex Exclusion List – This list is updated on a regular basis. It reflects the status of individuals who have been excluded from participation on the Pennsylvania Medicaid program. The web address is <http://www.dpw.state.pa.us/dpwassets/medichexlist/index.htm>.

VI. Licensing

John J. Kane Regional Centers will investigate the background of employees with required licenses to assure that the license is current and has not been revoked or suspended. Each physician, nurse, or other licensed professional employed of John J. Kane Regional Centers must provide a copy of their current licensure credentials for record-keeping by the Human Resources office. In instances where the licensure background of a physician is unknown, not provided, or otherwise suspicious, John J. Kane Regional Centers will also consult with the National Practitioner Data Bank (NPDB) which contains information about physicians subject to medical malpractice payments, sanctioning by boards, adverse clinical privilege actions, and adverse clinical society membership actions.

VII. Frequency

The above- mentioned record checks shall occur prior to hiring or contracting for services. In the event that a contract is entered into prior to the completion of the background checks, a clause will be added to the contract permitting John J. Kane Regional Centers to terminate the contract because the person or entity is ineligible for participation according to the background checks. Program Participation Checks will be performed among existing employees and vendors on a periodic basis. Such checks will also occur whenever licenses or accreditation is renewed, or when a contract is renewed. Checks will also be conducted as necessary in accordance with state law or conditions of participation of the Medicare or Medicaid program.

VIII. Effect

In instances where an employee, vendor, or contractor is precluded from participation in Medicare or Medicaid programs, the person or entity will be terminated from employment, or the business relationship ended immediately. In instances where a potential employee has been previously convicted of a crime under Act 13 of the Older Adult Protective Services Act, discretion will be used as to whether an automatic termination or preclusion from employment will occur, pending a revision in the law or guidance from DOH or the Department of Aging, pursuant to the Nixon v. Commonwealth Pennsylvania Supreme Court decision. Prospective employees who have a history of past resident abuse, neglect, or other mistreatment, as documented in criminal record checks, or certain status of nurse aide registries, must be precluded from employment.

SECTION VII

JOHN J. KANE REGIONAL CENTERS

Responding to Detected Offenses

I. Overview

Violations of our compliance program, failures to comply with applicable Federal or State law, and other types of misconduct threaten our status as a reliable, honest and trustworthy provider of health care. Detected but uncorrected deficiencies can seriously endanger our reputation and legal status. Upon receipt of reports or reasonable indications of suspected noncompliance, it is important that the compliance officer or other management officials immediately investigate the allegations to determine whether a material violation of applicable law or the requirements of the compliance program has occurred and, if so, take decisive steps to correct the problem. Such steps may include a corrective action plan, the return of any overpayments, a report to appropriate governmental authority, and/or a referral to criminal and/or civil law enforcement authorities.

Where potential fraud is not involved John J. Kane Regional Centers will use normal channels of reporting internal concerns.

Where there are indications of potential fraud, an internal investigation is warranted and will include interviews and a review of relevant documents. Under some circumstances, John J. Kane Regional Centers may need to consider engaging outside counsel, auditors, or health care experts to assist in an investigation.

II. Self-Reporting

If the Compliance Officer, Compliance Committee, or a member of senior management discovers credible evidence of misconduct from any source and, after a reasonable inquiry, believes that the misconduct may violate criminal, civil, or administrative law, John J. Kane Regional Centers will promptly report the existence of the misconduct to the appropriate Federal and State authorities. The reporting will occur within a reasonable period, but not longer than 60 days, after determining that there is credible evidence of a violation. Prompt voluntary reporting will demonstrate John J. Kane Regional Centers's good faith and willingness to work with governmental authorities to correct and remedy the problem.

When reporting to the government, John J. Kane Regional Centers will provide all relevant information regarding the alleged violation of applicable Federal or State law(s) and the potential financial or other impact of the alleged violation. The Compliance Officer, under advice of counsel and with guidance from governmental authorities,

maybe be requested to continue to investigate the reported violation. Once the investigation is completed, and especially if the investigation ultimately reveals that criminal, civil, or administrative violations have occurred, the Compliance Officer will notify the appropriate governmental authority of the outcome of the investigation. This notification will include a description of the impact of the alleged violation on the applicable Federal health care programs or their beneficiaries.

III. Self-Disclosure Protocol

John J. Kane Regional Centers is committed to disclosing specific information and engaging in specific self-evaluative steps relating to self-disclosure of compliance violations. The disclosure will be made in good faith.

The Provider Self-Disclosure Protocol is intended to facilitate the resolution of only matters that, in the provider's reasonable assessment, are potentially violative of Federal criminal, civil or administrative laws. Matters exclusively involving overpayments or errors that do not suggest that violations of law have occurred will be brought directly to the attention of the entity (e.g., a contractor such as a carrier or an intermediary) that processes claims and issues payment on behalf of the government agency responsible for the particular Federal health care program.

SECTION VIII

JOHN J. KANE REGIONAL CENTERS

Effective Oversight

I. Ethical Culture

John J. Kane Regional Centers believes it is important for a nursing facility to have an organizational culture that promotes compliance. As such, John J. Kane Regional Centers has adopted a Code of Conduct that details the fundamental principles, values, and framework for action within the Organization, and that articulates the Organization's commitment to compliance.

In addition to a Code of Conduct, John J. Kane Regional Centers adopts other measures to express its commitment to compliance. First, and foremost, John J. Kane Regional Center's leadership fosters an organizational culture that values the prevention, detection, and resolution of quality of care and compliance problems. John J. Kane Regional Centers accomplishes this through good compliance practices including the development of a "dashboard" report designed to communicate effectively appropriate compliance and performance-related information to the Executive Director and senior management.

II. Communication Tools

Reports may include dashboards or such other methods which include quality of care information provided to directors and senior management that (a) demonstrate a commitment to quality of care and foster an organization-wide culture that values quality of care; (2) improve the facility's quality of care through increased awareness of and involvement in the oversight of quality of care issues; and (3) track and trend quality of care data (e.g., State agency survey results, outcome care and delivery data, and staff retention and turnover data) to identify potential quality of care problems, identify areas in which the Organization is providing high quality of care, and to measure progress on quality of care initiatives. Communication tools are tailored to meet our specific needs. This leads to improved quality of care and assists the Executive Director and senior management in fulfilling their oversight and management responsibilities.

III. Assessing the Effectiveness

John J. Kane Regional Center's compliance policies, standards, and practices are as good as our commitment to apply them in practice.

One way that John J. Kane Regional Centers measures the effectiveness of its Compliance Program is by observing how employees react to it. John J. Kane Regional Centers will re-assess the effectiveness of its program if:

- Employees experience recurring pitfalls because the guidance on certain issues is not adequately covered in the Organization's policy
- Employees flagrantly disobey the Organization's standards of conduct because they observe no sincere buy-in from senior management
- Employees have trouble understanding policies and procedures because they are written in legalese or at difficult reading levels
- The Organization routinely experiences systematic billing failures because of poor instructions to employees on how to implement written policies and practices

IV. Effectiveness of Compliance Officer and Committee Members

John J. Kane Regional Centers seriously considers whoever fills the integral roles of Compliance Officer and Compliance Committee members, and periodically monitors how the individuals chosen satisfy their responsibilities. John J. Kane Regional Centers will re-assess the effectiveness of its program if:

- The Compliance Officer does not have sufficient professional experience working with billing, clinical records, documentation, and auditing principles to perform assigned responsibilities fully
- The Compliance Officer or Compliance Committee has been unsuccessful in fulfilling their duties because of inadequate funding, staff, and authority necessary to carry out their jobs
- The addition of the Compliance Officer function to a key management position with other significant duties compromises the goals of the compliance program

V. Effectiveness of Training

John J. Kane Regional Centers evaluates the effectiveness of its education and training programs. Efforts are routinely evaluated, including:

- How frequently employees are trained
- If employees are tested after training
- If the training sessions and materials adequately summarize the important aspects of the Organization's compliance program
- If training instructors are qualified to present the subject matter and field questions
- If thorough compliance training is periodically conducted
- If employees receive the reinforcement they need to ensure an effective compliance program

VI. Effectiveness of Lines of Communication

An open line of communication between the Compliance Officer and our employees is important to the success of our Compliance Program. John J. Kane Regional Centers believes that it cannot have an effective compliance program if it does not receive feedback from its employees regarding compliance matters. John J. Kane Regional Centers will address the following as necessary:

- Whether policies and procedures adequately guide employees to whom and when they should be communicating compliance matters
- Whether employees are confident that they can report compliance matters to management without fear of retaliation
- Whether employees report issues through the proper channels
- Whether employees have the proper motives for reporting compliance matters

Regardless of the means used for reporting, employees should seek clarification from compliance staff in the event of any confusion or question dealing with compliance policies, practices or procedures.

VII. Effectiveness of Reinforcement

John J. Kane Regional Centers evaluates effectiveness through disciplinary action for corporate officers, managers, health care professionals, and other employees who have failed to adhere to the Organization's standards of conduct, Federal health care program requirements, or Federal or State laws. The number and type of disciplinary actions taken by John J. Kane Regional Centers can help assess effectiveness. John J. Kane Regional Centers will re-assess the effectiveness of its program to determine if:

- Appropriate sanctions have been applied to compliance misconduct
- Sanctions are applied to all employees consistently, regardless of an employee's level in the Organization's hierarchy
- Double-standards in discipline have occurred

VIII. Effectiveness of Monitoring/Auditing

John J. Kane Regional Centers evaluates the effectiveness of its monitoring and auditing process. The hallmark of effective monitoring and auditing efforts is how John J. Kane Regional Centers determines the parameters of its reviews. John J. Kane Regional Centers will insure that:

- Audits focus on all pertinent departments of the Organization
- Audits cover compliance with all applicable laws, as well as Federal and private payor requirements
- Past audits, pre-established baselines, and prior deficiencies are reevaluated

- The elements of the compliance program are monitored
- Auditing techniques are valid and conducted by objective reviewers

IX. Documentation

Documentation is one key to demonstrating the effectiveness of John J. Kane Regional Center's compliance program. Documentation of the following will be maintained: audit results; logs of hotline calls and their resolution; corrective action plans; due diligence efforts regarding business transactions; records of employee training, including the number of training hours; disciplinary action; and modification and distribution of policies and procedures.

X. Recordkeeping

John J. Kane Regional Centers maintains complete and accurate documents in accordance with federal, state and local requirements,

Which include:

- All medical records
- All records and documentation required for participation in Federal, State, and private health care programs
- All records, documentation and audit data that support and explain cost reports and other financial activity, including internal and external compliance monitoring activity
- All records necessary to demonstrate the integrity of the nursing facility compliance process

All documents are secured in a safe place, with limited access to only authorized users in compliance with applicable retention and destruction policy.

JOHN J. KANE REGIONAL CENTERS

CODE OF CONDUCT

ACKNOWLEDGMENT FORM

I hereby acknowledge receiving a copy of John J. Kane Regional Center’s Code of Conduct. Furthermore, I acknowledge having sufficient opportunity to read and to ask questions about the Code, and to have received appropriate responses. I acknowledge that the Code is subject to change from time to time, and shall not be construed as imposing any contractual or additional employment obligations on John J. Kane Regional Centers or County of Allegheny.

Employee, Agent, Contractor or Vendor

Date

Witness

Date

Witness

Date

JOHN J. KANE REGIONAL CENTERS
CORPORATE COMPLIANCE PROGRAM

ACKNOWLEDGMENT FORM

I hereby acknowledge receiving a copy of John J. Kane Regional Center's Corporate Compliance Program. Furthermore, I acknowledge having sufficient opportunity to read and to ask questions about the Program, and to have received appropriate responses. I acknowledge that the Program is subject to change from time to time, and shall not be construed as imposing any contractual or additional employment obligations on John J. Kane Regional Centers or County of Allegheny.

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Date

Witness

Date

Witness

Date