PRINCIPLE CHOICE
HOME HEALTHCARE

Principle Choice Home Healthcare and Hospice

Compliance Program and Code of Conduct

Home Health Mission and Vision:

Mission:

Principle Choice Home Healthcare and Hospice (PCHH) partners with patients and families to provide comprehensive care in a compassionate atmosphere. We make a difference in our clients' lives by bringing Hope, Health, and Healing in the place that matters most - Home.

Vision:

To deliver exceptional care to clients and their families that consistently exceeds expectations, while at the same time fostering a culture and environment that provides our team members with an incredible work experience.

Hospice Mission, Vision and Values:

Mission:

Principle Choice Hospice collaborates with patients and their families to offer dignified, personalized care and comfort, aiming to enhance the quality of life for those with serious illnesses. We also provide compassionate support as they approach the end of life, while caring for the emotional and physical well-being of survivors.

Vision:

Our aim is to deliver exceptional care that supports patients and their families facing serious illnesses, making sure they receive the right care at the right moment for the correct reasons. Simultaneously, we strive to create a culture and environment that offers our team members an outstanding work experience.

Principle Choice Home Health and Hospice Values:

COMPASSION: We deliver compassionate care by attentively listening to our clients' needs, addressing all concerns, and providing emotional support and empathy during each step in their care.

ADVOCACY: We advocate for our clients by empowering them to be an active partner in their care and ensuring all treatment options are thoroughly explained, leaving our clients with the confidence to make well-informed decisions about their care.

RESPECT: We demonstrate respect for each of our clients through gentle and courteous care, treating them with dignity and maintaining their privacy throughout the course of their treatment plan.

EXCELLENCE: We remain steadfast in our focus to be a positive influence in our clients' lives by striving for perfection in each encounter; we view these as *Opportunities of Excellence*.

COMPLIANCE PROGRAM

I. PURPOSE/PHILOSOPHY

The purpose of our Compliance Program and Code of Conduct is to reinforce the Principle Choice Home Healthcare and Hospice mission, vision, and values. It is to be a guide to promote moral, ethical, and legal behavior and advance Principle Choice Home Healthcare and Hospice reputation for integrity and honesty in our community, while ensuring that we are compliant with applicable laws, rules, and regulations. It is our intent to develop effective internal controls that promote adherence to applicable federal and state law and the program requirements of federal, state, and private health plans. The goal for implementation and adoption of the Principle Choice Home Healthcare and Hospice's Compliance Program is to significantly advance the prevention of fraud, abuse, and waste.

II. INTENT

PCHH will strive to demonstrate to associates and the community at large its strong commitment to honest and responsible provider and corporate conduct. The Code of Conduct and Compliance Program is designed to implement written policies, procedures and standards to identify and prevent illegal and unethical conduct. Furthermore, through early detection and reporting, the Compliance Program is designed to minimize the loss to the government from false claims and waste.

III. COMPLIANCE OFFICER

The Compliance Program requires the designation of a Compliance Officer to serve as the focal point for compliance activities. Functions of the Compliance Officer include coordination, communication, planning, implementing, and monitoring the Compliance Program. Duties of the Compliance Officer or designee of the Compliance Officer include:

- The approval from the Executive Council of a formal resolution supporting PCHH's compliance plan and program.
- Regularly report to the Executive Council, the Compliance Committees progress of the Compliance Program implementation while establishing methods to improve efficiency and quality of services.
- Revision of the program to account for new or identified risks, and changes in federal and state laws and regulations.
- Development of and coordination of educational and training programs for the program to ensure that all relevant associates, management, and contractors are knowledgeable of, and comply with, pertinent Federal and State standards.
- Investigate and act on matters related to compliance, including internal investigations, audits, implementation of corrective action necessary (e.g., making necessary improvements to home care and hospice policies and practices, taking appropriate disciplinary action, etc.).

The Compliance Officer will have the authority to review all documents and other information relevant to compliance activities, including but not limited to, patient medical records, billing records, and records concerning the marketing efforts of the agency and the arrangements with other parties, including associates, physicians, professionals on staff, independent contractors, and suppliers. The Compliance Program enables the Compliance Officer to review contracts and obligations that may contain referral and payment provisions that could violate anti-kickback statements and other legal or regulatory requirements.

IV. COMPLIANCE COMMITTEE

PCHH has established a Compliance Committee to advise the Compliance Officer and assist in the implementation of the compliance functions including:

- Identify specific risk areas (i.e. (1) Admission criteria are medically indicated, and eligibility requirements are met, (2) Proper utilization of services).
- Assess existing policies and procedures to ensure compliance with legal and ethical requirements and develop standards of conduct.
- Monitor, solicit, and evaluate complaints and problems.
- Monitor and evaluate internal and external audits and investigations to determine troublesome issues and deficient areas and implement corrective and preventive action.
- Assess and evaluate effectiveness of compliance program.
- Include summaries of compliance audits and actions taken to ensure the reduction of risk for fraud and abuse within the QAPI Program.

PRINCIPLE CHOICE
HOME HEALTHCARE

CODE OF CONDUCT

I. PROFESSIONALISM

PCHH will display and promote the highest standards of professional and ethical conduct. We will act with the competence, skill, and integrity expected of our professions. We will behave with dignity and courtesy toward our patients, clients, coworkers, learners, and others in business-related activities. We will be honest, fair, reasonable, and objective in our professional relationships.

II. QUALITY OF CARE

PCHH is dedicated to providing each client, in a timely and reasonable manner, with the highest quality of necessary care and services, in accordance with their comprehensive assessment and plan of care, while maintaining the client's rights and dignity throughout their care. Our clients are entitled to participate in their healthcare decisions and course of treatment. We will inform them of their rights in accordance with our policies and procedures and required state and federal laws. We will deliver care in a manner and environment that promotes enhancement of our clients' quality of life.

In addition, PCHH will maintain a quality assurance program to promote quality care, as well as to monitor the need for and provide remedial measures. Compliance Summary Results will be included within the QAPI Program.

III. HEALTH, SAFETY AND ENVIRONMENTAL LAWS

PCHH will maintain a safe, functional, sanitary, and comfortable environment to protect the health and safety of our clients and associates. We will be familiar with the Health, Safety and Environmental Policy and Procedures that relate to our area of employment and abide by all the applicable laws and regulations. This includes requirements to protect associates from potential workplace hazards.

IV. PROTECTING INFORMATION

PCHH will ensure the privacy, confidentiality, and security of all protected health information (PHI) and personal information (PII) of all our clients and associates. All client and associate information, including names, social security numbers, diagnoses, treatment information and other information related to patient and associate constitutes PHI regardless of whether it is verbal, written, or electronic. We have implemented safeguards to ensure information security by:

- Encrypting mobile devices containing PHI
- Requiring passwords and where available double verification
- Limiting access to information to a minimum based on job role
- Prohibiting unauthorized software on Principle Choice Home Healthcare devices

- Prohibiting texting PHI on personal devices

PCHH will NOT:

- Take copies of medical records out of the workplace without permission
- Leave PHI unattended and in plain view (including vehicle)
- Post PHI on social media without patient or associate's authorization

If it is found that an information breach has occurred, it is to be reported immediately to the Privacy and/or Compliance Officer or call the Helpline. Breach of information will be handled as outlined in our policy and procedures.

V. PREVENT FRAUD, WASTE AND ABUSE

Principle Choice Home Healthcare and Hospice's relationships with patients, physicians, other health care providers, suppliers, and the Medicare and Medicaid agencies are governed by federal and state statutes and regulations. Among other things, the statutes and regulations establish rules that PCHH will follow with respect to providing care and services. Some of the statutes and regulations also establish penalties for failing to maintain compliance with the rules. The following paragraphs set forth descriptions of several of the statutes and regulations. It is the intent of PCHH to adhere to the statutes and regulations outlined below. We will ensure all provider agreements are in writing and either (1) drafted by legal counsel, or (2) reviewed and approved by legal counsel; (3) contain Fair Market Value assessment, where appropriate; (4) include a Business Associate Agreement, when appropriate; (5) not take into consideration the volume or value of referrals provided; (6) not employ, contract with, grant privileges to, or enter into any type of arrangement with individuals, entities or vendors currently excluded by the Office of the Inspector General (OIG) or debarred by the General Services Administration (GSA) from participating in federal programs, including Medicare or Medicaid. In addition to federal exclusion programs, some states have enacted Medicaid exclusion lists. We will not employ individuals excluded under state exclusion lists. Before employing or conducting business with any person or vendor, the individual or business must be screened against both federal and state exclusion lists, and monthly thereafter.

In accordance to the below stated statutes and regulations, we will not knowingly provide inaccurate or misleading information to any payor (including customer), governmental authority, or agent in connection with any claim for reimbursement. All associates are obligated to report any known billing error, oversight, or instance of incorrect billing to either his or her immediate supervisor, the Compliance Officer, or the Compliance Program helpline.

- **Abuse and Neglect Laws & Regulations/Elder Justice Law**

It is a crime to abuse, neglect, exploit or emotionally abuse protected persons, which may include persons over 18 years of age who are senile, people with intellectual disabilities and developmental disabilities, or an individual who is mentally or physically incapable of adequately caring for himself or herself and his or her interests without serious consequences to himself or herself or others. Under these laws and regulations, caregivers are also responsible for reporting suspected abuse,

neglect, exploitation, sexual abuse, emotional abuse, or misappropriation of patient's property to the appropriate state agency. Failure to report suspected abuse or neglect of clients may be a crime punishable by fines and jail time. It is our policy to report any suspected abuse and neglect of any client/resident to the appropriate state agency and to cooperate with any agency or facility regarding alleged abuse or mistreatment of a client/resident.

- **Anti-Kickback Statute**

The federal Anti-Kickback Statute, codified at 42 U.S.C. § 1320a-7b(b) (the "Anti-Kickback Statute"), makes it illegal to, willingly or knowingly, offer or receive remuneration, directly or indirectly in return for referring an individual for any item, good, or service for which payment may be made by Medicare, Medicaid, or another federal health care program. The penalties for violating the Anti-Kickback Statute may include a felony criminal conviction, fines not to exceed $25,000, exclusion from the Medicare/Medicaid programs, and civil money penalties. We will review service contracts with outside suppliers and providers to ensure that: (i) there is a legitimate need for the services; (ii) the services are provided; (iii) the compensation is at fair-market value in an arm's-length transaction; and (iv) the arrangement is not related in any manner to the volume or value of federal health care program business.

- **Federal False Claims Act**

The False Claims Act, as amended by the Fraud Enforcement and Recovery Act of 2009, 31 U.S.C. § 3729 (the "False Claims Act"), is a federal statute that covers fraud involving any federally funded contract or program, including the Medicare, Medicaid, and other government programs. The False Claims Act establishes liability for any person who knowingly presents or causes to be presented a false or fraudulent claim for payment or approval. As used in the statute, "knowingly" means that a person possesses actual knowledge of the falsity of information in the claim, acts in deliberate ignorance of the truth or falsity of the information in a claim, or acts in reckless disregard of the truth or falsity of the information in a claim. No proof of specific intent to defraud is required. Examples of conduct that might lead to prosecution under the False Claims Act include knowingly making false statements, falsifying records, double billing for items or services, submitting bills for services never performed or items never furnished, or otherwise causing a false claim to be submitted. Anyone who violates the False Claims Act is liable for a civil penalty that could range from $11,000 to $21,000 per claim, plus three times the amount of the damages sustained by the government, and the costs of any civil action brought to recover such penalties and damages. The Office of the Attorney General of the United States is responsible for investigating violations of the False Claims Act and may initiate a civil action (lawsuit) against persons or entities suspected of violating the statute. The False Claims Act also permits private persons to bring a civil action on behalf of the government for a violation of the Act. This type of action is known as a *qui tam* lawsuit, and the person who initiates the lawsuit is known as a *qui tam* plaintiff.

- **Federal Program Fraud Civil Remedies Act of 1986**

The Federal Program Fraud Civil Remedies Act of 1986, 31 U.S.C. §3801 *et seq.* ("Administrative Remedies for False Claims and Statements"), is a statute that establishes an administrative remedy against any person who presents or causes to be presented a claim or written statement that the person knows or has reason to know is false, fictitious, or fraudulent due to an assertion or omission to certain federal agencies, including the Department of Health and Human Services. The term "knows or has reason to know" is defined in the Act as a person who has actual knowledge of the information, acts in deliberate ignorance of the truth or falsity of the information, or acts in reckless disregard of the truth or falsity of the information. No proof of specific intent to defraud is required. The term "claim" includes any request or demand for property or money, e.g., grants, loans, insurance, or benefits, when the federal government provides or will reimburse any portion of the money. The Act allows for civil monetary sanctions to be imposed in administrative hearings, including penalties of $11,000 per claim and an assessment, in lieu of damages, of not more than twice the amount of the original claim.

- **Stark Statute**

The Stark statute is a civil statute, codified at 42 U.S.C. § 1395nn (the "Stark Statute"), which prohibits physicians who participate in the Medicare program from making referrals for certain "designated health services" to entities in which the physicians or their immediate family members have an ownership or other financial interest. The statute provides several statutory and regulatory exceptions, which make certain physician compensation and investment arrangements permissible. If, however, the financial relationships are not structured to comply with at least one of the exceptions, the physicians, and entities to which they refer can be subject to civil monetary penalties and potential liability under the False Claims Act. The Stark Statute does not take into account "intent," and so violations can occur unintentionally/unknowingly.

- **Whistleblower Protection**

The False Claims Act also provides for the protection of associates, contractors, and agents from retaliation. An associate, contractor or agent who is discharged, demoted, suspended, threatened, harassed, or discriminated against in terms and conditions of employment because of lawful acts conducted in furtherance of actions brought under the False Claims Act may bring an action in federal district court, seeking reinstatement, two times the amount of back pay plus interest, and other enumerated costs, damages, and fees.

VI. EMPLOYMENT/ LICENSURE AND CERTIFICATION

PCHH is an equal opportunity employer, committed to comply with all federal, state, and local laws that prohibit discrimination or abridgement of the opportunity to seek, obtain, and hold employment based on race, color, national origin, religion, age, gender, disability, citizenship, or military obligation. In addition, we prohibit the harassment of any individual on any of the bases listed above.

It is written in policy to complete background checks of all applicants for employment. To this end,

we will comply with the associate pre-screening requirements stated in 42 C.F.R. § 483.75 and state and local laws. In addition, Principle Choice Home Healthcare and Hospice will consult available public resources to determine whether applicants for employment are licensed, certified, or registered in accordance with the laws of the state, if such license, certification, or registration is a condition of the position for which application has been made. Associates are responsible for keeping all certifications and licenses active, verified, and validated with their respective licensure or certifications boards. It is the ongoing obligation of associates to alert PCHH to any conviction or finding that would disqualify them or any other associate under state or federal law from continued employment with PCHH. If any disciplinary action is taken against a license or certification, the associate must report such action or potential to their supervisor. A written personnel record will be maintained for each associate.

VII. CONFLICT OF INTEREST

It is the policy of Principle Choice Home Healthcare and Hospice that its associates shall not accept any improper personal benefit by virtue of his or her employment with PCHH. As discussed herein, the Anti-Kickback Statute prohibits the offering of remuneration to induce a person to "purchase, order, arrange for, or recommend purchasing, leasing or ordering any good, service or item for which payment may be made in whole or in part under a federal healthcare program." 42 U.S.C. § 1320a-7b(b)(2). To that end we will not offer, solicit, give, or accept anything of material value from any person or entity in a position to refer business to Principle Choice Home Healthcare and Hospice or if Principle Choice Home Healthcare and Hospice is in a position to refer business to that person or entity, except as permitted by law. In particular, we have dedicated ourselves to providing care to our clients during a difficult and vulnerable time for them and we will not offer, solicit, give, or accept any gift, cash, cash equivalents, hospitality, or entertainment from client, a client's sponsor or family, a physician providing services to a client, a medical service provider, or a medical equipment supplier. Furthermore, we will not provide any gifts or gratuities to any government or public agency representatives except as permitted by law. If any person or organization offers, solicits, gives, or receives a gift or gratuity that would violate this policy to or from any associate, such associate is obligated to promptly report the event to either his or her immediate supervisor, the Compliance Officer, or the Compliance Program helpline.

VIII. DOCUMENTATION AND DOCUMENT RETENTION

It is essential that all associates fully and accurately document their work activities. Responsibility for accurate documentation extends to all departments. Every associate is responsible for ensuring that all documentation accurately reflects the operations of his or her department and PCHH as a whole. Falsification of records is strictly prohibited and will result in corrective action up to and including termination of employment.

To ensure accuracy, documentation shall be prepared in a timely manner and in accordance with all applicable laws, regulations, and professional standards. Backdating of records is strictly prohibited, except for appropriate late entries that are duly noted as late entries and prepared in

accordance with professional and legal standards.

All documents and clinical records, in any form or medium, created or received, will be retained in accordance with applicable laws and Principle Choice Home Healthcare and Hospice policy. Please refer to our policies on guidance regarding document retention.

IX. TRAINING

It is in policy to train and educate each associate on the Compliance Program and Code of Conduct; and the importance of adhering to them. As part of that training, each associate is required to attend training sessions provided by PCHH, be familiar and comply with any portion of the Compliance Program/Code of Conduct applicable to that associate's area of work. Principle Choice Home Healthcare and Hospice will also inform associates that failure to comply with the Compliance Program and Code of Conduct may result in corrective action up to and including termination of employment.

X. REPORTING POSSIBLE VIOLATIONS

PCHH assumes responsibility for compliance. Through our Confidential Disclosure Program, every associate has an obligation to report violations, suspected violations, or possible violations of this Compliance Program/Code of Conduct to his or her supervisor, the Compliance Officer, or the Compliance Program Helpline (405-400-2273, ext. 9).

It is written in policy to take all reports of possible wrongdoing seriously. The Compliance Officer is responsible for ensuring that all reports of possible wrongdoing are investigated to determine if a violation of any law, regulation, Principle Choice Home Healthcare and Hospice's policy, or ethical standard may have occurred. If it is determined that it is likely that such a violation has occurred (or may have occurred), it is the responsibility of the Compliance Officer, in conjunction with the Compliance Committee, to take appropriate action to remedy and prevent the recurrence of the violation (or possible violation).

It is strictly prohibited to retaliate against any associate for reporting a violation, a suspected violation, or possible violation of this Compliance Program or for participating in lawful acts in furtherance of an action brought under the False Claims Act. It is also a violation of this policy for a supervisor or associate to discourage an associate from making such a report.

PCHH will thoroughly investigate the facts and circumstances surrounding all reports of violations, suspected violations, or possible violations of the Compliance Program; and will make appropriate reports and take appropriate corrective action if it is determined that a compliance violation has occurred. Corrective action will be taken promptly to prevent similar occurrences.

XI. DISCIPLINE

Common sense, good business judgment, and ethical behavior are expected from each of us at Principle Choice Home Healthcare and Hospice. Violations of the Compliance Program and Code of Conduct will be subject to the PCHH's normal disciplinary procedures. We endorse a progressive

approach to associate discipline, although occasionally the conduct or infraction may be of such a serious nature that it mandates an exception to the progressive discipline approach. With the assistance of our Human Resources department, such cases may require immediate action, including termination. In general, the following approach to discipline is followed:

- Verbal Warning
- Written Warning
- Suspension
- Termination

XII. AUDITING AND MONITORING

PCHH will monitor and regularly audit our operations to detect possible and potential violations of the Compliance Program. The Compliance Officer, in conjunction with other appropriate PCHH officials, is responsible for the design and implementation of monitoring and auditing systems designed to detect such possible and potential violations. It is the responsibility of the local management teams, and each corporate department head to assist the Compliance Officer in these efforts.

Monitoring and auditing systems will include audits conducted by both internal and external personnel, when appropriate the monitoring and auditing process will examine the systems and processes used to ensure compliance and will include random sampling of records and transactions. Audit activities may include home visit evaluations, open and closed medical review audits, review of customer, patient and associate satisfaction surveys and exit interviews, and billing audits. The Compliance Officer shall report compliance audit results to the Compliance Committee at least annually.

The Compliance Committee will regularly review the implementation and execution of the Compliance Program systems and structures. This review will be conducted annually. The review will include an assessment of each of the basic elements individually, as well as the overall success of the program. This review will help PCHH identify any weaknesses in the Compliance Program and implement appropriate changes.

Along with this Code of Conduct, our policies and procedures provide guidance on how to perform our job responsibilities ethically and legally. Each associate must be aware of the Code of Conduct and the policies and procedure that apply to their role within the Company by signing attestation that they have been given, have read and will abide by the Policies and Procedures, Compliance Program and Code of Conduct.

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CERTIFICATE OF COMPLIANCE

1. I have read the entire Code of Conduct. I have had the opportunity to ask any questions regarding its contents, and I understand fully how the policies relate to my position.

2. I hereby acknowledge my obligation and agreement to fulfill those duties and responsibilities as set forth in the Code of Conduct and to be bound by these standards.

3. I further certify that, throughout the remainder of my association with Principle Choice Home Healthcare and Hospcie, I shall continue to comply with the terms of the Code of Conduct.

4. I understand that violations of the Code of Conduct may lead to disciplinary action, including discharge.

Signature: _____ Date: _____

Printed Name Title/Position within PCHH: _____

Facility Name: _____

Business Telephone Number (with Area Code): _____