

# CODE OF CONDUCT

Our commitment to ethical conduct and compliance depends on all employees having a clear understanding of Corporate expectations.

If you find yourself in an ethical dilemma or suspect inappropriate or illegal conduct, discuss it with your supervisor or use the reporting process outlined in this manual, including the Compliance Hotline at:

**1 (866) 813-4554**

*SpecialCare  
Hospital  
Management  
Corporation's  
Commitment to  
Excellence*



William A. Billings, CEO



Albert Satcher, Chief Compliance Officer

#### CEO/CCO Compliance Statement:

SpecialCare Hospital Management Corporation (SpecialCare) operates in a position of trust and integrity within our client hospitals. We pledge this adherence to our clients in the very contracts that govern our relationship. We also take steps to monitor and ensure compliance. Our clients therefore, trust SpecialCare and its employees to always provide services with the highest regard to ethics, laws, rules and regulations.

Our employees are vital in adhering to and having the highest regard for ethics, laws, rules and regulations in healthcare. Any employee or outside vendor who is performing outside of this approved Code of Conduct place the client hospitals and SpecialCare at risk. If you have knowledge of potential inappropriate or illegal conduct and you do not report it, then you become an accessory to the conduct. For our employees, failure to report knowledge of inappropriate or illegal conduct is a violation of SpecialCare policy and you may be disciplined in accordance with HR policy. For clients and vendors, your cooperation with the policies and procedures of SpecialCare as they relate to compliance are critical to our mission to provide the best possible service to the patients we serve.

SpecialCare is committed to making certain that any reported potential wrongdoing is thoroughly investigated and properly reported. Upon discovering a potential compliance issue, either through our auditing process or through information reported to our company, the Chief Compliance Officer will investigate the matter. If the Compliance Officer finds evidence of wrongdoing they immediately take steps to remediate the problem, which may include a corrective action plan, and if it is a reportable issue the compliance officer alerts the necessary State or Federal department.

SpecialCare takes all steps to ensure that our employees and all affiliated persons are comfortable reporting issues. We have a policy of non-retaliation against anyone who in good faith reports suspected inappropriate, unethical or illegal conduct. You should feel free to discuss your concerns at any time with our Compliance Officer without fear of retaliation. You are also allowed to report a concern anonymously through our compliance hotline or choose to keep your identity confidential.

Please review the Code of Conduct and the Code of Conduct Policies and Procedures, and become familiar with the expectations of SpecialCare. Every employee has a duty to be knowledgeable and involved, and we request that all of our client partners and affiliated persons support the compliance efforts of SpecialCare by familiarizing yourself with this code of conduct.

If you find yourself in an ethical dilemma, or suspect inappropriate or illegal conduct, use the reporting process outlined in this manual, including the **Compliance Hotline at: 1-866-813-4554**.

Sincerely,

William Billings, Chief Executive Officer

Albert Satcher, Chief Compliance Officer



[www.specialcarecorp.com](http://www.specialcarecorp.com)

# CORPORATE COMPLIANCE STATEMENT

## Part 1: Overview

### *The Statement*

This Corporate Compliance Statement (“Statement”) sets forth standards of conduct that all personnel employed by or associated with SpecialCare Hospital Management Corporation (the "Corporation") are expected to follow. This statement is designed to be a guide and resource to help all personnel ensure that their behavior is in compliance with all laws and regulations that affect their clinical and business dealings. The Statement also describes the procedures that will be followed in enforcing these standards and ensuring that the corporation stays in compliance with all applicable laws.

All personnel are expected to read, comprehend and apply the information contained within this Corporate Compliance Statement, and to review it as necessary in order to be alert to situations that could create a conflict of interest or otherwise be contrary to the established policies of the Corporation. All personnel must, upon receiving a copy of this Statement, sign and date the Acknowledgment of Receipt included in the Employee Handbook.

### *The Importance of the Compliance Program*

The implementation of an effective compliance program is important for several reasons: First and foremost, it is essential that we ensure that we are operating pursuant to the highest ethical standards and in conformity with all applicable legal rules. This is not only the right thing to do, but it is also important for our continuing reputation for honesty and integrity in all of our business and clinical dealings with others. That reputation has been achieved and maintained through the integrity of our officers and employees, and it is one of our greatest assets. Our success depends in large measure on the trust that the patients, affiliated client hospitals, referring agencies, government regulators, and the public-at-large place in us. A compliance program will help ensure that we are living up to this reputation and continue to deserve that trust. Moreover, compliance with state and federal rules and regulations is essential because of our potential civil or even criminal liability if we were found to have violated the applicable legal standards. A governmental inquiry can result in very high financial exposure, criminal charges and unmeasurable damage to our reputation for honesty and integrity.

Our Compliance Program is focused on prevention over remediation, through education and compliance training. However, we recognize that even the most well intentioned organizations can occasionally make mistakes through human or technological error and our compliance program is also designed to take steps to correct those issues if they ever occur. We have a robust auditing and monitoring program and incorporate all 7 elements of an effective compliance program.

*The Seven Fundamental Elements of an Effective Compliance Program:*

1. Implementation of written policies, procedures and standards of conduct.
2. Designation of a compliance officer and compliance committee.
3. Conducting effective training and education.
4. Developing effective lines of communication.
5. Conducting internal monitoring and auditing.
6. Enforcing standards through well-publicized disciplinary guidelines.
7. Responding promptly to detected offenses and undertaking corrective action.

To be effective, this Compliance Program must be a real part of SpecialCare's culture, mission, and values. As a result, the Corporation must demonstrate that it is both committed to, and actually exercises, due diligence in seeking to prevent and detect violations of law.

*Questions and Concerns*

Even the most carefully constructed Compliance Program, however, cannot cover every situation that SpecialCare personnel might face. As a result, if you are unsure of what a proper course of action might be in a specific situation, or believe that the Code of Conduct set forth in this statement may have been violated; please immediately contact the Corporation's Compliance Hotline at (866) 813-4554. This is a dedicated number specific only to compliance issues and messages will only be taken off this line by the Compliance Officer. You may leave messages anonymously, or you may leave your name and contact information if you consent to be contacted in case we need further information or if you wish to hear back from us. You can also contact the Compliance Officer directly at 1-800-383-6085.

## Part II: Code of Conduct

As a central part of the Compliance Program, this Code of Conduct sets forth the standards of conduct that all personnel are expected to follow. Everyone should adhere to both the spirit and the language of the Code, maintain a high level of integrity in their business conduct and avoid any conduct that could reasonably be expected to reflect adversely upon the integrity or reputation of the Corporation.

### *Mission and Values*

SpecialCare is committed not only to providing patients with quality and caring health care, but also to providing those services pursuant to the highest professional, ethical, business, and legal standards. Most important is our commitment to full compliance with all Federal and State health care program requirements. These high standards must apply to our interactions with everyone with whom we deal. This includes our patients, our affiliated client hospitals, other health care providers, companies with whom we do business (i.e. referral agencies), government entities to whom we report, and the public and private entities from whom reimbursement for service is sought and received. In this regard, all personnel must not only act in compliance with all applicable legal rules and regulations, but also strive to avoid even the appearance of impropriety. While the legal rules are very important, we must hold ourselves up to even higher ethical standards. In short, we do not and will not tolerate any form of unlawful or unethical behavior by anyone associated with SpecialCare Hospital Management Corporation. We expect and require all personnel to be law-abiding, honest, trustworthy, and fair in all of their clinical and business dealings. To ensure that these expectations are met, the compliance program has become an integral part of our corporate mission and business operations.

### *Cooperation with the Compliance Program*

Because of the importance of the compliance program, we require that you cooperate fully with this effort. The compliance program will work effectively only if everyone works together to ensure its success by understanding what is required under the law, what is required by our Code of Conduct, and working to ensure that those standards are being followed by everyone involved with SpecialCare.

SpecialCare has established a Compliance Hotline for the reporting of any possible compliance related issue or concern, the contact number is (866) 813-4554. All employees are expected to report to the Compliance Officer, suspected violations of any Federal health care program requirement in addition to SpecialCare's own Policies and Procedures. Such reports are investigated by the Compliance Officer or his designate, with a commitment to non-retaliation and maintaining as appropriate confidentiality and anonymity with respect to such disclosures. In particular, all personnel must cooperate with all inquiries concerning possible improper business dealings, documentation, coding or billing practices, respond to any reviews or inquiries, and actively work to correct any improper practices that are identified. In addition, it is required that every employee familiarize themselves with the Code of Conduct outlined in the Employee Handbook (section 6, 6-14).

## Part II: Code of Conduct/Outreach Activities

It is important to understand that our outreach activities focus on informing potential referral sources of the scope and intent of our service. New Vision's objective is to medically stabilize an individual in acute withdrawal, whereby they can be directed into an appropriate rehabilitation or counseling service that will address their dependency treatment needs. Our goal in outreach, as well as patient care, is to facilitate a continuum of care that will best serve the needs of patients in the New Vision Service.

### *Illegal Referrals*

It is illegal to refer a patient to a particular facility or healthcare provider in exchange for remuneration of any kind. All New Vision patients must be given a choice of referral that best suits their wants and needs without the influence of gifts or favors to/from a potential or actual referral source.

### *Reciprocal Relationships*

In an effort to provide a continuity of care for our patients, we may enter into mutual relationships with providers of appropriate services that will enable the individual to continue their recovery. These reciprocal relationships are non-exclusive and patients are always given a choice of multiple referral options. A consent for release of information will be completed separately for each treatment facility contacted in the planning of the patient's discharge. It is important to note that it is illegal and against SpecialCare policy to accept or refer patients to other providers or outside entities in exchange for remuneration of any kind and is strictly forbidden.

### *Business Courtesies*

SpecialCare employees may not receive business courtesies from potential referral sources, referral recipients, or their immediate family members. It is against SpecialCare's policy to permit any business courtesy or other benefit that is understood by either party to be offered or provided as an inducement to refer patients or business, or as a reward for such referrals. SpecialCare also expressly prohibits extending a business courtesy to any potential referral source who solicits it.

A business courtesy includes any item of value provided as an inducement for continued business. They include items of value given to another free of cost, as well as social events sponsored or hosted by the Company such as meals, sporting events, theatrical events and receptions. Promotional items of nominal value are not considered a business courtesy for purposes of this policy. Meals provided in conjunction with educational presentations may be allowed with the written permission of the Chief Compliance Officer.

Please contact the Compliance Officer directly should there be any questions or clarification required, as to what constitutes a potential violation.

Consequences of any failure to comply with the above will result in disciplinary action, and possible termination from the Company.

## Part II: Code of Conduct/Confidentiality

### *Confidential Patient Information*

SpecialCare is committed to ensuring that its practice regarding the privacy and security of Patient Private Information comply with HIPAA in addition to industry norms, contractual obligations and as applicable, all Federal and State laws and regulations. Consequently, SpecialCare is committed to maintaining patient confidentiality policies relating to the Use and Disclosure of Patient Private Information.

All personnel will keep patient information in the strictest confidence. Such information will not be disclosed to anyone unless authorized by the patient or otherwise permitted by law. Corporate personnel are bound by and must observe all applicable state and federal rules, regulations, and laws governing the confidentiality of patient records and information.

Corporate personnel must ensure that protected patient information is held in confidence. The usage of patient names on forms faxed to Corporate shall be avoided and shall be replaced anonymous record numbers as identifiers whenever possible. The name of the patient attached to the anonymous record numbers shall be sent by encrypted email to the receiving party. SpecialCare employs an encrypted email system that must be used when sending any information containing PHI. For more information on the use of the encrypted email system please contact our IT vendor, Americom.

Forms, including patient inquiries, financial audits, clinical chart audits, census sheets, and other records that have information such as patient names, diagnoses, incident reports, and other identifying data, should not be faxed to the Corporate office. If such information must be sent to the Corporate office, as a matter of policy, it will be sent by first class mail with a receipt or by overnight delivery.

If Corporate personnel have any questions about the confidentiality of patient information, such questions should be referred directly to the Director of Clinical Services, who serves as liaison to the Corporate Compliance Officer.

### *Retention of Patient Data*

- New Vision paperwork relevant to patient care is kept in a locked file on every patient admitted to the service. Originals are provided to the hospital for inclusion in their Medical Records, while copies are retained for a minimum of 7 years or for the full term of the contract, whichever is longer.
- Then upon expiration of the contract they are officially turned over to the hospital with a signed acknowledgement of receipt.

<b>Last Revision/Review Date:</b> 12/20/17	<b>Review By:</b> M. Lyon, T. Meyers, S.Ramey, A. Satcher	<b>Date Approved:</b> 10-31-16
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**TITLE: CODE OF CONDUCT**

**POLICY:** It is required that all employees of SpecialCare Hospital Management Corporation (SHMC) conduct themselves in a professional manner at all times.

**PURPOSE:** To ensure all employees of SHMC represent SHMC, the New Vision™ service, client hospitals and themselves in a competent, ethical and professional manner at all times.

**PROCEDURE:**

1. Code of Conduct. As an integral member of the SHMC, employees are expected to adhere to high standards of competency, ethical behavior and personal integrity at all times. This essential high level professional conduct demands respect for co-workers, SHMC, client hospitals, current or potential clients, and the public at large. Both in business and personal life, employees should refrain from any behavior that might be viewed unfavorably or harmful to the employee, co-workers, SHMC, client hospital, current or potential clients, or by the public at large.
2. Prohibited Conduct. Any employee of SHMC who engages in inappropriate conduct or violates any rules or policies set forth by SHMC may be subject to disciplinary action, up to and including termination of employment. Certain types of improper conduct may be subject to criminal and/or civil penalties. The following actions will not be tolerated and engaging in any of the following forms of conduct may be cause for disciplinary action. The listed actions below are to serve as examples, but not to be deemed an all-inclusive list.
  - a. Falsifying SHMC and/or client hospital documents and records, or being an accessory to such falsification. This includes, but is not limited to, providing false information when applying for employment or submitting falsified timecards.
  - b. Violating SHMC’s non-discrimination, equal employment opportunity and non-harassment policy. Violating SHMC’s policy against abusive conduct and its policy against retaliation. This includes, but is not limited to, participating in any form of unlawful discriminatory, harassing or retaliatory behavior towards a co-workers, SHMC, client hospital, current or potential clients, or the public at large.
  - c. Soliciting and/or accepting gratuities, or anything of value from clients, referral sources, or patients except non-monetary promotional items of nominal value (e.g. pens, pencils, notepads, brochures).
  - d. A pattern of excessive absenteeism or tardiness.

- e. Job abandonment, unavailability for work without prior approval, an unauthorized leave of absence, or working overtime without prior authorization.
- f. Unauthorized use of SHMC's supplies, materials or equipment, including the misuse of same.
- g. Being under the influence of alcohol, illegal drugs, drugs not prescribed to you, or controlled substances in any manner during business hours, or while engaged in business activities for SHMC.
- h. Illegally manufacturing, possessing, using, selling, distributing, or transporting any controlled, illegal drug, drugs not prescribed to you or any related paraphernalia, while on SHMC premises or worksites, or engaged in business activities for SHMC.
- i. Bringing or using alcoholic beverages on SHMC property, client hospitals or while engaged in business activities for SpecialCare, except where authorized.
- j. Fighting or using obscene, abusive, or threatening language or gestures.
- k. Verbal abuse, physical violence or any activity causing harm to the safety and/or well-being of co-workers, SHMC, client hospital, current or potential clients, or by the public at large. This includes, but is not limited to, defacing or destroying SHMC property, or property belonging to a client or patient.
- l. Stealing property from co-workers, SHMC, client hospital, current or potential clients, or by the public at large.
- m. Engaging in inappropriate relationships current or past patients or prospective patients (i.e. dating a patient). A prospective patient is anyone who has made an inquiry regarding the New Vision service.
- n. Having unauthorized firearms on SHMC premises, client hospitals, worksites or while on SHMC business.
- o. Engaging in insubordination, such as refusing to take lawful direction or follow instructions from management or a supervisor.
- p. Treating representatives of treatment facilities, client hospitals, co-workers, current or potential patients or the public at large in an unprofessional manner.
- q. Disregarding safety or security regulations.
- r. Failing to maintain the confidentiality and/or privacy of SHMC's client hospitals and patients.
- s. Acting in any manner that is detrimental or injurious to SHMC's interest or reputation.

- t. Violating any public laws on SHMC premises, at client hospitals, while using SHMC equipment or in the course of conducting company business.
  - u. Offering, soliciting, paying or accepting anything of value in exchange for healthcare referrals. This applies to offering or receiving any money, gifts, free or discounted items or services, professional courtesies or other arrangements with the intent to generate referrals. This applies to any transactions involving potential referral sources, including transactions with other health care providers, vendors or patients.
3. Prohibited Conduct List. The list of prohibited conduct is not meant to be all-inclusive and does not preclude SHMC from taking disciplinary action for conduct not expressly prohibited above. This list is not intended to restrict, limit or interfere with employees' Section 7 rights or any other rights under applicable law. If an employee's performance, work habits, overall attitude, conduct or demeanor becomes unsatisfactory in SHMC's judgment, based on violations of the above or of any SHMC policies, rules and regulations, the employee may be subject to disciplinary action up to and including termination of employment.
4. Required Conduct. All employees of SHMC, as well as employees or agents of the client hospital involved in the New Vision™ Service, shall comply with the following:
- a. All applicable SHMC policies and procedures, including the policies and procedures relevant to the Compliance Program.
  - b. All federal and state laws and regulations pertaining to healthcare, outlined in Compliance Training.
  - c. Maintaining confidentiality of all patients Protected Health Information (PHI).



POLICIES AND PROCEDURES  
REGARDING  
STARK LAW AND ANTI-KICKBACK STATUTE

<b>Last Review/Revision Date:</b> 12-20-17	<b>Reviewed By:</b> A. Satcher	<b>Date Approved:</b> 1-18-16
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**Title: Policy & Procedure for SpecialCare Staff Reporting of Stark Anti-Kickback Statute Fraud & Abuse Violations**

**PURPOSE:**

To set forth SpecialCare's policy regarding reporting of suspected violations of Federal, State and Local Laws; such as Stark Law, Anti-Kickback Statute and Fraud & Abuse Laws.

**POLICY:**

1. Each SpecialCare Staff member is responsible and accountable for compliance with the policies on which the staff member has been trained. Compliance with these policies includes responsibility to report suspected violations of any Federal/State rules or SpecialCare policies and procedures.
2. Any SpecialCare Staff member who suspects or identifies a potential or actual violation of a Stark Law, Anti-Kickback and Fraud & Abuse Policy is required to report that violation promptly to the Chief Compliance Officer. All credible reports of suspected violations of Stark Law, Anti-Kickback and Fraud & Abuse will be investigated by the Chief Compliance Officer.
3. The Chief Compliance Officer shall initiate a record of the suspected violation on the Disclosure Log and endeavor to gather all relevant data. The record shall include the name and contact information of the person reporting the violation unless the person has requested confidentiality or chose to remain anonymous, the date of the report, and all pertinent facts pertaining to the nature of the potential noncompliance or violation. R
4. Upon receipt of credible complaints of suspected violations or irregularities, the Chief Compliance Officer shall conduct an investigation into the facts and circumstances surrounding the alleged violation(s) and report findings to the Compliance committee.
5. In the instance where an investigation leads to a finding that requires reporting to the OIG (a finding of a reportable event) the Chief Compliance Officer shall notify the OIG of such a reportable event. Consistent with the CIA, a reportable event includes the following:
  - a. After an investigation, a determination that a probable violation of the Stark Law, Anti-Kickback Law and Fraud & Abuse Policies of SpecialCare.
  - b. The employment or contracting of SpecialCare of any ineligible or excluded person as defined in the ineligible person's policy statement.
  - c. When a reportable event only involves a Stark Law violation, a report shall be made to CMS through the self-referral disclosure protocol with a copy to the OIG

6. All applicants, employees and contractors of SpecialCare are required to disclose to the Human Resources Department, if they are currently excluded, debarred, suspended or otherwise ineligible to participate in any Federal Healthcare program, Federal procurement, or have been convicted of a Federal offense that falls within the scope of civil monetary penalties.
7. The Chief Compliance Officer also shall attempt to mitigate any harm caused by a violation of SpecialCare policies and procedures or of law, in accordance with the **Mitigating Effects of Suspected Violations of Stark Law, Anti-Kickback policy.**
8. Anonymous reports can be made to the **Compliance Hotline at 1-866-813-4554** or sent via letter to: Albert Satcher, Chief Compliance Officer, 1551 Wall St., Suite 210, St. Charles, MO 63303. You can also directly contact the compliance officer at 1-800-383-6085.

<b>Last Review/Revision Date:</b> 12-20-17	<b>Reviewed By:</b> A. Satcher	<b>Date Approved:</b> 12/20/17
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**Title: Compliance with Federal and State Healthcare Requirements**

**PURPOSE:**

To set forth the expectation and policy of SpecialCare employees regarding adherence to all Federal and State laws, including but not limited to the Anti-kickback Statute (42 U.S.C.; 1320-7b) and the Stark Law (42 U.S.C.; 1395nn).

**POLICY:**

1. All SpecialCare staff will receive Annual Compliance Training on general compliance rules and regulations, which will include training on laws such as: The False Claims Act, Stark Prohibitions, Anti-Kickback Legislation, Qui Tam, EMTALA and HIPAA as a condition of their employment with SpecialCare.
2. The Chief Compliance Officer and Regional Managers will make compliance visits to New Vision Site locations to ensure that New Vision staff are complying with Federal and State Laws and Regulations.
3. New Vision staff will be required to submit Quarterly Compliance reports detailing any compliance related issues and acknowledging an annual review of the employee’s Policy and Procedure manual which includes relevant policies and procedures pertaining to Federal and State Healthcare regulations.
4. Outreach activities will be monitored to insure compliance with the Anti-Kickback Statute. All new and active referral sources will receive a copy of SpecialCare’s policy on Anti-kickback Statutes and Stark Law.
5. SpecialCare will routinely review State and Federal healthcare law pertaining to the New Vision service for changes and update and communicate those changes to our staff and/or Client Hospitals as required.

ACKNOWLEDGEMENT OF RECEIPT OF SPECIALCARE'S POLICIES

I hereby acknowledge that I have received a copy of SpecialCare's Code of Conduct and its Policies and Procedures regarding the Stark Law and Anti-Kickback Statute.

NAME OF HOSPITAL (printed): \_\_\_\_\_

SIGNATURE: \_\_\_\_\_

NAME (print): \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_