Search

Racker

Standards Program

Policies & Procedures

Updated 2021

Table of Contents

The following processes and procedures are based on:
Racker Best Practices
18 NYCRR Chapter 521

History of Corporate Compliance

The following is a brief chronological account of the history of compliance and how it evolved into current day corporate compliance practices and regulations.

1863

False Claims Act – purpose is to recover taxpayer's money that was fraudulently paid to individuals who deceived the government. (This act dates back to the Civil War when defense contractors defrauded the Union gvt.)

1960's

Sociologist Amitai Etzioni began to study and recognize management structures and power sources of compliance controls

- Etzioni identified normative or identitive power, organizations create compliance using symbolic images and intrinsic rewards to build loyalty
- Prisons and military units utilizing coercive power as form of compliance

1977

Foreign Corrupt Practices Act

- Prompted from 400 American businesses admitting to paying bribes to foreign governments or making other illegal or questionable payments to foreign governments
- Along with the creation of the Environmental Protection Agency and Drug Enforcement Agency, prompted companies to develop internal laws, rules and regulations

1985-1990

5 brutal years of unremitting scandal within American Businesses

Defense Industry – Pentagon misconduct / mismanagement

- Spare Parts Scandal – total of $37B
- $435 hammer; $600 toilet seat; $7622 coffee brewer

This resulted with the appt. of the Blue Ribbon Presidential Commission

- Expanded the FCPA
- Enforce Code of Ethics

GE CEO and other CEO's gathered to form voluntary organization:

- "Defense Industry Initiative Business Ethics & Conduct" (DII) to create 'heightened standard of ethical conduct'
  - Promote self-policing to ensure compliance
  - Create a forum to "share best practices in dealing with ethics and business conduct"

1986

32 major contractors agreed to adopt the principles including;

- Adherence to a written code of conduct
- Employee training
- Employee accountability

Savings and Loan Crisis

- Heightened American's disgust with ethics of business.
- Reckless lending practices resulted in major losses-covered up by fraud.
- Resulted in a General Accounting Office-at the cost of $370B, $341B being taxpayer money
- Approx. 1,000 people charged with criminal acts, 580 convicted, 451 sentenced to prison

1991

Establishment of Federal Sentencing Guidelines for Organizations (FSGO) – prevent, detect, and self-report

- 30 Ethics Officers Asso. (EOA)
- Referred to as the beginning of "a new profession in American History"
- Guidelines of core elements known as the "Seven Steps" including, revising and drafting new codes of conduct, policies and procedures, training programs, risk assessments and hot lines.

1992

FSGO had grown to 22 sponsoring partners
It became evident the first generation of Ethics and integrity wasn't working because of:
Enron; World Com; Adelphia; Health South (2000-2002)

2002

Congress passed **Sarbanes-Oxley Act**

- Imposed rigorous internal control requirements on corporations

2004

Society of Corporate Compliance and Ethics (SCCE) a nonprofit association was formed

- 4,000 members worldwide
- Created a certification program through the Compliance Certification Board (CCB)
- Growing army of certified professionals; Ethics Officer, Compliance Officer, leader is called the "Chief"

2004 Uniform Sentencing Commission

- Enforced FSGO to adhere to new guidelines to create an ethical culture → effective programs must exist that embody ethics, not just compliance

2005

FSGO added the word "Compliance" to their name and became the Ethics and Compliance Certification Board (CCB)

2007-2008

Despite the efforts if the Uniform Sentencing Commission massive bankruptcies and bailouts occurred.

- Scandals in Lehman Brothers, Bear Stearns, Merrill Lynch, AIG and government sponsored entities included Fannie Mae.
- Americans lost more than a quarter of their net worth

2007

Deficit Reduction Act (DRA) of 2005 – any employer who receives more than $5M per year in Medicaid payments is required to provide information to its employees about the Federal False Claims Act (from 1863), any applicable laws, the rights of employees to be protected as whistleblowers, and the employer's policy and procedures for detecting and preventing fraud, waste, and abuse. The DRA became effective on **January 1, 2007**.

Provisions of Whistleblowers' Act was included which is protection to employees who report fraudulent acts, from retaliation.

The DRA was amended to lower the threshold from $5M to $500,000.

In **<u>March of 2007</u>** Racker's Board of Directors approved a resolution for the establishment of Policies & Procedures for the agency's Standards Program.

<u>The following are the eight elements in the program</u>:

1. **Written Policies and Procedures** –Written policies and procedures that reflect eight different elements of a compliance plan are required. Racker's Standards policies and procedures are provided to staff via:
    a. Sharepoint (a platform where documents are electronically stored and secured for staff access),
    b. the agency website
    c. and within the employee handbook that is available during agency orientation.

    Policies and procedures are reviewed minimally bi-annually by the Quality Standards Department to ensure information is up to date. Any changes to *policies* must be approved by the Board.

    Standards Program Policies and Procedures is found on Racker's website:
    https://www.racker.org/ and scrolling down to the bottom of the home page

2. **Compliance Program Oversight** – Oversight of the program is done by The 'Standards Team', which includes representatives from all of the agency's departments. The Director of Quality Standards is the Corporate Compliance Officer. The team reviews implementation of the policies and procedures as well as progress of the Standards program which includes concerns found during audits, regulatory updates, policy and procedure updates, reports of alleged fraudulent activity and follow-up, and other periodic Standards reports.

    Sue Budney, Director of Quality Standards, is the Corporate Compliance Officer.

3. **Training and Education** – All staff (including employees, volunteers and contracted staff) receive information on the Standards program during agency orientation and via periodic refreshers and updates thereafter. Again, information is also available to all staff on Sharepoint.
    All new Board Members receive an introduction at the beginning of their membership and then annually thereafter with all Board Members. Information is also provided with periodic reports to the Board throughout the year.

4. **Effective, Confidential Communications** – The agency has an established 'Helpline,' which is available to all individuals receiving services, families, and staff. The Helpline is for people to use to report any breach of agency policy or State and Federal regulations – including fraud. The caller may remain anonymous or have their identity kept confidential. Individuals and families are made aware of the helpline during admission into a program, with periodic reminders, and via the agency's website. All staff are made aware of the availability of the Helpline at orientation and during periodic Standards updates as well as by postings at each worksite. The Helpline may be reached by calling 272-5891 ext 343. Reports of any calls are provided to the Board (minimally annually).

5. **Enforcement of Compliance Standards** – All staff are responsible for prompt reporting of any known or suspected fraud – this includes how to report these concerns. It is also the expectation that staff will cooperate with reviews as they are conducted.

6. **Auditing and Monitoring** – Audits occur internally in each program and by the Standards Dept. throughout the year. The audit process includes: a review of documentation compared with the program's billing reports; notations regarding other elements of documentation and program

practices; in some instances calls to individuals or their families; and an assessment of risk areas in each program. Each program responds by developing systems or plans to address findings and to minimize identified risks.

7. **Responding to Offenses and Developing a Corrective Plan** – Within the auditing processes there are reports drafted of findings and documentation of corrective measures to be taken. Human Resource may become involved if staff action was found to be fraudulent.

8. **Whistleblower Provisions and Protections**–Protection from retaliation if reporting fraud is made in good faith.

This information is based on the following references:
Racker Best Practices
***History of the Integrity, Ethics, and Compliance Movement: A cautionary tale of CEOs and corporate directors* – Ethikos January/ February 2014;**
***Knowledge of Good and Evil: A Brief History of Compliance – The Finance Professionals…* - http://post.nyssa.org/nyssa-news/2010/05/a-brief-history-of-compliance.html**
NYS Social Services Law (SOS) § 363-d and 18 NYCRR Part 521

False Claims Act and Whistleblower Provisions

Policy:
It is the policy of Racker to be in compliance with the Federal False Claims Act and Whistleblower Provisions.

Procedure:

1. All Staff, Contractors, and Board Members and have on-going access to information on the False Claims Act including Whistleblower Provisions. (Standards Program Education Policy)
2. All Staff, Contractors, Board Members and the general public have access to the Standards Program Policies and Procedures on Racker's website.
3. An internal process is in place for detecting and preventing fraud, waste and abuse. (Internal Auditing and Monitoring Policy)
4. Racker and its Staff and Contractors shall not make or submit any fraudulent entries on claims forms or documentation of services that result in the submission of a fraudulent claim. (Ethical Practices Policy)
5. All Staff and Contractors are expected to report misconduct involving fraudulent claims. (Requirements of Compliance Policy, the Helpline Process and Contacts for Reporting Concerns & the Helpline Process)
6. Any Staff, Contractors, or Board Member who reports a compliance concern in good faith will be protected from retaliation. (Requirements of Compliance Policy)

FEDERAL & NEW YORK STATUTES RELATING TO FILING FALSE CLAIMS

I. FEDERAL LAWS

False Claims Act (31 USC §§3729-3733)

The False Claims Act ("FCA") provides, in pertinent part, that:

a. Any person who
(1) knowingly presents, or causes to be presented, to an officer or employee of the United States Government or a member of the Armed Forces of the United States a false or fraudulent claim for payment or approval;
(2) knowingly makes, uses, or causes to be made or used, a false record or statement to get a false or fraudulent claim paid or approved by the Government;
(3) conspires to defraud the Government by getting a false or fraudulent claim paid or approved by the Government;
. . . or (7) knowingly makes, uses, or causes to be made or used, a false record or statement to conceal, avoid, or decrease an obligation to pay or transmit money or property to the Government, is liable to the United States Government for a civil penalty of not less than $5,000 and not more than $10,000, plus 3 times the amount of damages which the Government sustains because of the Act of that person . . . .

b. For purposes of this section, the terms "knowing" and "knowingly" mean that a person, with respect to information (1) has Actual knowledge of the information; (2) Acts in deliberate ignorance of the truth or falsity of the information; or (3) Acts in reckless disregard of the truth or falsity of the information, and no proof of specific intent to defraud is required.

31 U.S.C. § 3729. While the False Claims Act imposes liability only when the claimant Acts "knowingly," it does not require that the person submitting the claim have Actual knowledge that the claim is false. A person who Acts in reckless disregard or in deliberate ignorance of the truth or falsity of the information, also can be found liable under the Act. 31 U.S.C. 3729(b).

In sum, the False Claims Act imposes liability on any person who submits a claim to the federal government that he or she knows (or should know) is false. An example may be a physician who submits a bill to Medicare for medical services she knows she has not provided. The False Claims Act also imposes liability on an individual who may knowingly submit a false record in order to obtain payment from the government. An example of this may include a government Contractor who submits records that he knows (or should know) is false and that indicate compliance with certain contractual or regulatory requirements. The third area of liability includes those instances in which someone may obtain money from the federal government to which he may not be entitled, and then uses false statements or records in order to retain the money. An example of this so-called "reverse false claim" may include a hospital who obtains interim payments from Medicare throughout the year, and then knowingly files a false cost report at the end of the year in order to avoid making a refund to the Medicare program.

In addition to its substantive provisions, the FCA provides that private parties may bring an Action on behalf of the United States. 31 U.S.C. 3730 (b). These private parties, known as "*qui tam* relators," may share in a percentage of the proceeds from an FCA Action or settlement.

Section 3730(d)(1) of the FCA provides, with some exceptions, that a qui tam relator, when the Government has intervened in the lawsuit, shall receive at least 15 percent but not more than 25 percent of the proceeds of the FCA Action depending upon the extent to which the relator substantially contributed to the prosecution of the Action. When the Government does not intervene, section 3730(d)(2) provides that the relator shall receive an amount that the court decides is reasonable and shall be not less than 25 percent and not more than 30 percent.

Administrative Remedies for False Claims (31 USC Chapter 38. §§ 3801 – 3812)

This statute allows for administrative recoveries by federal agencies. If a person submits a claim that the person knows is false or contains false information, or omits material information, then the agency receiving the claim may impose a penalty of up to $5,000 for each claim. The agency may also recover twice the amount of the claim. Unlike the False Claims Act, a violation of this law occurs when a false claim is submitted, not when it is paid. Also unlike the False Claims Act, the determination of whether a claim is false, and the imposition of fines and penalties is made by the administrative agency, not by prosecution in the federal court system.

II. NEW YORK STATE LAWS

New York's false claims laws fall into two categories: civil and administrative; and criminal laws. Some apply to recipient false claims and some apply to provider false claims, and while most are specific to healthcare or Medicaid, some of the "common law" crimes apply to areas of interaction with the government.

A. CIVIL AND ADMINISTRATIVE LAWS

NY False Claims Act (State Finance Law, §§187-194)

The NY False Claims Act closely tracts the federal False Claims Act. It imposes penalties and fines on individuals and entities that file false or fraudulent claims for payment from any state or local government, including health care programs such as Medicaid. The penalty for filing a false claim is $6,000 -$12,000 per claim and the recoverable damages are between two and three times the value of the amount falsely received. In addition, the false claim filer may have to pay the government's legal fees.

The Act allows private individuals to file lawsuits in state court, just as if they were state or local government parties. If the suit eventually concludes with payments back to the government, the person who started the case can recover 25-30% of the proceeds if the government did not participate in the suit or 15-25% if the government did participate in the suit.

Social Services Law §145-b False Statements

It is a violation to knowingly obtain or attempt to obtain payment for items or services furnished under any Social Services program, including Medicaid, by use of a false statement, deliberate concealment or other fraudulent scheme or device. The State or the local Social Services district may recover three times the amount incorrectly paid. In addition, the Department of Health may impose a civil penalty of up to $2,000 per violation. If repeat violations occur within 5 years, a penalty up to $7,500 per violation may be imposed if they involve more serious violations of Medicaid rules, billing for services not rendered or providing excessive services.

Social Services Law §145-c Sanctions

If any person applies for or receives public assistance, including Medicaid, by intentionally making a false or misleading statement, or intending to do so, the person's, the person's family's needs are not taken into account for 6 months if a first offense, 12 months if a second (or once if benefits received are over $3,900) and five years for 4 or more offenses.

B. CRIMINAL LAWS

Social Services Law §145 Penalties

Any person who submits false statements or deliberately conceals material information in order to receive public assistance, including Medicaid, is guilty of a misdemeanor.

Social Services Law § 366-b, Penalties for Fraudulent Practices.

a. Any person who obtains or attempts to obtain, for her/him/their-self or others, medical assistance by means of a false statement, concealment of material facts, impersonation or other fraudulent means is guilty of a Class A misdemeanor.
b. Any person who, with intent to defraud, presents for payment and false or fraudulent claim for furnishing services, knowingly submits false information to obtain greater Medicaid compensation or knowingly submits false information in order to obtain authorization to provide items or services is guilty of a Class A misdemeanor.

Penal Law Article 155, Larceny.

The crime of larceny applies to a person who, with intent to deprive another of his property, obtains, takes or withholds the property by means of trick, embezzlement, false pretense, false promise, including a scheme to defraud, or other similar behavior. It has been applied to Medicaid fraud cases.

a. Fourth degree grand larceny involves property valued over $1,000. It is a Class E felony.
b. Third degree grand larceny involves property valued over $3,000. It is a Class D felony.
c. Second degree grand larceny involves property valued over $50,000. It is a Class C felony.
d. First degree grand larceny involves property valued over $1 million. It is a Class B felony.

Penal Law Article 175, False Written Statements.

Four crimes in this Article relate to filing false information or claims and have been applied in Medicaid fraud prosecutions:

a. §175.05, Falsifying business records involves entering false information, omitting material information or altering an enterprise's business records with the intent to defraud. It is a Class A misdemeanor.
b. § 175.10, Falsifying business records in the first degree includes the elements of the §175.05 offense and includes the intent to commit another crime or conceal its commission. It is a Class E felony.
c. §175.30, Offering a false instrument for filing in the second degree involves presenting a written instrument (including a claim for payment) to a public office knowing that it contains false information. It is a Class A misdemeanor.
d. §175.35, Offering a false instrument for filing in the first degree includes the elements of the second degree offense and must include an intent to defraud the state or a political subdivision. It is a Class E felony.

Penal Law Article 176, Insurance Fraud,

Applies to claims for insurance payment, including Medicaid or other health insurance and contains six crimes. Insurance Fraud in the 5th degree involves intentionally filing a health insurance claim knowing that it is false. It is a Class A misdemeanor.

a. Insurance fraud in the 4th degree is filing a false insurance claim for over $1,000. It is a Class E felony.
b. Insurance fraud in the 3rd degree is filing a false insurance claim for over $3,000. It is a Class D felony.
c. Insurance fraud in the 2nd degree is filing a false insurance claim for over $50,000. It is a Class C felony.
d. Insurance fraud in the 1st degree is filing a false insurance claim for over $1 million. It is a Class B felony.
e. Aggravated insurance fraud is committing insurance fraud more than once. It is a Class D felony.

Penal Law Article 177, Health Care Fraud,

Applies to claims for health insurance payment, including Medicaid, and contains five crimes:
Health care fraud in the 5th degree is knowingly filing, with intent to defraud, a claim for payment that intentionally has false information or omissions. It is a Class A misdemeanor.

a. Health care fraud in the 4th degree is filing false claims and annually receiving over $3,000 in aggregate. It is a Class E felony.
b. Health care fraud in the 3rd degree is filing false claims and annually receiving over $10,000 in the aggregate. It is a Class D felony.
c. Health care fraud in the 2nd degree is filing false claims and annually receiving over $50,000 in the aggregate. It is a Class C felony.
d. Health care fraud in the 1st degree is filing false claims and annually receiving over $1 million in the aggregate. It is a Class B felony.

III. WHISTLEBLOWER PROTECTION

Federal False Claims Act (31 U.S.C. §3730(h))

The FCA provides protection to *qui tam* relators who are discharged, demoted, suspended, threatened, harassed, or in any other manner discriminated against in the terms and conditions of their employment as a result of their furtherance of an Action under the FCA. 31 U.S.C. 3730(h). Remedies include reinstatement with comparable seniority as the *qui tam* relator would have had but for the discrimination, two times the amount of any back pay, interest on any back pay, and compensation for any special damages sustained as a result of the discrimination, including litigation costs and reasonable attorneys' fees.

NY False Claim Act (State Finance Law §191)

The False Claim Act also provides protection to *qui tam* relators who are discharged, demoted, suspended, threatened, harassed, or in any other manner discriminated against in the terms and conditions of their employment as a result of their furtherance of an Action under the Act. Remedies include reinstatement with comparable seniority as the *qui tam* relator would have had but for the discrimination, two times the amount of any back pay, interest on any back pay, and compensation for any special damages sustained as a result of the discrimination, including litigation costs and reasonable attorneys' fees.

New York Labor Law §740

An employer may not take any retaliatory Action against an employee if the employee discloses information about the employer's policies, practices or Activities to a regulatory, law enforcement or other similar agency or public official. Protected disclosures are those that assert that the employer is in violation of a law that creates a substantial and specific danger to the public health and safety or which constitutes health care fraud under Penal Law §177 (knowingly filing, with intent to defraud, a claim for payment that intentionally has false information or omissions). The employee's disclosure is protected only if the employee first brought up the matter with a supervisor and gave the employer a reasonable opportunity to correct the alleged violation. If an employer takes a retaliatory Action against the employee, the employee may sue in state court for reinstatement to the same, or an equivalent position, any lost back wages and benefits and attorneys' fees. If the employer is a health provider and the court finds that the employer's retaliatory Action was in bad faith, it may impose a civil penalty of $10,000 on the employer.

New York Labor Law §741

A health care employer may not take any retaliatory Action against an employee if the employee discloses certain information about the employer's policies, practices or Activities to a regulatory, law enforcement or other similar agency or public official. Protected disclosures are those that assert that, in good faith, the employee believes constitute improper quality of patient care. The employee's disclosure is protected only if the employee first brought up the matter with a supervisor and gave the employer a reasonable opportunity to correct the alleged violation, unless the danger is imminent to the public or patient and the employee believes in good faith that reporting to a supervisor would not result in corrective Action. If an employer takes a retaliatory Action against the employee, the employee may sue in state court for reinstatement to the same, or an equivalent position, any lost back wages and benefits and attorneys' fees. If the employer is a health provider and the court finds that the employer's retaliatory Action was in bad faith, it may impose a civil penalty of $10,000 on the employer.

Requirements of Compliance

Policy:

Racker is committed to being a good corporate citizen and expects all staff and contractors of Racker to conduct their business ethically and in compliance with all state and federal laws and regulations as well as Racker's Code of Conduct and Ethical Practices Policy.

Procedure:

Reporting suspected fraudulent activity:

- All staff and contractors are responsible for promptly reporting any known or suspected fraudulent activity including:
  - Violation of Federal and/or New York State Laws and Regulations
  - Failure to comply with the Code of Conduct, Ethical Practices Policy or related policies and procedures.
  - Fraudulent billing activity
  - Falsely documenting service delivery
- Reporting such suspected activity can be done by:
  - Reporting to a supervisor or the Program/Department Director
  - Utilizing the Helpline
  - Contacting the Director of Quality Standards
  - Contacting the Executive Director
  - Contacting the President of the Board of Directors
- All reports made to a supervisor, director or the Helpline are to be documented and brought to the attention of the Director of Quality Standards
- Concerns identified through an audit/review process will be brought to the Director of Quality Standards.

Investigating concerns:

- It is the responsibility of the Director of Quality Standards, or designee, to investigate all reports of suspected fraudulent activity. This includes:
  - Gathering all supporting documentation
  - Interviewing of staff, contractors, service recipients and/or their family/advocate
- The Director of Quality Standards, or designee, will complete a report on the findings and discuss these findings with the appropriate Program/Department Director.
- If the report of a concern is made anonymously but too little information is provided to move forward with a formal investigation, the information is reported to the Program/Department Director (if identifiable).

Reporting structure:

- All allegations, regardless if they are investigated or not, are reported to the Standards Team. The findings of investigations are brought to the Standards Team for discussion and recommendations.
- Significant findings will be brought to the attention of the Board of Directors or their designee.
- Instances when intentional fraudulent practice(s) are determined to have occurred, the President of the Board will be immediately notified.

- Instances where the intentional fraudulent practice(s) involve billing for state and/or federal monies, the Department of Health and/or the Medicaid Inspector General Office will be contacted per 18NYCRR Chapter 521 – NYS's mandatory compliance regulation.

Non-Retaliation

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

Compliance Accountability

- Staff and Contractors who, upon investigation, are found to have committed violations of applicable laws and regulations, the Code of Conduct, Ethical Practices Policy or other relevant policies and procedures will be subject to appropriate disciplinary action, up to and including termination of employment (or arrangement with a Contractor). Recommendations of such disciplinary actions will involve the Director of Human Resources, the Director of Quality Standards and the Program/Department Director. These recommendations will be given to the Executive Director or designee for a final decision.
- The following actions may result in disciplinary action:
  - Authorization of or participation in actions that violate the law, regulations, the Code of Conduct, Ethical Practices Policy or related policies and procedures;
  - Failure to report a violation by another Staff or Contractor;
  - Retaliation against an individual for reporting a possible violation or participation in an investigation; and
  - Failure to act as an honest, reliable and trustworthy service provider.
- Progressive disciplinary actions shall be applied consistent with the violation. Examples of the disciplinary action include, but are not limited to:
  - Performance improvement plan
  - Verbal counseling or warning
  - Counseling with written warning
  - Reassignment or demotion
  - Termination of employment (or arrangement with a Contractor)

Guidelines:

1. Confidentiality will be maintained to the extent that is practical and allowable by law. Racker is legally required to report certain types of crimes or potential crimes and infractions to external governmental agencies.
2. "Good Faith" means the individual believes the potential violation actually occurred as s/he/they reported.

Code of Conduct

Policy:
Every staff member, volunteer and intern is expected to observe standards of ethics and good conduct and uphold Racker's Mission and Vision.

Guidelines:

- Each person is expected to:
  a. contribute to a culture that fosters a sense of respect, care and support for everyone, and encourages initiative and creativity
  b. contribute to a culture that emphasizes excitement, fun, purpose and success
  c. behave in accordance with the Mission and Vision of Racker.
  d. welcome change and challenges
  e. communicate effectively with colleagues
  f. commit to ensuring integrity and ethical practices (Please see Ethical Practices Policy)
  g. provide accurate and thorough information in all forms of communication

Procedures:

- Each person will:
  a. Treat everyone respectfully
  b. Arrive at her/his/their shift ready and able to perform her/his/their duties
  c. Conduct her/him/their-self in a professional manner to include abiding by all Racker policies and procedures, as well as all applicable state and federal regulations.
  d. Be familiar with information contained within the Employee Handbook as well as information contained within the specific department/program's policy and procedures that a staff member is working in.
  e. Adhere to Racker's standards for sanitation and safety.
  f. Document services provided accurately, legibly and *only* what s/he/they has/have personally done or observed.
  g. Contact her/his/their supervisor for direction if s/he/they becomes aware of an error in her/his/their work.
  h. Help her/his/their co-workers identify and correct any errors. Report any concerns regarding violations of Racker's policies and procedures and/or state and federal regulations utilizing her/his/their department/program reporting structure and/or the Helpline.
  i. Use all vehicles, supplies, materials, machines or tools that are the property of Racker in an appropriate manner
  j. Use personal cellular phones according to her/his/their program's policy, if it exists. If such a policy does not exist in the staff member's program, s/he/they should use personal cellular phones in a way that does not impair her/his/their ability to carry out job functions.
  k. Give written notice in a timely manner before leaving employment at Racker.

Ethical Practices

Policy:

Consistent with Racker's Code of Conduct, Racker is committed to ensuring ethical practices. All persons affiliated with Racker are expected to uphold this commitment through integrity, honesty and utilizing good moral judgment.

Guidelines:

To promote and support ethical practices, it is necessary and expected that all staff (employees, volunteers, consultants, interns) will not only attend to the integrity and honesty of their daily work activities, but also expect the same integrity and honesty of the practices of their co-workers.

Ethical practices include, but are not limited to:

- Honesty and accuracy in all documentation and other forms of communication
- Honesty and accuracy in all billing and financial handlings
- Reporting suspected unethical behaviors
- Notifying her/his/their supervisor when errors are made
- Adherence to all Racker policies, federal, state and local regulations and any licensing regulations. (*Please see Policy & Procedure 'Federal False Claims Act and Whistleblower Provision' for information*)

- All staff members will be made aware of specific policies and regulations through the employee handbook, new employee orientation, program/department policy and procedure manual available on the intranet and internet, and/or from her/his/their supervisor. A staff member is encouraged to periodically review this information and direct any questions to her/his/their supervisor.
- All staff members are required to follow program/department standards for documentation and services provided.
- It is expected that a staff member will seek out her/his/their supervisor if uncertain how to handle any situation as well as notify the supervisor if an error has occurred.
- If any staff member has questions or concerns about another staff member's practices, s/he/they must either report it utilizing the program/department reporting structure, or through use of the Helpline process. The Standards Program will review questions or concerns and report findings as necessary.
- When staff are acting in *good faith* in the reporting of suspected unethical behaviors they will be free from reprisal and prejudice.
- All programs/departments will have a process to review documentation to ensure its quality and accuracy as well as to help identify areas for system improvements
- When issues of quality and/or accuracy are identified Racker will respond in the following manner:
    - General errors or concerns will be directed to the Program/Department Director to address with the individual(s).
    - If any individual(s) are identified to have acted in a knowingly unethical and/or fraudulent manner Racker will address them through the disciplinary process.

- Systems in place will be reviewed to identify any changes that will best ensure that further problems will be unlikely.
- Reverse payment on any errors in billing will be made.

o The Standards Program supports the agency in monitoring ethical practices as outlined in the Standards Program Policy including;

- Responding to allegations of fraudulent documentation and/or service provision.
- Partnering with programs and departments to review services and billing documentation.
- Educating staff and contractors of regulation and policy changes.

The Standards Program

Policy:

Racker is committed to establishing and maintaining an environment of integrity in providing effective services. The Standards Program provides the structure necessary to achieve this environment.

Definitions:

Staff > refers to all Racker employees, volunteers and individuals at Racker who are considered interns.
Contractors > Any entity with a contract or letter agreement with Racker that provides a billable service for an individual to a municipal agency.
Board > All members of Racker's Board of Directors

Standards Program:

Through collaborative efforts with *all* Staff, Contractors and the Board of Directors, it is the intent of the Standards Program implementation to promote Racker's Mission and Vision through ethical business practices. There are several components of the Standards Program to optimize its implementation. These ocmponenets are based on the eight elements required within a compliance plan:

- **The Director of Quality Standards** is charged with:
  - The oversight of the Standards Policies & Procedures/ practices;
  - Ensuring the written policies & procedures/ practices of the Standards Program are accessible to all Staff, Contractors, and Board.
  - Assisting each program / department in establishing an auditing process of services and documentation.
  - The Director of QS will provide periodic reports (based on to the Executive Director and Board of Directors) regarding the Standards Team work and updates regarding the Standards Program.
- **The Standards Team (this includes the Director of QS):**
  - Includes representation from each Racker program and administrative department;

  And, is charged with:
  - Being knowledgeable of Racker's Standards' written policies & procedures;
  - Promoting the Standards Policies and Procedures;
  - Being aware of risk areas within individual programs, and agency wide as well;
  - Strategizing how to avoid or minimize risk areas or potential risk areas;
  - Assisting her/his/ their respective individual programs/ department with completing internal audits, review audit findings with the Standards Team, and as appropriate, review findings from investigations of allegations of fraudulent activity to identify areas for improvement and make recommendations.
  - Regularly reassessing the Standards program plan to ensure it satisfies all state and federal requirements; significant areas of service and documentation risk in the agency; and that policies and procedures are adequate.
- **Policies and Procedures:** The Standards Program Policies & Procedures are made available on the agency's website; in SharePoint in part in the Employee Handbook; and available
- **Program / Department Standards Development:** The Director of Standards participates as an active member of program and department teams. This includes working collaboratively with program and department Staff to develop their plan for Standards Program Plan implementation.
- **Training & Education:**
  - New Employee Orientation will include information on the Standards Program, necessary regulatory information and ethical business practices.
  - Orientation to new Board Members within the first 30 days of their membership.

- Annual review/ updates to Staff, Contractors and the Board on the Standards Program, their respective responsibilities, and updates/ occurrences since the last annual update.
- Periodic education of Staff regarding compliance issues as they arise, when requested by the Program/Department Director or as deemed appropriate by the Standards Team.
- Each program is encouraged to establish a practice of reviewing service documentation produced by new Staff and Contractors to provide feedback and help develop service delivery and documentation skills.

- **Auditing & Monitoring:**
  - Each program is responsible for auditing their own programs regularly;
  - The Quality Standards Dept. is responsible for conducting audits in the various programs for systemic concerns;
  - Significant findings are reported to the Program / Department Director; Standards Team; Executive Director and Board of Directors, by the Dir. of Quality Standards.

- **Responding to Detected Concerns:** When a concern is detected, the program director and/or Director of QS/ designee will gather all necessary information and determine the nature of the concern and how best to respond. Actions to address the concern will be taken by either individually or jointly by the program director and Dir. of QS. Notification of the concern will be made to the Executive Dir./ designee with further review by the Standards Team – providing all the opportunity to make recommendations and other input. The Board will be made aware of concerns determined to be significant in nature with subsequent actions.

- **Having Open Lines of Communication**: Staff, Contractors, and the Board will be made aware of various lines of communication that may be used to report compliance concerns including potential fraud, during orientation; within annual Standards' updates; and information regarding Racker's Helpline as posted on the website by using the Helpline. Lines of communication include:
  - Postings of managers, supervisors, and directors available to whom to one may direct questions/ concerns
  - An established Helpline Policy & Procedure for confidential or anonymous reporting for instances when there is fear of reprisal if a report is made directly to a supervisor/ director.

- **Corrective Actions:** The Standards Team will make recommendations for any change with procedures to the Program/Department Director, Executive Director
  - **Note:** changes to policies would require review by and approval of the Board of Directors (via the Dir. of QS' Board reports).

Search

Standards Team

Current 3/2021

Sue Budney	Director of Quality Standards
Cortney Baker	Assistant Director of Quality Standards
Anne Schneider	Clinic Director
Corey Smith	Counseling for School Success - LCSW
Mike Leiter	Director of Information Technology
Patrick Schloupt	Wilkins/ Tioga Early Childhood Director
Sonia Ferro	Cortland Early Childhood Director
Megan Kaminsky	Family Resource – Tioga Regional Director
Colleen Smith	Finance Billing Manager
Carol Wallace	Family Resource Senior Fiscal Intermediary
Melissa Chiusano	Human Resources Manager
Garrett Owen	Residential Services – Assistant Director
Lyndsey Paulin	Senior Family Support Coordinator

The Helpline Process

Policy:

The Helpline process may be used as an opportunity to report a concern outside of the ordinary supervisory structure, for reasons such as fear of reprisal or lack of response or resolution to a concern. The use of this process is not intended to replace established reporting procedures

Guidelines:

- The Helpline is to be used when there is a concern that:
  - an agency policy or procedure may have been violated
  - a state, federal or local regulation may have been violated
  - a staff member or an individual receiving services from Racker may have not been treated in a manner consistent with the agency's Mission & Vision.
- The disclosure of the caller's identity will be encouraged for the purpose of gaining further information or providing feedback; however, the caller will have the option to remain anonymous or confidential.
- The Executive Director, and/or Program Director will be made aware of the call/concern.
- When a staff member calls the Helpline s/he/they will be asked to leave a message in a private mailbox. The Director of Quality Standards (or designee in QS) listens to all messages in the mailbox. The Director of Quality Standards will complete an assessment of the call and initiate appropriate follow-up.
- Feedback to the caller will be provided when appropriate.
- Training will be provided to all staff regarding the intent and process of the Helpline, and information on process intent and utilization is distributed and reviewed with program participants/families/advocates by the individual programs.
- The Helpline is intended for non-emergency situations. For reports related to health and wellbeing, staff should immediately utilize their program's incident response and reporting procedures.

The Helpline can be reached at: (607) 272-5891 x343.

Standards Program Education

Policy:

Racker recognizes the importance of ensuring all staff, Board Members, and contractors understand their responsibilities and have access to information regarding compliance issues.

Staff Education Procedure:

- All new staff, contractors and Board Members will receive information regarding Racker's Standards Program Policies; and updated information will be made accessible on an on-going basis.
  - New employees will receive the information at new employee orientation
  - New Board Members will meet with the Director of Quality Standards to receive the information;
  - and new contractors will receive information from the Quality Standards Department.
- Information shared will include:
  - Introduction of the Standards Program and Standards Team
  - Requirements and process to report concerns regarding business practices
  - Policies in compliance with the Federal Deficit Reduction Act, Federal False Claims Act & Whistle Blower Provisions and NYS False Claims Act.
  - Federal False Claims Act and Whistleblower protections
  - Accessibility of P&P manual on Sharepoint and Racker's Website.
- Annual reviews and updates will be provided to all staff, by the Quality Standards Department and will minimally include the following:
  - Code of Conduct and Ethical Practices Policies
  - Policies related to false claims and whistleblower protections
  - Process of reporting compliance concerns
  - Use of the Helpline
- Staff will also receive updated information from the Quality Standards Department on an as-needed basis.

Exclusion Screening

Policy:
Racker is committed to maintaining high quality care and service as well as integrity in its financial and business operations. Therefore, Racker will not employ, contract with, or conduct business with an individual or entity excluded from participation in federally sponsored health care programs, such as Medicaid and Medicare.

Guidelines:
It is the practice of Racker to:
- conduct an exclusion check on all new staff to verify that they can participate in federally sponsored health care programs;
- conduct an exclusion check on any individual or entity prior to entering into a contract to verify that s/he/they can participate in federally sponsored health care programs;
- conduct regular exclusion re-checks on all staff, contractors, and board members.

Procedure:
Exclusion checks are completed by designees in the Quality Standards Department. Racker utilizes K-Checks (by Kinney Services in Latham, NY) to complete all exclusion checks. Checks are:

1. Conducted to verify that all staff and contractors have not been excluded from [state and] federal healthcare programs. An exclusion check is a search of the following to determine if the individual or entity's name appears on any of the following lists:
    a. U.S. Department of Health and Human Services, Office of Inspector General's List of Excluded Individuals and Entities available on the website at http://oig.hhs.gov/fraud/exclusions.html and
    b. NYS Medicaid Inspector General – Restricted, Terminated or Excluded Individuals or Entities website at http://www.omig.state.ny.us/data/content/view/72/52/
    c. See someone in Quality Standards for growing list of sites checked.

   Per federal law, exclusion from participating in any state's public health care program prohibits participation in any other states' program. Accordingly, in addition to the above lists, staff and contractors may be screened using lists made available by other US states and territories.
2. Performed on all new staff, prior to entering an agreement with a contractor, and on all new board members.
3. Conducted on all staff, contractors, & Board Members on at least a monthly basis.
4. Completed on all vendors providing goods or services related to billable activities.

If/when any person or party is found on an exclusion list, the effected department director will be notified by QS and the person, entity or service will be reviewed for utilization.

The K-Checks system maintains and monitors the results of all exclusion checks.

Credential Verification

Policy*:*

To maintain Racker's commitment to high quality care and services, it is required that staff and independent contractors ("Credentialed Staff", "Credentialed Independent Contractor" respectively) have the required degree, license, or certification as indicated in the job description or contract, and provide proof to Racker.

Procedure:

- During the hiring process, the hiring supervisor will notify the candidate to submit either an official transcript or a copy of her/his/their current license or certification to the Human Resources Department.
- Staff will be on a provisional hire status until the Human Resources Department has received the required information. If the information is not received in a timely fashion, employment may be suspended or ended.
- Independent Contractors must have her/his/their information to the Human Resources department prior to finalizing her/his/their contract with Racker.
- When an educational degree is required, it is the responsibility of the individual to have an official transcript from the educational institution sent to Racker's Human Resources Department for verification of that degree.
- When a license or certification is required for a position, it is the responsibility of the individual to provide the Human Resources Department with a copy of the license or certification.
    - It is the responsibility of the staff member to provide Human Resources with an updated copy of her/his/their license or certification whenever it is renewed.
    - If her/his/their license or certification has been revoked, expired or has any restrictions, it is the staff member's responsibility to notify her/his/their supervisor
        - It the person is a contracted staff, the staff member must notify the respective director of the program in which they are to work.
    - It is the responsibility of the staff member to keep her/his/their certification or license with NYS current.
- If a staff member's certification or license expires or is revoked and s/he/they is/are no longer qualified to perform assigned work duties, employment may be suspended or ended.
- If a contractor's certification or license expires or is revoked and s/he/they is/are no longer qualified to perform the contracted services, her/his/their contract with Racker will be ended.
- Human Resources Department will monitor expiration dates for current license and certifications.

Internal Auditing and Monitoring

Policy:
Racker is committed to maintaining an environment of integrity in providing effective and quality services. Thorough internal auditing and monitoring systems are used to monitor compliance, identify practices and systems that are working well or needing improvement and provide information to and for the respective programs for sharing, attention, addressing, and to otherwise inform program practices.

Procedure:
Two types of audits occur for each program:
a. an internal *program* audit
b. an audit conducted by the Racker's Quality Standards Department.

Internal Program Audit

The goal of the internal program audit is to assess for best practices; errors or notes of concern to resolve; general usage of program practices; and to use information to inform program practices.

Directors/ designees in each department will:
1. Establish an *audit procedure* to be used within the program. The procedure will specify:
    a. Resources to reference for regulatory requirements:
        i. Office of Medicaid Inspector General (OMIG) audit protocol – found on OMIG website
        ii. Program's applicable regulations which include (as applicable):
            - Regulations found in applicable NYCRR's state oversight agency
                - [may include: DOH; OMH; OPWDD; NYSED; OCFS; EI]
                - Include memorandums (ADM's) published by SOA
            - Office of Professions
            - 18 NYCRR - Medicaid Regulations
    b. Schedule/ Frequency of audits (e.g., monthly; bi-monthly; quarterly; etc.)
    c. How the parameter of the audit is determined:
        i. Identification of risk areas or potential risk areas ∗
           ∗ Reference procedure for ***Tools to Identify Potential Risk Areas***
        ii. Need for full chart/ record review – e.g., New service recipient?
        iii. Time frame of record/ charts reviewed – typically not ore than three month prior but ultimately depends on what the target areas are for the audit
        iv. % of charts/ records reviewed (minimally 5% of records at a time) - Programs want to review a significant percentage of all records within a year's time.
    d. Process of who will complete the audits; draft of report; submission of report and to whom; and timeframes for each.
2. Develop *an audit tool* to include program's best practice standards and regulatory requirements for documentation and (this may be done in concert with the Quality Standards Dept. for a template). Include:
    a. Regulations and administrative memorandums from the state oversight agency (SOA)
    b. Appropriate rates billed
    c. Space to list risk areas/ potential risk areas
    d. Check on quality of documentation
    e. Status of follow-up from previous audit findings
    f. Other items beyond documentation/ billing requirements:
        - Ex's: Current & applicable HR and Helpline postings; safety check tracking; Posting of Rights; evidence of distribution of Rights; Privacy Notice; physical plant walk through; etc.

3. Conduct audits according to established procedure.
4. Forward program audits to the Department Director. This should be summary report of the audit with above info on potential risk areas identified pre-audit; parameters of audit; target of audit; findings; risk areas found during audit; steps to reconcile any concerns found.
   * **At times, attention or resolution to a concern may need <u>immediate attention</u>. There should not be delay waiting to have the audit completed, but rather prompt discussion with the program or department director on steps to resolve the concern.**
5. Provide program audit summaries to Quality Standards Department, upon request.
6. Address/ follow up on all recommendations made by Department Director and Dir. of QS within reasonable time frame (typically 2 weeks).

The Department Director will:

1. Review the results and identify and discuss risk areas.
2. Respond with recommendations for addressing problem areas and risk areas to the program's designee.
3. Seek follow up to the implementation of the recommendations. E.g.:
   a. Procedural changes;
   b. Refresher Trainings;
   c. Prompt resolution to payments received as a result of a billing error.
4. Seek assistance/ input from the Director of QS, as necessary, for interpretations and clarity for any of the above.

<u>*Quality Standards Audit:*</u>

The goal of the internal program audit is to assess for best practices and *systemic practices* that will potentially impact billing. Safety and routine requirements for all programs are also reviewed if/ when audit occurs onsite.

1. The Standards Audit Team conduct audits in each program and are scheduled and designated to specific QS staff in the QS Workplan.
2. Leadership in each program, in consultation with Standards, will identify *potential* risk areas prior to audits.
3. The process for auditing mirrors the audit process for program internal audits with the goal of assessing for system best practices and concerns. The intent is not to search for incidental issues, but if found will be brought to the program director's attention.
4. Auditors will inquire as the resources the program uses to ensure they are following updated guidelines.
5. Auditors will request the most recent written procedures the program follows to fulfill regulatory requirements for billing.
6. *If not provided to date*, the auditors will request follow up from previous audit to outstanding recommendations..
7. Upon completion of the audit a draft summary report will be provided to the program/ department director [& Associate Executive Director] for feedback and opportunity to discuss/ clarify/ provide further information or materials to address any findings.
8. The audit summary will be updated to reflect any feedback the program director provides and will be sent to the program director [& Associate Executive Director] for follow up to any outstanding recommendations by the auditor. Follow-up may include:
   a. How the follow-up is being addressed. This may include:
      - Plans of correction – system changes, in-services, etc.;
      - Billing reversal or self-disclosures.

   <u>or</u>

   b. Rationale from the program director as to why the recommendation is not followed and what will be done in place of the recommendation.

9. A final report with the program/ department director's follow-up will be provided to the Executive Director and Associate Executive Director.
10. The Director of Quality Standards will present findings of the audits to Racker's Board of Directors.
11. The Director of Quality Standards will review the findings of audits with the Standards Team to discuss potential agency-wide risk areas and to determine agency-wide system changes needed.
12. Subsequent audits will include review of the implementation of the plans of correction.

The above if based on the following:
Racker Best Practices
18 NYCRR Chapter 521

Identify and Addressing Areas of Concern that May Lead to Risk

Intent:
Racker is committed to a code of conduct and ethical practices that promote truthful, effective and accurate accounting of its daily activities. In that same vein, Racker is also committed to being mindful of potential compliance risks and creating practices and systems that minimize those risks.

It is essential that areas of concern that may lead to *potential* risk ***areas*** are identified prior to an audit. This provides for specific target areas the auditor will include during an audit.

Definitions

- *Areas of Concern* > Practices, systems, or other factors that may lead to the agency experiencing compliance risk

- *Compliance risk >* is exposure to legal penalties, financial forfeiture and material loss an organization faces when it fails to act in accordance with industry laws and regulations, internal policies or prescribed best practices.

When discussing with directors areas of concern (target areas in an audit) which may lead to potential risks, the discussion should include the level of risk each area of concern may pose. Consider if the area of concern may lead to a safety issue, financial impact, or other risk. The following are some ideas for reference during the discussion (there may be other sources beyond this listing):

1. **Newspaper headlines** as well as other news sources
    a. Does anything or could anything similar happen in the respective program?
2. **OMIG Workplan**
    a. What does it say about specific programs/ departments/ regulatory bodies
3. **Regulations/ statutes/ memorandums**
    a. New, newly revised and old regulations and memorandums – do they or will they change the way programs do things?
4. **Subscription services**
    a. Newsletters, publications, etc. – what are they saying are hot topics?
5. **Networking with colleagues**
    a. What's the buzz – what are other people experiencing with audits?
6. **Prior audits** whether external or internal
    a. What has been found; what has been corrected; are corrections done systemically and it is no longer a problem?
7. **Staff** in respective programs are familiar with the programs and where vulnerabilities may be
    a. Are concerns or potential risk areas reported
        i. Whistle blowers going outside the agency – programs need to fix things because the program identified them or responded to someone's concerns.
8. **Experience**
    a. What have does each supervisor/ Director see happening in their respective programs over the past year or so? What have they been addressing?

Common general factors(areas) leading to most risks include:

1. Communication - Or lack thereof?
    a. Written practices
    b. Training

    c. Opportunities to review, discuss,
2. Systems - Or inadequate, incomplete, out of date or lack of systems
3. Oversight – Is it sufficient? Is it insufficient? Or, is there lack of oversight?

Drafting a list of Areas of Concern:
After discussion with the respective director and considering the above resources for individual programs, the auditor will draft a list of the areas of concern that may lead to risk. Three to five areas of concern are typically identified – but it does depend on each program. [**Note:** Areas of concern may be from outside the agency, not just program practice.]

Prioritizing Risk Areas to Address:
1. Once a draft list of areas of concern is created the significance of each needs to be determined by the level of risk. Factors to determine this may include, but are not limited to:
    a. Safety
    b. Cost to agency
    c. Although little impact is currently seen on the surface, could the concern snowball quickly creating a much larger risk?
2. [Areas of concern that may lead to the most significant risks will need to be addressed first.]

Examples of concerns that may lead to risks include:
1. 90 day exception codes. This has been a long standing regulation, but programs have not always been held to this standard. It was discovered that agencies were using improper exception codes. The OMIG has previously put the review of exception codes in their workplans. As a result, programs need to consider how this affects each of them.
2. Failure to sign reports. It has been discovered that some routine reports were not signed by the author or the signature was not dated.
3. Credentials. Some staff not having the proper or sufficient training, current or updated licensure, or proper degrees to fulfill the position's required standards.

Addressing Areas of Concern that may lead to Risks
1. Upon completion of an audit the auditor will communicate:
    a. The level of presence of the areas of concern previously identified
    b. Any other areas of concern discovered during the audit
    c. How much risk each of the areas of concern pose
    d. Recommendations to address the areas of concern

2. Subsequently, the program will implement practices to address areas of concern and minimize risks posed.

Conflict of Interest

Policy

Racker is committed to providing supports to individuals based on the person's needs - free from influence of personal gain to either the organization or individual employee. Racker requires all employees and Board Members to disclose conflicts of interest at the beginning and throughout their association with the agency.

Guidelines

- A conflict of interest is a situation where an employee, volunteer, or board member has a private or personal interest sufficient to appear to influence the objective exercise of his/her official responsibilities at Racker.
- A conflict of interest may also arise if—through business, investment or family—an employee, volunteer, or board member has any of the following:
  - An ownership or investment interest in any entity with which Racker has a transaction or arrangement;
  - A compensation arrangement with Racker or with any entity or individual with which the agency has a transaction or arrangement;
    Note that compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. Gifts worth a value of more than one hundred dollars ($100) are deemed substantial.
  - A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the agency is negotiating a transaction or arrangement;
    Note that an employee, volunteer, or board member should disclose potential conflict of interest if he/she is taking direct referrals from an organization that refers also to Racker.
  - A familial relationship with another individual associated with Racker. It should be noted that whenever possible an employee or volunteer ***should not*** work in the same workgroup with a family member-either with that family member as a co-worker, or person receiving supports and services.
- The mere existence of a relationship with an outside organization does not imply an automatic conflict of interest, but it should be disclosed.
- Potential internal conflicts of interest may arise, as well as those situations that appear to be a conflict of interest to any individual involved, and these must also be reported to a supervisor or to Human Resources.
- All Board Members, directors, and employess are responsible to act "in the best interest of the agency."
- If a conflict of interest is disclosed by or known to a board member, that person should recuse themselves from deliberation and voting on any business related to such a conflict. Such recusals should be documented in board minutes.
- Conflict of interest disclosures should be completed by board members upon appointment and be completed annually thereafter. These disclosures should include any business, familial, or personal relationships which could impact, or create the appearance of impacting, their judgment on any related matter.
  - o The Board Secretary will distribute Conflict of Interest forms and collect completed each year. This is noted in Board Minutes.

- The Director of Quality Standards will review the completed forms and discuss with the Executive Director.
- The Executive Director and Board Secretary will be aware of any conflicts and ensure Board actions align with the requirements of restricting those with conflicts of interest to abstain from voting, as necessary.

The above information is based on:
Racker Best Practices
New York Nonprofit Revitalization Act of 2013