



COMPLIANCE MANUAL

Implemented by CMS & Co. Management Services, Inc. for Sprengr Health Care Systems' Skilled Nursing Facilities, Sprengr Hospice, Inc., and Sprengr Home Healthcare, LLC

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A NOTE ABOUT THE MANUAL

How to Use this Compliance Manual

This Compliance Manual functions as the manual for all entities affiliated with Sprenger Health Care Systems (“Sprenger”), including, but not limited to, Sprenger’s nursing facilities, Sprenger Hospice, Inc., Sprenger Home Healthcare, LLC, and any other entities later developed or acquired by Sprenger.

Because the business practices of each Sprenger entity differ in material respects, this Compliance Manual is divided into several parts. First, Sections 1.0 through 6.0 outline the general parameters and operating components of Sprenger’s compliance program, including its Code of Conduct, mechanisms for reporting violations, compliance education efforts, monitoring tools, enforcement measures, and oversight responsibilities. Section 7.0 contains the more specific compliance policies and procedures applicable to Sprenger’s affiliated entities. These policies and procedures are broken into four categories: (A) General Compliance Policies, which are applicable to all Sprenger entities; (B) Nursing Facility Compliance Policies for Sprenger’s affiliated nursing facilities; (C) Hospice Compliance Policies for Sprenger Hospice, Inc.; and (D) Home Health Compliance Policies for Sprenger Home Healthcare, LLC.

CMS & Co. Management Services, Inc.

Sprenger’s compliance program is implemented by CMS & Co. Management Services, Inc., (“CMS & Co.”). CMS & Co. will provide a full range of compliance implementation for Sprenger, including development, operation, and monitoring the compliance program, staffing and overseeing the Compliance Officer and Compliance Committee positions, operating all compliance reporting mechanisms, including hotlines and websites, conducting all compliance audits, spearheading corrections of identified violations, compliance recordkeeping, and employee screening and training.

OUR COMPLIANCE CULTURE

Commitment to Compliance

Sprenger is committed to operating its business in an honest, ethical, and legal manner. There are many laws and regulations governing Sprenger's operations, and Sprenger strives to comply with all of them. Sprenger also endeavors to be a good corporate citizen and to act ethically in its dealings with vendors, referral sources, competitors, and others.

Sprenger strives to foster a culture of compliance within its organization, such that all employees, agents, and contractors will "live" compliance when carrying out their responsibilities on behalf of Sprenger. Sprenger recognizes that compliance is a cooperative effort, and that it cannot meet its high standards without the support and assistance of its employees, agents, and contractors. Sprenger expects its employees to contribute to its compliance culture by recognizing and doing "the right thing."

This Compliance Manual formalizes Sprenger's commitment to compliance by establishing Sprenger's standards of conduct for its nursing facilities, Sprenger Hospice, Inc., and Sprenger Home Healthcare, LLC. This Compliance Manual is intended to apply, where applicable, to all relationships between Sprenger and other health care providers and professionals, vendors, and suppliers. This Compliance Manual also reaffirms Sprenger's commitment to the delivery of quality health care consistent with applicable State and Federal health and safety standards.

Oversight

CMS & Co. will appoint a Compliance Officer and a Compliance Committee charged with the responsibility of developing, operating and monitoring Sprenger's compliance program. The Compliance Officer and his/her committee report directly to Sprenger's governing body on compliance matters. Questions regarding the application of this Compliance Manual may be directed to the Compliance Officer.

Employee Education

Employees will receive education regarding compliance, and should be familiar with the laws governing their job responsibilities and the matters set forth in this Compliance Manual.

Reporting of Violations

An important goal of Sprenger in fostering its compliance culture is that all employees feel comfortable reporting to Sprenger any inappropriate activity. In fact, all employees have an obligation to report violations, suspected violations, questionable conduct, or questionable practices in accordance with the reporting mechanisms established in this Compliance Manual. Retaliation against any employee for reporting is strictly prohibited.

Because Sprenger believes that compliance is a cooperative effort, Sprenger has adopted a chain of command approach with respect to compliance reporting and response. That is, all employees are expected to report suspected violations to their immediate supervisor. Assuming that the issue is within the supervisor's area of expertise, the supervisor will determine the appropriate response. If a supervisor needs assistance, the supervisor can report the potential violation "up the chain" to his supervisor for additional input. Further reports up the chain may be necessary in the event of significant compliance issues.

Sprenger recognizes that situations may arise where an employee does not feel comfortable reporting to his supervisor, or an employee may be concerned that his supervisor will not address the issue. Because Sprenger does not wish for these concerns to deter employees from reporting legitimate compliance concerns, Sprenger has also developed mechanisms for employees to report issues anonymously and/or directly to the Compliance Officer.

Continuous Improvement

We appreciate your contributions to Sprenger's compliance culture. If you have any thoughts about how we can improve our compliance program, please share them. Sprenger always welcomes your comments, questions, concerns, and suggestions.

1.0 CODE OF CONDUCT

We will not lie, cheat, steal, harm others, or tolerate those who do.

Sprenger requires that every person and every company working with Sprenger conduct their business ethically and in compliance with the law. Sprenger considers its standards to apply to independent contractors, volunteers and vendors in addition to its employees, and Sprenger will judge whether to continue its relationships based on compliance with these standards.

Sprenger believes that if those individuals and companies working with Sprenger abide by some general principles, they will be able to meet Sprenger's standards for compliance:

Follow Our Policies. Sprenger is required to abide by a large number of laws and regulations because of the nature of the services that Sprenger provides. These laws will be manifested through policies and the training and inservices in which you will be expected to participate. Sprenger can face serious consequences for failure to abide by the law. Therefore, Sprenger expects that *all* policies will be followed.

Do the Right Thing. While the right thing is not always the easy thing, you most likely know what it is without having to be told. Sprenger expects that its employees will work hard and diligently on behalf of Sprenger and perform to the best of their abilities. Sprenger also expects its employees to be honest, trustworthy, and respectful.

Follow the Golden Rule. Treat others as you would want them to treat you. Treat others with respect and dignity. Never harm another person, or allow him or her to be harmed while they are in your care.

We expect every person and company working with Sprenger to report any violations of our code of conduct to Sprenger immediately.

The most important thing is to report – the method of reporting is less important. We have adopted numerous ways for people to bring concerns to our attention: if you are an employee: tell your supervisor, if you are a contractor: inform your primary contact at Sprenger or use one of our numerous official reporting mechanisms.

2.0 REPORTING & RESPONSE

A. Reporting Suspected Violations and Inquiries

Sprenger believes that a compliance program functions best when all employees assist in promoting compliance within their own area of expertise. To take advantage of the different competencies and knowledge within its organization, Sprenger has adopted a chain of command approach to compliance reporting and inquiries regarding potential compliance issues.

All employees are required to report violations, suspected violations, questionable conduct, or questionable practices of which they become aware to their immediate supervisors. If the employee's immediate supervisor does not have the necessary knowledge to respond to a report or inquiry, the supervisor may, in turn, move the issue another rung up the chain by reporting to his supervisor. Reports and inquiries are to be moved further up the chain of command, and all the way to the Compliance Officer, as necessary, until the individual with the appropriate expertise is reached and can respond to the report in accordance with Section C. Further reports up the chain may also be necessary in the event of significant compliance issues.

Sprenger believes that the majority of compliance issues may be appropriately handled through the chain of command approach. However, in the event an employee's supervisor is implicated in the potential wrongdoing, or if an employee is concerned that the supervisor will not respond to a report, Sprenger has established alternate procedures for reporting. First, the employee may choose to "skip" a level and make the report to the next supervisor in the chain of command. Alternately, the employee may report directly to the Compliance Officer:

- 1) in writing at: GMS Attn: Corporate Compliance Officer, 3905 Oberlin Ave, Lorain, OH 44053;
- 2) by filing a report through Sprenger's toll-free fraud and abuse hotline – [866-201-0316](tel:866-201-0316); or
- 3) by reporting through Sprenger's secure compliance website – <http://www.sprengerhealthcare.com>.

Sprenger is committed to fostering a compliance culture where all employees feel comfortable and are proactive in reporting potential violations directly to their supervisors. Sprenger strictly prohibits any retaliation or discrimination against employees for reporting potential compliance violations, and it may be more difficult for Sprenger to investigate and resolve reports if it is unable to communicate with the complainant. However, because Sprenger does not wish for inappropriate activity to go unreported for any reason, employees are always free to report potential violations to the Compliance Officer anonymously. While Sprenger will always strive to maintain the confidentiality of an employee's identity, note that there may be circumstances where the employee's identity may become known or have to be revealed.

Please note that there may be additional reporting obligations for certain compliance violations under the laws governing the operation of nursing facilities, home health agencies or hospices. Employees are also required to comply with these reporting obligations, which are addressed in other policies and procedures of Sprenger.

B. Reporting Guidelines

The following guidelines shall apply to all reports made pursuant to this Compliance Manual:

1. **No Retaliation.** Sprenger prohibits any retaliatory action against an employee for making any verbal or written compliance communication in good faith to his or her supervisor, the compliance hotline, an anonymous drop box, the Compliance Officer, or to any government agency.
2. **Discipline.** There will be discipline or other consequences for failure to report timely and thoroughly. Prompt and complete disclosure may be considered a mitigating factor in determining an employee's discipline or sanction if they are the wrongdoer. The discipline or sanction shall not be increased because an employee reported his or her own violation or misconduct.

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3. **Interference with Reporting.** No employee shall attempt to prevent any person from making a compliance report. If an employee does try to prevent a person from making a report, then that employee shall be subject to disciplinary action, which may include termination.

C. **Supervisor Response**

When a report of a suspected violation of the policies in this Compliance Manual is brought to the attention of a supervisor, the supervisor will assess the issue and conduct a reasonable investigation to determine whether a violation has occurred and whether a significant compliance issue has been raised.

If a significant compliance issue has been raised, the supervisor will report the issue directly to the Compliance Officer for investigation and response. If the supervisor determines that a violation has occurred, but does not require the assistance of the Compliance Officer, the supervisor may determine the appropriate response, such as recommending disciplinary action, providing employee training, or correcting a billing error.

If a supervisor needs direction or has a question regarding how to respond to a report of suspect activity, the supervisor may take his or her inquiry to the next supervisor in the chain of command.

D. **Compliance Officer Response**

When a report of a suspected violation of the policies in this Compliance Manual is brought to the attention of the Compliance Officer, the following steps shall be followed:

1. **Initial Assessment.** The Compliance Officer will determine whether the report raises compliance issues.
2. **Investigation & Report.** If a compliance issue is raised, the Compliance Officer will investigate the suspected violation or questionable conduct, and/or shall delegate the investigation or analysis of suspected violations or questionable conduct to any individual(s) he or she deems appropriate. A report regarding such inquiry shall be prepared. The report, at a minimum, shall address: 1) the allegation that has been made; 2) the specific steps and/or methods used in investigating the matter (such as people interviewed, records reviewed, analyses performed, etc.); 3) the specific findings and/or results of the investigation; and 4) a proposed plan of action (such as disciplinary action, policy or procedure changes, inservice training regarding existing policy and/or procedure, or other suggested actions) to prevent future non-compliance.

If the issue raised is not a compliance issue but requires additional attention, the Compliance Officer will refer the issue to the appropriate person for follow-up.

3. **Post-Investigation Assessment & Referral to Compliance Committee.** If, after the investigation, the Compliance Officer believes that a significant compliance issue has been raised, then the report will be forwarded to the Compliance Committee for review, and a determination of how it believes the allegation should be addressed. The Compliance Committee's proposed disposition of a violation may include, but is not limited to, contacting legal counsel, revising the Compliance Manual, conducting educational inservices for staff, instituting disciplinary action, reporting the violation to the appropriate authorities, repayment of funds, and/or making a monetary restitution to affected third parties.
4. **Response.** Based on the results of the investigation by the Compliance Officer, and taking into consideration any other suggestions by the Compliance Committee, the Compliance Officer, or other appropriately designated party will take appropriate corrective and/or disciplinary action, or will recommend such action to the applicable Board of Directors, if necessary.
5. **Storage of & Access to Compliance Files.** The Compliance Officer shall place all files regarding compliance matters in a secure location. Access to files will be provided only to the Compliance Officer, legal counsel, CEO, and authorized members of the Board of Directors.

3.0 EDUCATION

A. **Continued Professional Competence**

Employees are expected to participate in educational “inservices” offered by Sprenger and by various professional groups and associations, where appropriate, and to be familiar with the laws governing their specific job responsibilities.

B. **Educational Elements**

There are three basic educational elements to the compliance education plan: (1) new employee education; (2) continuing education; and (3) corrective education.

1. **New Employee Education.** All new employees of Sprenger will be required as a condition of their employment to attend a training session, which shall include an introduction to Sprenger’s culture of compliance, an overview of the Code of Conduct and the compliance policies and procedures applicable to each employee’s job responsibilities; procedures for reporting compliance violations, including available reporting mechanisms; and the disciplinary system. Employees will be informed that strict compliance with these policies and procedures is also a condition of their employment.
2. **Continuing Education.** All employees will be required to attend periodic inservice training sessions on fraud and abuse and Sprenger’s compliance program. Employees may also be asked to participate in specialized education sessions relevant to their particular job functions. For example, employees involved in the billing process may be required to attend training regarding accuracy of claims submission.
3. **Corrective Education.** Directed corrective education will be instituted on a case-by-case basis when issues are raised through audits, reports of violations, or other monitoring activities. The Compliance Officer shall be responsible for recommending corrective education, and the Compliance Committee shall be responsible for determining the form and content of that education.

C. **Documentation of Educational Efforts**

All compliance education at Sprenger shall be documented. The Compliance Officer is responsible for establishing appropriate systems of documentation, and for reporting on the status of educational efforts to the Board of Directors.

4.0 MONITORING

A. **Compliance Officer Responsibility**

The Compliance Officer, or his or her designee, shall be responsible for conducting periodic reviews of various areas, such as beneficiary billing, admissions procedures, code assignment, employee screening, vendor contracting, and quality of care and life (including compliance with applicable State and Federal health and safety standards), to ensure that applicable laws and regulations are being followed, and that accurate information is being conveyed or submitted.

In fulfilling this responsibility, the Compliance Officer:

1. May use the services of employees and qualified legal or accounting consultants, as necessary;
2. May use interviews, questionnaires, onsite visits, unannounced mock surveys, and document reviews, as well as sampling techniques in conducting the review; and
3. Shall include a copy of whatever findings are made in relevant compliance files.

B. **Complaint Audits**

Upon receipt of a credible allegation or complaint alleging improper or inaccurate billing practices by Sprenger, an audit of billing practices may be undertaken in accordance with Sprenger's internal auditing policies and protocols, if deemed necessary by the Compliance Officer or the Compliance Committee.

5.0 ENFORCEMENT & DISCIPLINE

A. **Consistent Enforcement.** The standards established in this Compliance Manual shall be consistently enforced through disciplinary proceedings and sanctions. These shall include, but are not limited to, informal reprimands, formal reprimands, demotion, suspension, and termination. In determining the appropriate discipline for any violation of the compliance program, Sprenger shall treat all employees equally, without taking into account a particular employee's title, position, or function within Sprenger.

B. **Discipline for Compliance Violations.** Any employee who engages in a violation of standards established in the Compliance Manual, or any other laws or regulations, shall be subject to disciplinary action, up to and including termination in accordance with Sprenger's disciplinary policy located in its Employee Manual. Sprenger shall accord no weight to an employee's claim that any improper conduct was undertaken for the benefit of Sprenger. Any such conduct is not for the benefit of Sprenger and is expressly prohibited.

When appropriate, discipline shall be enforced against employees for failing to detect or report wrongdoing. This means that employees must understand that they have an affirmative duty to report wrongdoing.

C. **Misconduct by Agents & Contractors.** Sprenger will investigate reports of misconduct by its agents and contractors. If misconduct is found, then appropriate actions will be taken, including, if necessary, termination of the independent contractor agreement.

6.0 COMPLIANCE OVERSIGHT

A. **Board of Directors**

The Board of Directors is ultimately responsible for supervising the work of the Compliance Officer and adopting and maintaining the standards in this Compliance Manual. The Board of Directors is responsible for delegating responsibility and authority and for reviewing the effectiveness of the compliance program.

The specific oversight responsibilities of the Board of Directors are:

1. Overseeing all of the compliance efforts of Sprenger;
2. Consulting with advisors as necessary;
3. Coordinating with the Compliance Officer to ensure the adequacy of the program;
4. Receiving periodic reports from the Compliance Officer concerning the compliance program;
5. Ensuring that appropriate corrective measures are instituted and maintained in response to identified quality issues;
6. Maintaining, and improving as appropriate, the compliance program and this Compliance Manual;
7. Reviewing the overall performance of Sprenger in light of the compliance program and this Compliance Manual;
8. Ensuring that Sprenger meets applicable standards of business, legal, and ethical compliance; and
9. Taking action as appropriate and necessary to ensure that Sprenger conducts its activities in compliance with applicable law and regulations and sound business ethics.

B. **Compliance Officer**

The Compliance Officer shall have the primary responsibility of developing, implementing and overseeing Sprenger's compliance program. The Compliance Officer shall be appointed by CMS & Co.

The Compliance Officer shall receive periodic training in compliance procedures; have direct access to the Board of Directors; have access to necessary records and documentation, including patient records, billing records, and marketing agreements and records; and have authority to conduct investigations. The Compliance Officer will consult with supervisors regarding compliance issues and assist supervisors in responding to reports of suspected noncompliance.

The Compliance Officer shall be responsible for taking steps to ensure that:

1. The Code of Conduct is distributed to all employees;
2. Employees receive education and training regarding the Code of Conduct and compliance policies and procedures applicable to their job responsibilities;
3. This Compliance Manual is revised as needed to reflect changes in State or Federal law, private payor requirements, or changes in Sprenger's operations;
4. A background check is conducted for all prospective employees, including a criminal background check when applicable, and a determination made of whether the prospective employee is subject to sanctions under or exclusion from the Medicare and/or Medicaid programs;
5. Employees are given appropriate compliance program training, including information regarding the duty to report suspected violations or questionable conduct and the mechanism for such reporting;
6. Hotline calls, correspondence, and other reports of suspected violations or questionable conduct are treated confidentially (unless specific circumstances dictate to the contrary);

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7. An appropriate inquiry or investigation is initiated with respect to any report of a suspected violation or questionable conduct, and corrective and/or employee disciplinary action is taken, where appropriate;
 8. Reports are periodically provided to the CEO and the Board of Directors regarding material matters involving suspected violations or questionable conduct, and on an as needed basis;
 9. Periodic reviews of vulnerable areas are conducted and the findings reported to the CEO and the Board of Directors;
 10. A report at least annually regarding the operation of the compliance program is provided to the CEO and the Board of Directors;
 11. A compliance filing system is maintained, including a log of all compliance issues raised, the resolution of such issues, and action taken in response, if any;
 12. Specific compliance issues are assigned to individuals outside Sprenger for review, as appropriate, such as legal counsel, accountants, quality consultants, etc. The Compliance Officer has the authority and responsibility to authorize such reviews;
 13. With legal counsel, appropriate reporting and repayment of self-discovered overpayments occurs within a reasonable period, but no longer than sixty (60) days from the date it is identified as an overpayment or when the cost report is due, if applicable, whichever is later;
 14. Activities of the Compliance Committee are coordinated to assure that all duties are fully performed; and
 15. OIG Special Fraud Alerts are periodically reviewed and reasonable actions are taken to address/prevent any conduct criticized in those alerts.

C. Compliance Committee

CMS & Co. will establish a Compliance Committee to assist the Compliance Officer in carrying out his or her duties, and to assist with the development, implementation, and oversight of the compliance program.

The Compliance Committee shall be appointed by the Compliance Officer, and, at a minimum, shall consist of representative from the following disciplines: operations, human resources and finance/reimbursement.

In addition to other responsibilities requested or assigned by the Compliance Officer, the Compliance Committee shall:

1. Assist the Compliance Officer in analyzing risk areas that should be addressed in Sprenger's compliance program, including legal risks, operational issues, and quality of care issues;
2. Assist in assessing Sprenger's policies and procedures, including Sprenger's Compliance Manual and program, and in developing new policies or amending existing policies, as appropriate;
3. Assist in implementing Sprenger's compliance policies and procedures;
4. Work with Sprenger's Compliance Officer and staff to develop and implement standards of conduct;
5. Assist the Compliance Officer in monitoring internal controls for carrying out Sprenger's policies and procedures and implementing corrective action; and
6. Assist the Compliance Officer in employee reporting and education.

D. Supervisors

Supervisors serve as the first line of communication regarding compliance issues for employees. Supervisors are "deputized" by the Compliance Officer to respond to reports of suspect activity within their area of supervision. If a supervisor needs direction or has a question regarding how to respond to a report of suspect activity, the supervisor should seek guidance from the next level of Sprenger's chain of command, in accordance with Sprenger's reporting procedures.

Supervisors shall maintain policies and procedures that ensure that functions under their supervision are implemented in compliance with law, and that employees under their supervision perform their duties in

compliance with these policies and procedures and applicable law. Supervisors' performance of these responsibilities shall be a factor in their evaluations.

Supervisors must be available to discuss with each employee under their direct supervision:

1. The principles underlying the Code of Conduct;
2. That adherence to the Code of Conduct and the compliance program is a condition of employment;
3. That Sprenger shall take appropriate disciplinary action, including termination of employment, for violation of the principles set forth in the compliance program and applicable laws and regulations;
4. That neither Sprenger nor any of its employees will retaliate against any individual for reporting a suspected violation or questionable conduct or assisting in an investigation;
5. The necessity and importance of participating in ongoing training regarding Sprenger's compliance program; and
6. The necessity of completing any required affirmations of compliance, and to ensure that those statements are acknowledged and returned to appropriate personnel.

Additionally, supervisors are required and directed to report significant compliance issues up the chain of command to the Compliance Officer. Supervisors should exercise discretion as to whether a compliance issue is so significant as to warrant the attention of the Compliance Officer. Generally, systemic issues, issues that involve questions of ethical business practices, and/or legal or billing violations should be reported to the Compliance Officer.

E. Legal Counsel

The Compliance Officer may consult legal counsel as necessary on issues raised by reports of suspected violations or questionable conduct.

Legal counsel may be responsible for:

1. Providing advice regarding Sprenger's compliance with applicable laws,;
2. Conducting and overseeing investigations of allegations of compliance violations;
3. Reviewing Sprenger's compliance program periodically and as needed; and
4. Assisting in any needed revisions to the compliance program.

7.0 COMPLIANCE POLICIES

As part of its commitment to compliance with the law, Sprenger has established policies and procedures that spell out the steps that employees must take to maintain compliance in several areas of risk for nursing facilities, home health or hospice. These policies and procedures are included in the following Appendices.

Appendix A: General Compliance Policies

- A-1 Ethical Business Practice
- A-2 Cost Reporting
- A-3 Employee Screening
- A-4 Government Relations
- A-5 Physician Agreements
- A-6 Confidentiality
- A-7 Transparency & Patient Choice
- A-8 Gifts & Kickbacks

Appendix B: Nursing Facility Compliance Policies

- B-1 Nursing Facility Claim Development & Submission
- B-2 Residents' Rights
- B-3 Quality of Care
- B-4 Recordkeeping & Documentation
- B-5 Nursing Facility Hospice Arrangements

Appendix C: Hospice Compliance Policies

- C-1 Hospice Claim Development & Submission
- C-2 Hospice Arrangements with Nursing Facilities
- C-3 Quality of Care
- C-4 Recordkeeping & Documentation
- C-5 Hospice Eligibility Requirements

Appendix D: Home Health Compliance Policies

- D-1 Home Health Claim Development & Submission
- D-2 Clients' Rights
- D-3 Quality of Care
- D-4 Recordkeeping & Documentation

APPENDIX A

General Compliance Policies

A-1
ETHICAL BUSINESS PRACTICE

POLICY

Employees are expected to conduct themselves to avoid actual impropriety and/or the appearance of impropriety in making business decisions. Employees may not use their positions at Sprenger to profit personally or to assist others in profiting in any way at the expense of Sprenger, or its patients.

Employees shall disclose to their supervisor and to the Compliance Officer any financial interest, ownership interest, or any other relationship they (or a member of their immediate family) have with Sprenger's residents, patients, clients, vendors, or competitors.

PROCEDURE

- A. **Services for Competitors or Vendors.** No employee shall perform work or render services for any competitor of Sprenger or for any organization with which Sprenger does business, or which seeks to do business with Sprenger, without the approval of his/her supervisor. No employee shall be a director, officer, or consultant of an outside organization, nor permit his/her name to be used in any fashion that would tend to indicate a business connection with such organization without the prior approval of the employee's supervisor.
- B. **Stealing Information.** Sprenger employees shall not steal information belonging to another person or entity, including from Sprenger, or use any publication, document, computer program, information or product in violation of a third party's interest in such product. All Sprenger's employees are responsible for ensuring that they do not improperly copy for their own use documents or computer programs in violation of applicable copyright laws or licensing agreements. Employees shall not use confidential business information obtained from competitors, including customer lists, price lists, contracts or other information in violation of a covenant not to compete, prior employment agreements, or in any other manner likely to provide an unfair competitive advantage to Sprenger.
- C. **Use of Insider Information.** Employees may not use "insider" information for any business activity conducted by or on behalf of Sprenger. All business relations with contractors must be conducted at arm's length both in fact and in appearance, and in compliance with Sprenger's policies and procedures. Employees must disclose personal relationships and business activities with contractor personnel that may be construed by an impartial observer as influencing the employees' performance or duties. Employees have a responsibility to obtain clarification from management on questionable issues that may arise.
- D. **Financial Reporting.** All financial reports, cost reports, accounting records, research reports, expense accounts, time sheets and other documents must accurately and clearly represent the relevant facts or the true nature of a transaction. Improper or fraudulent accounting, documentation or financial reporting is contrary to the policy of Sprenger and may be in violation of applicable laws.
- E. **Travel & Entertainment.** It is Sprenger's policy that an employee should not suffer a financial loss or a financial gain as a result of business travel and entertainment. Employees are expected to exercise reasonable judgment in the use of Sprenger's assets and to spend Sprenger's assets as carefully as they would spend their own. Employees must also comply with Sprenger policies relating to travel and entertainment expense, including those governing the treatment of spouses or significant others.
- F. **Personal Use of Corporate Assets.** All employees are expected to refrain from converting assets of the Sprenger to personal use. All property and business of the Sprenger shall be conducted in a manner designed to further Sprenger's interest rather than the personal interest of an individual employee. Employees are prohibited from the unauthorized use or taking of Sprenger's equipment, supplies, materials or services.
- G. **Conflicts of Interest.** Employees shall avoid situations that may create a conflict of interest with their primary responsibilities to Sprenger. While not all inclusive, the following should act as a guide to the types of activities by an employee, or an immediate family member of an employee, which might cause a conflict of interest:

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1. Ownership in or employment by any outside organization which does business with Sprenger (This does not apply to stock or other investments held in a publicly held corporation, *provided* the value of the stock or other investments does not exceed 5% of the corporation's stock.)
 2. Conduct of any business not on behalf of Sprenger, with any vendor, supplier, contractor, or agency, or any of their officers or employees.
 3. Representation of Sprenger by an employee in any transaction in which he or she or an immediate family member has a substantial personal interest.
 4. Disclosure or use of confidential, special or inside information of or about Sprenger, particularly for personal profit or advantage of the employee or an immediate family member.
 5. Competition with Sprenger by an employee, directly or indirectly, in the purchase, sale or ownership of property or property rights or interests, or business investment opportunities.

A-2 COST REPORTING

POLICY

Sprenger is required to submit various cost reports to the Federal and State government in connection with its operations in order to receive payment. Such reports will be prepared as accurately as possible and in conformity with applicable law and regulations. If errors are discovered, billing personnel shall contact an immediate supervisor promptly for advice concerning how to correct the error(s) and notify the appropriate payor.

PROCEDURE

- A. **Preparation of Cost Reports.** Sprenger will base its cost reports upon appropriate and accurate documentation. Sprenger will report costs that are reasonable and necessary for the maintenance of Sprenger and that are related to patient care. Sprenger will allocate costs for patient related expenses and non-patient related expenses based upon auditable data. Sprenger will refrain from submitting any costs that do not exist, *e.g.*, salaries for employees who do not exist.
- B. **Duty to Report.** If an employee or agent has any reason to believe that anyone (including the employee himself or herself) is engaging in questionable or false cost reporting or is engaged in questionable internal accounting practices, he/she shall immediately report the practice. Employees or agents who report suspected cost reporting or accounting irregularities in good faith shall not be retaliated against or subject to adverse action.
- C. **Failure to Report.** Failure to act when an employee has knowledge that someone is engaged in questionable cost reporting or accounting irregularities shall be considered a breach of that employee or agent's responsibilities and shall subject the employee or agent to disciplinary action by Sprenger, including possible termination of employment or of their contractual relationship with Sprenger.

A-3 EMPLOYEE SCREENING

POLICY

It is the policy of Sprenger to undertake background checks of all direct care employees and to retain on file applicable records of current employees regarding such investigations. It is the policy of Sprenger to undertake exclusion and licensure checks, where applicable, of all employees.

PROCEDURE

- A. **Licensure & Certification Status**. Sprenger will check with all applicable licensing and certification authorities to ensure that employees hold the requisite license and/or certification status to perform their job functions.
- B. **Criminal Records Check**. Sprenger will conduct criminal background checks for prospective employees in accordance with applicable state law.
- C. **Reference Checks**. To the extent the information is available, Sprenger may also check the applicant's references from prior employers.
- D. **Exclusion Check**. Sprenger will check all employees (as well as vendors/contractors) for exclusion from the Medicare and/or Medicaid programs using the Office of Inspector General's Cumulative Sanctions Report and/or computer searchable database for potential employees whose activities would be recorded there.
- E. **Applicant Certification**. Applicants for employment will be required to certify on their employment application that they have not been convicted of an offense that would preclude them from providing direct care to an older adult and that they are not excluded from participation in the federal health care programs.
- F. **Temporary Employment Agencies**. Temporary employment agencies will be required by contract to ensure that temporary staff assigned to Sprenger, have undergone background checks that do not preclude them from employment.
- G. **Ongoing Duty of Employees to Report**. It is the ongoing and continuous obligation of all employees of Sprenger to alert the applicable Human Resources department of any offense, charge, indictment, finding, plea, settlement or conviction that would disqualify them from continued employment with Sprenger under State or Federal law.

A-4 GOVERNMENT RELATIONS

POLICY

Sprenger has many contacts and dealings with governmental bodies and officials. All such contacts and transactions shall be conducted in an honest manner. It is the policy of Sprenger to ensure that its dealings with federal, state and local governmental officials, agencies, representatives, and contractors fully comply with all applicable laws and regulations. It is the organization's desire to at all times be in compliance with the law, preserve and protect its reputation, and to avoid even the appearance of impropriety. Any attempt to influence the decision-making process of governmental bodies or officials by an improper offer of any benefit is absolutely prohibited. Any requests or demands by any governmental representative for any improper benefit should be immediately reported.

PROCEDURE

- A. **Licensure and Certification.** Sprenger operates nursing facilities, a hospice agency, and a home health agency that are licensed by the State in which they operate and are certified to participate in the Medicare and Medicaid programs. Employees are expected to be familiar with the laws governing their specific job responsibilities and to comply with licensure and certification laws applicable to Sprenger's entities. Employees shall report any concerns that they have with regard to appropriateness or legality of any actions taken by Sprenger.
- B. **Lobbying & Political Activities.** No individual may make any agreement to contribute any money, property, or services at Sprenger's expense to any political candidate, party, organization, committee or individual in violation of any applicable law. Officers and employees may personally participate in and contribute to political organizations or campaigns, but they must do so as individuals, and they must use their own funds.
- C. **Governmental Investigations.** Sprenger shall not unlawfully obstruct or interfere with government enforcement investigations, and shall cooperate to the fullest extent possible within the confines of applicable law with the relevant government agency/official/agent on such occasions.
- D. **Prohibitions.** Sprenger expects its employees to refrain from engaging in any activities that have even the appearance of impropriety.
 1. **Gifts or Entertainment.** Employees are strictly prohibited from offering gifts or entertainment to any federal, state, or local government or elected official or employee, surveyor, law enforcement officer, auditor working under contract with a government agency, peer review agency, or any other regulatory entity or agency that interacts with Sprenger. Any employee who becomes aware of such activity shall immediately report the violation.
 2. **Demands for Improper Benefits.** Any requests or demands by any federal, state, or local government or elected official or employee, surveyor, law enforcement officer, auditor working under contract with a government agency, peer review agency, or any other regulatory entity or agency that interacts with Sprenger for any improper benefit should be immediately reported.
 3. **False, Fraudulent or Misleading Claims.** Sprenger shall not submit false, fraudulent or misleading claims to any governmental entity or third party payor, including claims for services not rendered, claims which characterize the service differently than the service actually rendered, or claims which do not otherwise comply with applicable program or contractual requirements.
 4. **False Representations.** Sprenger shall not make false representations to any governmental entity or official in order to gain or retain participation in a program or to obtain payment for any service.

A-5 PHYSICIAN AGREEMENTS

POLICY

Federal and State anti-kickback and physician self-referral laws prohibit the offer or payment of any compensation to any party for the referral of patients or health care business.

PROCEDURE

A. **Contracting.** In order to comply with applicable laws governing the referral of patients or health care business, Sprenger shall do the following:

1. Gifts. Comply with the policies governing gifts set forth in this Compliance Manual;
2. Submission of Claims. Not submit nor cause to be submitted a bill or claim for reimbursement for services provided pursuant to a prohibited referral; and
3. Referrals of Designated Health Services. Not accept or solicit a referral from a physician to an entity in which the physician (or an immediate family member) has a financial relationship (broadly defined to encompass any ownership interest, investment interest, or compensation arrangement) for a designated health service as deemed in 42 U.S.C. §1395nn(h)(6), except as permitted by law.

“Designated health services” include: a) Clinical laboratory services; b) Physical therapy services; c) Occupational therapy services; d) Radiology services, including magnetic resonance imaging (MRI), computerized axial tomography (CAT) scans, and ultrasound services; e) Radiation therapy services and supplies; f) Durable medical equipment and supplies; g) Parenteral and enteral nutrients, equipment, and supplies; h) Prosthetics, orthotics, and prosthetic devices and supplies; i) Home health services; j) Outpatient prescription drugs; and k) Inpatient and outpatient hospital services.

B. **Additional Requirements.** In addition, physician agreements shall:

1. Be in writing;
2. Be approved by legal counsel prior to execution;
3. Be negotiated only by the Compliance Officer, legal counsel, the Administrator/Executive Director or their designees;
4. Be signed by all parties;
5. When taken as a whole, be reasonable in their entirety;
6. Specify the terms under which compensation and any other benefits are provided, and compensation and benefits shall be consistent with the fair market value of the services provided;
7. Specify all obligations of the parties;
8. Not take into consideration the value or volume of referrals provided to Sprenger; and
9. Be for a term of at least one year.

C. **Certification of Credentials.** Sprenger also shall require certification that any physician with whom an agreement is executed has current valid licenses as required by law, has not been excluded from participation in the Medicare and Medicaid programs, and has admitting privileges at a transfer hospital, if applicable.

A-6 CONFIDENTIALITY

POLICY

Sprenger and its employees are in possession of and have access to a broad variety of confidential, sensitive and proprietary information. The inappropriate release of this information could be injurious to individuals, Sprenger's business partners and Sprenger. Every Sprenger employee has an obligation to actively protect and safeguard confidential, sensitive and proprietary information in a manner designed to prevent the unauthorized disclosure of information.

PROCEDURE

- A. **Patient Information.** All Sprenger employees have an obligation to maintain the confidentiality of patient information in accordance with all applicable laws and regulations. Employees shall refrain from revealing any personal or confidential information concerning patients, unless supported by legitimate business or patient care purposes. In general, employees shall not disclose confidential medical or personal information pertaining to Sprenger's patients without the express written consent of the patient or appropriate legal representative, and in accordance with applicable law and applicable Sprenger policies and procedures. If questions arise regarding an obligation to maintain the confidentiality of information or the appropriateness of releasing information, employees should seek guidance from their supervisor.
- B. **Sprenger Information.** Information pertaining to Sprenger's competitive position or business strategies, payment and reimbursement information, information relating to negotiations with employees or third parties, quality assurance materials, trade secrets, and protocols and documentation developed in order to operate Sprenger should be protected and shared only with employees having a need to know such information in order to perform their job responsibilities.
- C. **Personnel Information.** Salary, benefit and other personal information relating to employees shall be treated as confidential. Personnel files, payroll information, disciplinary matters and similar information shall be maintained in a manner designed to ensure confidentiality in accordance with applicable laws. Employees will exercise due care to prevent the release or sharing of information beyond those persons or outside entities that may need such information to fulfill their job function or duties under the law.

A-7
TRANSPARENCY & PATIENT CHOICE

POLICY

Sprenger recognizes the importance of patient choice in selecting their health care providers. Therefore, it is the policy of Sprenger to respect patient choice. In addition, Sprenger believes that patients should understand the relationships among their various health care providers so that they can make informed choices in determining from whom they wish to receive services. Therefore, it is also the policy of Sprenger to provide full transparency and accurate disclosure to all patients regarding common ownership or affiliations it has with other providers.

PROCEDURE

- A. **Full Transparency.** Sprenger will notify patients of any common ownership of, or affiliations with, other health care providers from which the patient may receive services upon admission or prior to receiving services and whenever a referral is made. Sprenger will attempt to answer any questions by patients or their representatives regarding Sprenger's affiliations honestly and fully.
- B. **Respect of Patient Choice.** Sprenger will inform patients and their responsible parties of their freedom to choose among credentialed providers, when appropriate, and will respect the patient's and responsible party's preferences when they are expressed. Sprenger will not require any patient to select a provider affiliated with Sprenger for services, threaten any patient who does not wish to select such a provider, or otherwise intimidate or retaliate against any patient for his selection.

A-8 GIFTS & KICKBACKS

POLICY

Employees shall not accept gifts, favors, services, entertainment or other things of value to the extent that decision-making or actions affecting Sprenger might be influenced. Similarly, the offer or giving of money, services or other things of value with the expectation of influencing the judgment or decision making process of any purchaser, supplier, government official or other person by Sprenger is absolutely prohibited. Any such conduct must be immediately reported.

DEFINITIONS

- A. **Supplier.** For the purposes of this policy, a “Supplier” refers to any individual or entity with whom Sprenger contracts for the provision of supplies or services to its patients, including but are not limited to, durable medical equipment, medical supply companies, physicians, therapists, and their employees and agents.
- B. **Referral Source.** For purposes of this policy, a “Referral Source” refers to any individual or entity in a position to refer business to Sprenger, including but not limited to, hospital discharge planners, physicians, and case managers. A person or entity may be both a Supplier and a Referral Source.
- C. **Nominal Value.** For purposes of this policy, “Nominal Value” refers to items or services that – based on the value of the item or service alone (or, in combination with other items or services that have or will be provided) – are not likely to influence a person or entity to decide to do business with the person or entity providing the item or service.
 - 1. Nominal Value is not determined by the *cost* to the person or entity providing the item or service, but rather by the *value* to the person receiving the item or service.
 - 2. Examples of items that generally meet the definition of Nominal Value would include a box of chocolates, nuts, fruit baskets, lunch, flower bouquets, etc. Examples of items that would generally not meet the definition of Nominal Value include computers, fax machines or other expensive office equipment, airline tickets or trips.
 - 3. Token gifts provided as direct advertisements, such as coffee mugs, pens, pencils, pads or other small tokens embossed with Sprenger’s logo and contact information that are usually distributed at educational sessions, sales booths, etc., are considered to be of Nominal Value.

PROCEDURE

In order to avoid the appearance of impropriety, and to avoid the potential of providing or receiving an improper kickback, Sprenger shall not engage in any of the following activities:

- A. **Gifts from Patients.** Employees are prohibited from soliciting tips, personal gratuities or gifts from patients and from accepting monetary tips or gratuities. Employees may accept gratuities and gifts of a Nominal Value from patients only with the approval of the Administrator/Executive Director. If a patient or another individual wishes to present a monetary gift, he/she should be referred to the appropriate administration office.
- B. **Suppliers.** Employees may not accept any gifts (including services or entertainment) from Suppliers, except those of a Nominal Value. To the extent possible, gifts should be shared with the employees’ co-workers. If an employee has a concern whether a gift should be accepted, the employee should consult with his or her supervisor.
- C. **Referral Sources.** Sprenger and its employees will not offer improper incentives to any actual or potential Referral Sources, *e.g.*, offering to pay physicians for each plan of care certified, providing services for below market value to Referral Sources, or providing salaries to Referral Sources in excess of the fair market value for

the services rendered. Employees may only offer gifts or entertainment to Referral Sources that are of a Nominal Value. If an employee has a concern whether an incentive is improper or a gift should be provided, the employee should consult with his or her supervisor.

- D. **Beneficiaries of Government Reimbursement Programs.** Sprenger and its employees shall not offer or provide any gift, hospitality, or entertainment of more than Nominal Value to any beneficiary of a government reimbursement program. Examples of permissible items include nominal marketing items such as pens, T-shirts, water bottles, etc.
- E. **Access to Health Information.** Sprenger and its employees will not solicit or receive items of value in exchange for providing a supplier or medical provider access to patients' medical records or other information needed to bill Medicare or Medicaid.
- F. **Waivers of Coinsurance / Deductible.** Sprenger and its employees shall not offer waivers of coinsurance or deductible amounts as part of any advertisement or solicitation. Sprenger and its employees shall not routinely waive coinsurance or deductible amounts, and shall only waive such amounts after determining in good faith that the patient is in financial need, or after making reasonable efforts to collect the cost-sharing amounts from the patient.
- G. **Arrangements with Health Plans.** Sprenger and its employees shall not participate in any arrangement with a health care plan that effectively requires Sprenger and its employees to forgo certain Medicare cost-sharing amounts. Sprenger and its employees shall not participate in any arrangement with a health care plan that requires Sprenger and its employees to waive charges for copayments and deductibles when Medicare is the primary payor and the applicable Medicare reimbursement is higher than the plan fee schedule amount.
- H. **Government Employees.** Sprenger and its employees shall not offer any gifts or entertainment to any federal, state or local elected official or government employee.
- I. **Swapping.** Sprenger and its employees will not accept discounts on items and services paid for by Sprenger in return for the referrals of other business, sometimes called "swapping."
- J. **Third Party Guarantees & Supplementation.** Sprenger will not condition nursing facility admission or continued stay based upon the execution of a third party guarantee of payment, nor will it require any person to supplement their Medicare or Medicaid payment.
- K. **Part D Plans.** Sprenger and its employees will not accept any payments from any plan or pharmacy to influence a beneficiary to select a particular Part D plan. Sprenger or its contracted pharmacy will inform patients about all of the Part D plans available to them and, where possible, try to assist/educate the patients regarding whether and to what extent those plans cover the patient's medications.
- L. **Report to Compliance Officer.** Employees are required to report suspected violations of this policy, even if the incentive or gift is offered but not accepted by an employee or Referral Source.

APPENDIX B

Nursing Facility Compliance Policies

NURSING FACILITY CLAIM DEVELOPMENT & SUBMISSION

POLICY

Sprenger is committed to prompt, complete, and accurate billing of all services provided to residents for payment by residents, government agencies, or other third party payors. Billing shall be made only for services actually provided, directly or under contract, pursuant to all terms and conditions specified by the government or third party payor and consistent with industry practice.

Sprenger and its employees shall not make or submit any false or misleading entries on any bills or claim forms, and no employee shall engage in any arrangement, or participate in such an arrangement at the direction of another employee (including any officer of Sprenger or a supervisor), that results in such prohibited acts. Any false statement on any bill or claim form shall subject the employee to disciplinary action by Sprenger, including possible termination of employment.

PROCEDURE

- A. **Reporting False Billing Practices.** If an employee has any reason to believe that anyone (including the employee himself or herself) is engaging in false billing practices, that employee shall immediately report the practice.

Failure to act when an employee has knowledge that someone is engaged in false billing practices shall be considered a breach of that employee's responsibilities and shall subject the employee to disciplinary action by Sprenger, including possible termination of employment.

- B. **Proper Reporting of Resident Case-Mix.** Sprenger will train staff on the proper way to complete MDS assessments and will periodically conduct audits of these assessments for validity and accuracy.
- C. **Medicare and Medicaid Billings.** Sprenger will periodically audit services billed to make sure they are both medically necessary and properly documented to meet the federal and state billing requirements.
- D. **Prohibited Billing Practices.** False claims and billing fraud may take a variety of different forms, including, but not limited to, false statements supporting claims for payment, misrepresentation of material facts, concealment of material facts, theft of benefits of payments from the party entitled to receive them, or retaining an overpayment, as defined by law. Sprenger and employees shall specifically refrain from engaging in the following billing practices:
1. Making claims for items or services not rendered or not provided as claimed, such as billing for three hours of therapy when only a few minutes were provided.
 2. Submitting claims to Medicare Part A for residents who are not eligible for Part A coverage; in other words, who do not require services that are so complex that they can only be effectively and efficiently provided by, or under the supervision of, professional or technical personnel.
 3. Submitting claims to any payor, including Medicare for services or supplies that are not medically necessary or that were not ordered by the resident's physician or other authorized caregiver.
 4. Submitting claims for items or services that are not provided as claimed, such as billing Medicare for expensive prosthetic devices when only non-covered adult diapers were provided.
 5. Submitting claims to any payor, including Medicare and Medicaid, for individual items or services when such items or services either are included in the health facility's per diem rate for a resident or are of the type that may be billed only as a unit and not unbundled.
 6. Double billings (billing for the same item or service more than once).

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7. Providing inaccurate or misleading information for use in determining the resource utilization groups, (RUG) assigned to the resident, including but not limited to misrepresenting a resident's medical condition on the minimum data set (MDS).
 8. Paying or receiving anything of financial benefit in exchange for Medicare or Medicaid referrals, such as receiving non-covered medical products at no charge in exchange for ordering Medicare-reimbursed products.
 9. Billing residents for services or supplies that are included in the per diem payment from Medicare, Medicaid, a managed care plan, or other payer.
 10. Altering documentation or forging a physician signature on documents used to verify that services were ordered and/or provided.
 11. Failing to report and return any funds received from any payor source to which Sprenger is not entitled, after applicable reconciliation, in accordance with law.

B-2
RESIDENTS' RIGHTS

POLICY

It is the policy of Sprenger that residents will be cared for in a manner and in an environment that promotes maintenance or enhancement of each resident's quality of life. Sprenger has numerous policies and procedures designed to protect a resident's quality of life and is committed to assuring that the resident's rights articulated under federal law are protected.

PROCEDURE

- A. **Transfer & Discharge.** Sprenger will maintain identical policies and practices for all individuals regarding transfer and discharge, regardless of payment source, and to comply with all applicable law with respect to admissions decisions, as well as the provision of services under the state Medicaid plan.
- B. **Personal Privacy.** Sprenger will take measures to ensure that each resident has the right to personal privacy. For purposes of this policy, the term "personal privacy" includes accommodations, medical treatment, written and telephone communications, personal care, visits, and meetings of family and resident groups, but does not include the right to a private room.
- C. **Clinical Records.** Sprenger recognizes that the resident has the right to confidential treatment of his or her personal and clinical records, and may approve or refuse the release of his or her personal and clinical records to any individual outside Sprenger, except when the resident is transferred to another health care institution, or the record release is authorized or required by law.
- D. **Medical Care & Treatment.** Sprenger recognizes that the resident has the right to choose his or her own personal physician and has the right to privacy during medical examination or treatment, and in the care of personal or bodily needs. The resident also has the right to be fully informed of his or her health status and to participate in treatment decisions, including the right to refuse treatment, unless adjudged incompetent or incapacitated.
- E. **Communication.** Sprenger recognizes that the resident has the right upon reasonable request to private and unrestricted communications with his or her family, social worker, and any other person, unless not medically advisable as documented in his or her medical record by the attending physician. The resident also has the right to private and unrestricted communications with a resident's physician, attorney or with public officials. The resident's right of private and unrestricted communication shall include the right to: 1) receive, send, and mail sealed, unopened correspondence; 2) reasonable access to a telephone for private communication; and 3) private visits in accordance with Sprenger's policies.
- F. **Financial Affairs.** Sprenger recognizes that the resident has the right to manage his or her financial affairs or permit the facility to hold and manage his or her funds. Personal funds may not be used to pay for items or services paid for by Medicaid or Medicare.
- G. **Abuse, Neglect & Misappropriation of Resident Funds.** Sprenger recognizes that the resident has the right to be free of abuse, neglect and misappropriation of his or her funds. All allegations of abuse, neglect of misappropriation will be reported to the state agency and law enforcement (in the case of a crime) in accordance with state and federal law.

B-3 QUALITY OF CARE

POLICY

It is the policy of Sprenger that it strive to provide the care and services necessary to attain or maintain nursing facility residents' highest practicable physical, mental and psychosocial well-being and to, at a minimum, meet all Medicare requirements of participation.

PROCEDURE

- A. **Staffing.** Sprenger is committed to meeting both state and federal staffing requirements, and assuring that there is a relationship between the level of staffing and the acuity of the residents being served. Sprenger will also make efforts to reduce employee turnover.
- B. **Comprehensive Care Plans.** Each resident of Sprenger will have a comprehensive care plan that is designed and implemented by various members of the interdisciplinary team including, but not limited to, the resident's physician nurses, dietician, social service, activities, and therapists where applicable. These interdisciplinary team meetings will be documented and the content and participants in the meeting will be recorded.
- C. **Medication Management.** Sprenger will manage the medications of its residents, including psychotropics, and is committed to the gradual reduction of their use, where medically possible, and to monitoring residents for adverse side effects. Sprenger has contracted with a consulting pharmacist who will assist in the management of each resident's medications and will perform regular drug regimen reviews.
- D. **Resident Safety.** Sprenger believes that it is the responsibility of everyone who comes in contact with our residents to preserve their safety and well-being. With that in mind, Sprenger has a policy that its residents will be free of abuse and neglect, and that their possessions will not be misappropriated by anyone. Anyone who is aware of or suspects that a resident is being abused or neglected, or that his or her possessions have been misappropriated will immediately report this knowledge or suspicion in accordance with Sprenger's abuse policy.

Sprenger also recognizes that its residents have the potential to suffer abuse from not only staff members, but also from other residents and/or visitors. Therefore, Sprenger not only conducts background and exclusion checks of its staff members and provides employees with regular inservice training on abuse, neglect prevention and reporting, but Sprenger enforces its policy with respect to all that abuse or mistreat Sprenger residents.

- E. **Restorative and Personal Care.** Sprenger has policies and procedures addressing the prevention and treatment of pressure ulcers, the delivery of range of motion exercises and restorative care, falls management and prevention, incontinence management and the delivery of personal care and grooming. Sprenger strives to meet all state and federal licensing rules and regulations governing the health care services provided to our residents, and to monitor the quality of those services through our quality assurance programs.

B-4
RECORDKEEPING & DOCUMENTATION

POLICY

Accurate and complete recordkeeping and documentation is critical to virtually every aspect of Sprenger's operations. It is the policy of Sprenger that all documentation shall be timely, accurate, and consistent with applicable professional, legal, and facility guidelines and standards. This includes all aspects of the facility's documentation, including resident assessments and care plans, clinical records, and all billing and payment documentation. Falsification of records is strictly prohibited, including backdating of records. Appropriate late entries duly noted and under applicable professional and legal standards may be made.

PROCEDURE

- A. **Legally Required Documentation.** Sprenger will keep all billing and claims documentation, cost reports, MDS assessments, care plans and survey plans of correction in accordance with state and federal requirements.
- B. **Compliance Program Documentation.** Sprenger will keep records of its compliance program operations, such as the compliance log, educational activities, corresponding investigations and reports, in order to demonstrate the effectiveness of its compliance program.
- C. **Storage.** All documents will be stored in a safe and secure place and in a manner as to be easily retrievable.
- D. **Destruction.** Destruction policies will conform to applicable state and federal laws. Employees shall not destroy or alter Sprenger information or documents in anticipation of, or in response to, a request for documents by any applicable government agency or from any court, or from any party in conjunction with a lawsuit.

B-5
NURSING FACILITY HOSPICE ARRANGEMENTS

POLICY

Sprenger is committed to making available appropriate hospice services to residents who elect hospice coverage.

PROCEDURE

For residents who are eligible for hospice benefits under Medicare or Medicaid, Sprenger and its employees shall:

- A. **Service Agreement.** Provide services pursuant to a written agreement with a hospice program that meets the conditions of participation for hospices upon evidence that the resident qualifies for and has properly elected the hospice benefit.
- B. **Plan of Care.** Develop and implement, in conjunction with the hospice program, a coordinated plan of care.
- C. **Billing.** Bill the Medicare and/or Medicaid programs only for the treatment of conditions unrelated to the terminal illness, as permitted by law.
- D. **Payments from Hospice.** For residents eligible for Medicare hospice benefits and Medicaid coverage of the resident's room and board, Sprenger shall not accept payment by a hospice for room and board provided to a hospice resident in excess of the amount that Sprenger would have received if the resident had not been enrolled in hospice. Any additional payment from the hospice for items and services purchased from the facility must represent the fair market value of such additional items and services actually provided to the resident that are not included in the Medicaid daily rate.
- E. **Provision of Services.** Provide only those services Sprenger is allowed to provide to hospice residents under applicable law.
- F. **Referrals.** Not engage in any arrangement in which Sprenger offers, accepts, provides, or receives free services to or from a hospice in exchange for a promise or agreement to refer nursing facility residents to the hospice, or vice versa.

APPENDIX C

Hospice Compliance Policies

C-1

HOSPICE CLAIM DEVELOPMENT & SUBMISSION

POLICY

Sprenger Hospice Inc., (“Sprenger Hospice”) is committed to prompt, complete, and accurate billing of all services provided to patients for payment by patients, government agencies, or other third party payors. Billing shall be made only for services actually provided, directly or under contract, pursuant to all terms and conditions specified by the government or third party payor and consistent with industry practice.

Sprenger Hospice and its employees shall not make or submit any false or misleading entries on any bills or claim forms, and no employee shall engage in any arrangement, or participate in such an arrangement at the direction of another employee (including any officer of Sprenger Hospice or a supervisor), that results in such prohibited acts. Any false statement on any bill or claim form shall subject the employee to disciplinary action by Sprenger Hospice, including possible termination of employment.

PROCEDURE

- A. **Reporting False Billing Practices.** If an employee has any reason to believe that anyone (including the employee himself or herself) is engaging in false billing practices, that employee shall immediately report the practice.

Failure to act when an employee has knowledge that someone is engaged in false billing practices shall be considered a breach of that employee's responsibilities and shall subject the employee to disciplinary action by Sprenger Hospice, including possible termination of employment.

- B. **Medically Necessary Services.** Sprenger Hospice will bill only for services that are reasonable and necessary for the palliation or management of the patient’s terminal illness and ordered by a physician or other appropriately licensed individual.
- C. **Levels of Care.** Sprenger Hospice will bill for services at the appropriate level of care. Sprenger Hospice billing personnel will understand the different levels of hospice care and applicable rules of government and private payers.
- D. **Management of Contracted Services.** Sprenger Hospice will manage and provide oversight of contracted services to ensure proper billing.
- E. **Prohibited Billing Practices.** False claims and billing fraud may take a variety of different forms, including, but not limited to, false statements supporting claims for payment, misrepresentation of material facts, concealment of material facts, theft of benefits of payments from the party entitled to receive them, or maintaining of an overpayment, as defined by law. Sprenger Hospice and employees shall specifically refrain from engaging in the following billing practices:
1. Making claims for items or services not rendered or not provided as claimed.
 2. Submitting claims to any payor, including Medicare for services or supplies that are not medically necessary or that are provided at a higher level of care than is necessary.
 3. Knowingly billing for inadequate or substandard care.
 4. Billing for hospice care provided by unqualified or unlicensed clinical personnel.
 5. Billing for services provided by another provider.
 6. Paying or receiving anything of financial benefit in exchange for Medicare or Medicaid referrals.

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7. Altering documentation or forging a physician signature on documents used to verify that services were ordered and/or provided.
 8. Failing to report and return any funds received from Medicare or Medicaid to which Sprenger Hospice is not entitled, after applicable reconciliation, in accordance with law.
 9. Offering financial incentives to hospice admission personnel, billing department personnel, or billing consultants to bill for hospice care regardless of whether applicable eligibility criteria for reimbursement is met.

HOSPICE ARRANGEMENTS WITH NURSING FACILITIES

POLICY

It is the policy of Sprenger Hospice to enter into written arrangements with nursing facilities to provide services to nursing facility residents who are terminally ill and who wish to receive palliative care. It is the policy of Sprenger Hospice to coordinate services with the nursing facility and to compensate nursing facilities for services in accordance with applicable federal and state laws.

PROCEDURE

- A. **Written Agreement.** Sprenger Hospice will not provide services to any patient residing in a nursing facility prior to entering into a written agreement with the nursing facility.
- B. **Coordinated Care.** Sprenger Hospice will work with nursing facilities to establish a coordinated plan of care that reflects the hospice philosophy and is based on an assessment of the individual's needs and unique living situation. Sprenger Hospice will retain professional responsibility for services provided by the nursing facility staff and take measures designed to ensure that all care furnished by the nursing facility related to the terminal illness is provided in accordance with the hospice plan of care. Sprenger Hospice will document the coordinated plan of care in its records.
- C. **Core Services.** Sprenger Hospice will provide substantially all core services directly by Sprenger Hospice employees and will not rely on nursing facility employees to furnish needed nursing, physician, counseling, or medical social services unless permitted by applicable laws.
- D. **Therapies.** Sprenger Hospice will involve nursing facility personnel in assisting with the administration of a patient's prescribed therapies included in the plan of care only to the extent that Sprenger Hospice would routinely utilize the services of a hospice patient's family/caregiver in implementing the plan of care.
- E. **Communication.** Sprenger Hospice will take measures to encourage communication between Sprenger Hospice and the nursing facility regarding when changes are indicated to the plan of care and understanding of each party's responsibilities in implementing the plan of care and completing respective functions.
- F. **Documentation.** Sprenger Hospice will take measures designed to keep its forms and documentation of services separate from the nursing facility's forms and documentation.
- G. **Prohibited Arrangements.** Sprenger Hospice will not enter into an arrangement with a nursing facility that contemplates any of the following practices:
 - 1. Offering free or below fair market value goods to induce the nursing facility to refer patients to Sprenger Hospice;
 - 2. Paying above fair market value to the nursing facility for room and board or for "additional" non-core services that Medicaid does not consider to be included in its "room and board" payments;
 - 3. Providing free or below fair market value care to nursing facility patients, for whom the nursing facility is receiving Medicare payment under the Medicare Skilled Nursing Facility Benefit, with the expectation that after the patient exhausts the skilled nursing facility benefit, the patient will receive hospice services from Sprenger Hospice; and
 - 4. Providing staff to the nursing facility at Sprenger Hospice's expense to perform services that otherwise would be performed by the nursing facility.

C-3 QUALITY OF CARE

POLICY

It is the policy of Sprenger Hospice that it will make quality a priority and strive to meet and comply with the Conditions of Participation set forth in 42 C.F.R. Part 418 every day.

PROCEDURE

- A. **Level of Services.** Sprenger Hospice will make all covered services available to meet the needs of patients and will not routinely discharge patients in need of costly inpatient care.
- B. **Plan of Care.** Sprenger Hospice will take reasonable steps to ensure that a written plan of care is established and maintained for each individual who receives hospice services, and that the care provided is in accordance with that plan. The plan of care will include: (1) an assessment of the patient's needs and identification of services, including the management of discomfort and symptom relief, and (2) the scope and frequency of services, in detail, needed to meet the patient's and family's needs. Sprenger Hospice will review and update the plan of care as appropriate. Updates to the plan of care will be documented.
- C. **Continuous Assessment.** Sprenger Hospice will continuously assess the hospice patient's needs and treatment options, including the appropriateness of services and level of services being provided, admission to hospice, length of stay, and specific treatment modalities. Sprenger Hospice will explore and evaluate all treatment options in the context of the patient's symptoms.
- D. **Utilization of Hospice Services.** Sprenger Hospice will regularly monitor and evaluate its resource allocation to identify and resolve problems with utilization of services, facilities, and personnel. Sprenger Hospice will address issues with respect to appropriateness of services and levels of services being provided, appropriateness of patient admission to hospice, review of patient length of stay, delays in admission or the provision of services, and specific treatment modalities.
- E. **Revoking Hospice Benefit.** Sprenger Hospice will not pressure any patient to revoke the Medicare hospice benefit (when the patient is still eligible for and desires care) because the care has become too expensive for Sprenger Hospice to deliver.

C-4
RECORDKEEPING & DOCUMENTATION

POLICY

Accurate and complete recordkeeping and documentation is critical to virtually every aspect of Sprenger Hospice's operations. It is the policy of Sprenger Hospice that all documentation shall be timely, accurate, and consistent with applicable professional, legal, and facility guidelines and standards. This includes all aspects of the hospice's documentation, including patient care plans, clinical records, and all billing and payment documentation. Falsification of records is strictly prohibited, including backdating of records. Appropriate late entries duly noted and under applicable professional and legal standards may be made.

PROCEDURE

- E. **Legally Required Documentation.** Sprenger Hospice will keep all billing and claims documentation, medical records, and survey plans of correction in accordance with state and federal requirements.
- F. **Clinical Records.** Each patient's clinical record will include (1) initial and subsequent assessments, including hospice admission history, certification, and recertification(s); (2) the plan of care, (3) identification data; (4) consent and authorization and election forms; (5) pertinent medical history; and (6) complete documentation of all services and events (including evaluations, treatments, progress notes, etc.) Sprenger Hospice will timely document the specific clinical factors that qualify a patient for the Medicare Hospice Benefit, if applicable.
- G. **Coding.** Diagnosis and procedure codes for hospice services reported on reimbursement claims shall be based on the patient's clinical condition as reflected in the medical record and other documentation, and shall comply with all applicable official coding rules and guidelines.
- H. **Compliance Program Documentation.** Sprenger Hospice will keep records of its compliance program operations, such as the training records, reports of violations, investigation documentation, and effectiveness reports, in order to demonstrate the effectiveness of its compliance program.
- I. **Storage.** All documents will be stored in a safe and secure place and in a manner as to be easily retrievable.
- J. **Destruction.** Destruction policies will conform to applicable state and federal laws.

C-5
HOSPICE ELIGIBILITY REQUIREMENTS

POLICY

It is the policy of Sprenger Hospice to only admit patients who have been certified as terminally ill and have elected to receive palliative care. It is the policy of Sprenger Hospice to comply with all eligibility requirements to receive hospice care, including Medicare eligibility requirements, as applicable.

PROCEDURE

- A. **Terminal Illness.** Sprenger Hospice will adopt oversight mechanisms to ensure that the terminal illness of a Medicare beneficiary is verified and that specific factors qualifying the patient as terminally ill are properly documented, including, but not limited to:
1. Before admission, the hospice physician and attending physician will thoroughly review and certify the admitting diagnosis and prognosis.
 2. Sprenger Hospice will take steps to ensure that patient's medical record contains complete documentation to support the certification made by the hospice physician or attending physician.
 3. Sprenger Hospice will take steps to ensure that the patient or lawful representative are informed of the determination of the patient's life limiting condition.
 4. Sprenger Hospice will take steps to make the patient or lawful representative aware that the goal of hospice is directed toward relief of symptoms, rather than the cure of the underlying disease.
 5. Sprenger Hospice will take steps to sufficiently review and maintain oversight of a patient's medical condition and status during Interdisciplinary Group meetings.
 6. Sprenger Hospice will take steps to properly document the clinical progression/status of a patient's disease and medical condition.
- B. **Informed Consent.** Sprenger Hospice will provide patients an informed consent form that outlines their legal rights before furnishing them with hospice care.

APPENDIX D

Home Health Compliance Policies

D-1

HOME HEALTH CLAIM DEVELOPMENT & SUBMISSION

POLICY

Sprenger Home Healthcare, LLC (“Sprenger Home Healthcare”) is committed to prompt, complete, and accurate billing of all home health services provided, including those services performed by subcontractors. Sprenger Home Healthcare will only bill for medically necessary services properly documented and actually provided in accordance with a physician’s order. Sprenger Home Healthcare will bill in accordance with all terms and conditions specified by the government or third party payor. Sprenger Home Healthcare and its employees will refrain from making or submitting any false or misleading entries on any bills or claim forms, and Sprenger Home Healthcare will properly report and refund any identified overpayments.

PROCEDURE

- A. **Supporting Documentation.** Employees shall provide sufficient and timely documentation of all nursing and other home health services, including subcontracted services, prior to billing so that accurate and properly documented services are billed. Billing staff should submit a claim only when appropriate documentation supports the claim and only when such documentation is maintained, appropriately organized in a legible form, and available for audit and review. The documentation should record the activity leading to the record entry, the identity of the individual providing the service, and any information needed to support medical necessity and other applicable reimbursement coverage criteria.
- B. **Coding.** The diagnosis and procedure codes for home health services reported on a reimbursement claim should be based on the patient’s medical record and other documentation and should comply with all applicable official coding rules and guidelines. Any CMS-HCPCS, International Classification of Disease (ICD), Home Health Agency’s Current Procedural Terminology (CPT), or revenue code (or successor codes) used by the billing staff should accurately describe the service that was ordered by the physician and performed by Sprenger Home Healthcare.
- C. **Compensation Incentives.** The compensation for billing department personnel and billing consultants shall not offer any financial incentive to submit claims regardless of whether they meet applicable coverage criteria for reimbursement or accurately represent the services rendered.
- D. **Claim Review.** Sprenger Home Healthcare shall maintain a process for review of claims to confirm that claims submitted for reimbursement accurately represent medically necessary services actually provided, supported by sufficient documentation, and in conformity with any applicable coverage criteria for reimbursement. The claims review process will verify that only medically necessary services are provided, examine the frequency and duration of services to confirm that medical conditions justify the number of visits provided and billed, and confirm that billed services were actually provided
- E. **Physician Certification.** Sprenger Home Healthcare will only bill for services provided pursuant to a plan of care established, dated, and signed by a qualified physician.
- F. **Qualifying Service.** Sprenger Home Healthcare will only bill for claims that include an appropriate qualifying service. Sprenger Home Healthcare will implement measures to prevent billing for dependent services after any qualifying service has ceased.
- G. **Prohibited Billing Practices.** False claims and billing fraud may take a variety of different forms. Sprenger Home Healthcare and employees shall specifically refrain from engaging in the following billing practices:
 - 1. *Billing for items or services not actually rendered.* Sprenger Home Healthcare will only bill for items actually provided and services actually performed.
 - 2. *Billing for medically unnecessary services.* Sprenger Home Healthcare will only bill for services that are (1) warranted by the patient’s medical condition, (2) reasonable or necessary for the diagnosis or treatment of

illness or injury or to improve functioning, and (3) rendered in accordance with order prescribed by the beneficiary's physician.

3. *Duplicate Billing.* Sprenger Home Healthcare will submit no more than one claim for the same service and will submit a claim to only one payor at the same time.
 4. *Failure to Refund.* Sprenger Home Healthcare will establish policies and procedures to timely report overpayments. Sprenger Home Healthcare will promptly refund the appropriate payor for any services that are paid for twice or any planned services that were paid for but not performed.
 5. *Billing for Non-Homebound Patients.* Sprenger Home Healthcare will only bill for services provided to patients who are confined to their residence.
 6. *Billing for Inadequate or Substandard Care.* Sprenger Home Healthcare will not provide or bill for any inadequate or substandard care.
 7. *Billing for Unallowable Costs.* Sprenger Home Healthcare will bill solely for allowable costs of the home health condition.
 8. *Billing for Services Provided by Unqualified or Unlicensed Personnel.* Sprenger Home Healthcare will provide and bill for services only through the use of qualified and appropriately licensed personnel.
 9. *Duplication of Services.* Sprenger Home Healthcare will not unnecessarily duplicate services provided by clients' assisted living facilities, hospitals, clinics, physicians, or other home health agencies.
 10. *Disregard of Able Caregivers.* Sprenger Home Healthcare will not knowingly or recklessly disregard any caregivers outside of the agency who are willing and able to provide services to meet the needs of Sprenger Home Healthcare's clients. If a family member or other person is able to provide services, Sprenger Home Healthcare will not provide unnecessary services.
- H. **Reporting False Billing Practices.** If an employee has any reason to believe that anyone is engaging in false billing practices, the employee will immediately report the practice. If an employee fails to report false billing practice, that failure will be considered a breach of that employee's responsibilities and will subject the employee to disciplinary action.

D-2
CLIENTS' RIGHTS

POLICY

It is the policy of Sprenger Home Healthcare that clients will be cared for in a manner and in an environment that promotes maintenance or enhancement of each client's quality of life. Sprenger Home Healthcare has numerous policies and procedures designed to protect a client's quality of life and is committed to assuring that the client's rights articulated under federal law are protected.

PROCEDURE

- A. **Transfer & Discharge**. Sprenger Home Healthcare will maintain identical policies and practices for all individuals regarding admission and discharge, regardless of payment source, race, color, age, religion, sex, national origin, or disability. Sprenger Home Healthcare will notify clients in advance of termination of services.
- B. **Respect for Property & Person**. Sprenger Home Healthcare will take measures designed to ensure that clients' property is treated with respect. Sprenger Home Healthcare will allow clients the opportunity to exercise their rights as a patient and to voice grievances.
- C. **Medical Care & Treatment**. Sprenger Home Healthcare will take measures designed to ensure that clients are advised in advance about the care to be furnished to the client and that clients have an opportunity to participate in the planning of care and treatment. Sprenger Home Healthcare will notify clients in advance of changes in the plan of care.
- D. **Clinical Records**. Sprenger Home Healthcare and its employees, agents, and contractors will abide by Sprenger Home Healthcare's policies regarding confidential treatment of client records. Sprenger Home Healthcare will notify clients of its policies and procedures regarding disclosure of clinical records.
- E. **Payment Liability**. Sprenger Home Healthcare will adopt policies and procedures to advise clients, prior to the start of care, of the extent to which payment for services may be expected from Medicare or other sources and the extent to which payment may be required from the patient.
- F. **Home Health Hotline**. Sprenger Home Healthcare will notify clients of the availability of the home health hotline.

D-3
QUALITY OF CARE

POLICY

It is the policy of Sprenger Home Healthcare that it will make quality a priority and strive to meet and comply with the Conditions of Participation set forth in 42 C.F.R. Part 484 every day.

PROCEDURE

- A. **Comprehensive Plan of Care.** Each client of Sprenger Home Healthcare will have a comprehensive plan of care that is designed and implemented by various members of the agency staff. The plan of care may address pertinent diagnoses, including mental status, types of services and equipment required, frequency of visits, prognosis, rehabilitation potential, functional limitations, activities permitted, nutritional requirements, medications and treatments, any safety measures to protect against injury, instructions for timely discharge or referral, and any other appropriate items. Sprenger Home Healthcare will review and update the plan of care as appropriate.
- B. **Therapy.** Orders for therapy services will include the specific procedures and modalities to be used and the amount, frequency and duration of therapy to be provided.
- C. **Medication.** Sprenger Home Healthcare will administer drugs and treatments to clients as ordered by the physician.
- D. **Client Safety.** Sprenger Home Healthcare believes that it is the responsibility of everyone who comes in contact with our clients to preserve their safety and well-being. With that in mind, Sprenger Home Healthcare has a policy that its clients will be free of abuse and neglect, and that their possessions will not be misappropriated by anyone. Anyone who is aware of or suspects that a client is being abused, neglected, or his/her possessions have been misappropriated will immediately report this knowledge or suspicion to the HHA Director Title, who will in turn report the same in accordance with Sprenger Home Healthcare's abuse policy.
- E. **Restorative and Personal Care.** Sprenger Home Healthcare has policies and procedures addressing the various aspects of restorative and personal care services provided to its clients. Sprenger Home Healthcare strives to meet all state and federal licensing rules and regulations governing the health care services provided to our clients, and to monitor the quality of those services through our quality assurance programs.

D-4 RECORDKEEPING & DOCUMENTATION

POLICY

Accurate and complete recordkeeping and documentation is critical to virtually every aspect of Sprenger Home Healthcare's operations. It is the policy of Sprenger Home Healthcare that all documentation shall be timely, accurate, and consistent with applicable professional, legal, and Sprenger Home Healthcare guidelines and standards. This includes all aspects of Sprenger Home Healthcare's documentation, including, but not limited to, client assessments and care plans, clinical records, and all billing and payment documentation.

PROCEDURE

1. **Clinical Records and Billing and Claims Documentation.** Sprenger Home Healthcare and its employees will accurately and timely document all nursing and other home health services provided to Sprenger Home Healthcare's clients. Documentation will be maintained in a manner sufficient to evidence that services were performed and to support reimbursement. Clinical records will be organized and available for audit and review both pre-submission and post-submission. Sprenger Home Healthcare and its employees will abide by clinical documentation guidelines established by the medical director, clinical staff, and governing body.
2. **Cost Report Documentation.** Sprenger Home Healthcare will maintain records, documentation, and verifiable and auditable data to support its cost reports.
3. **Compliance Program Documentation.** Sprenger Home Healthcare will maintain records necessary to protect the integrity of its compliance program, including, but not limited to, employee training records, compliance reports, results of investigations, corrective action, modifications to the compliance program, self-disclosures, and audit results.
4. **Legally Required Documentation.** Sprenger Home Healthcare will keep all billing and claims documentation, cost reports, assessments, care plans and survey plans of correction in accordance with state and federal requirements.
5. **Falsification of Documents.** Falsification of records is strictly prohibited, including backdating of records. Dates and signatures will be genuinely recorded. Sprenger Home Healthcare will not falsify any amendments to nursing notes, plans of care, or physician certifications. Only clients and/or their representatives will sign visit slips/logs to verify that services were performed. Appropriate late entries duly noted and under applicable professional and legal standards may be made.
6. **Employee Mileage.** Employees and contractors will precisely record any mileage to be charged to Sprenger Home Healthcare or Sprenger Home Healthcare's clients.
7. **Timekeeping.** Employees and contractors will record time spent providing services in an accurate and honest manner.
8. **Storage.** All documents will be stored in a safe and secure place and in a manner as to be easily retrievable.
9. **Destruction.** Destruction policies will conform to applicable state and federal laws. Employees shall not destroy or alter Sprenger Home Healthcare information or documents in anticipation of, or in response to, a request for documents by any applicable government agency or from any court, or from any party in conjunction with a lawsuit.