



CORPORATE COMPLIANCE CODE OF CONDUCT

Reviewed and Approved By:

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Controller/Corporate Compliance Officer

Reviewed & Revised
December 2003
April 2004
March 2005
June 2011
December 2011
December 2012
June 2013
March 2014
April 2014
May 2014
October 2014
November 2014
March 2017
February 2018
February 2021

Manual Distribution & Locations:

Administration

DNS Office

Nursing Supervisors ' Office

All Nurses ' Stations (4)

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I. INTRODUCTION

This Code of Conduct has been developed as part of Glen Island Center for Nursing and Rehabilitation's (*hereafter referred to as GICNR*) Corporate Compliance Program. It is a Comprehensive, facility-wide effort to promote a positive ethical work environment that fosters compliance with ethical principles, legal and regulatory requirements and internal Policies and Procedures. This Code of Conduct sets forth general (*and some specific standards of*) Conduct that GICNR expects and requires of its staff, representatives and vendors whenever they represent GICNR.

Consistent compliance with this Code of Conduct by each and every staff member, Representative and Vendor, will help to assure those whom GICNR serves: the community, government regulators and one another. GICNR is deserving of the trust that they have placed upon it over the years.

Representatives who fail to act in accordance with the Code of Conduct will be deemed to be acting outside of the authority given to them by GICNR, and will be held personally responsible for the consequences of their conduct. This could result in disciplinary action ranging from a reprimand to dismissal or disassociation and when warranted, referral to law enforcement agencies or regulatory agencies for criminal prosecution, civil action or other disciplinary action.

II. RESPONSIBILITIES FOR IMPLEMENTATION and ENFORCEMENT OF THE CODE

Representatives Responsibilities - Representatives are responsible for complying with this Code which requires them to comply with GICNR's Policies and Procedures and the laws and regulations that apply to their work. Representatives can gain the knowledge that they need to comply with this Code in many ways, *including the following*:

- On-the-Job Training
- Reviewing applicable GICNR Policies and Procedures
- Attending GICNR In-Service Training
- Asking questions of their Supervisors as well as the Administrator and Compliance Officer

Every representative has an obligation to alert GICNR about any situation that they become aware of that involves an active or suspected violation of law, regulation or internal policy or procedure. GICNR is committed to ensuring that Representatives are not subject to any discipline or retaliation as a result of a faith effort to report an actual or suspected Violation of this Code of Conduct. Any suggestion or action to the contrary itself is a violation of this Code.

Each Representative at the rank of Supervisor or higher will be given a copy of this Code of Conduct. All other Representatives will participate in an In-Service Training on the Code of Conduct with a written competency to assess their understanding of the subject matter. Further, every Representative will have access to the full Code of Conduct upon request to their Director or the Compliance Officer. Every current or prospective Representative will be required to participate in said training and competency as a condition of continued

RESPONSIBILITIES FOR IMPLEMENTATION and ENFORCEMENT OF THE CODE *(continued)*

Association or as a pre-condition of association with GICNR. GICNR will maintain a record of such acknowledgement as a part of Its Compliance, e or Human Resources files for all Representatives. Vendors will be required to sign written contracts that include language that requires them to acknowledge that they have reviewed the Cde of Conduct.

- a, **MANAGEMENT RESPONSIBILITIES-** Management Is responsible for the enforcement of this Code of Conduct. For Representatives under their direction and control, managers have the responsibility to:
- Ensure that current and new Representatives participate in education and Training regarding this code and GICNR Policies and Procedures.
 - Continually stress to all Representatives the need for a commitment to the principles of the Code of Conduct.
 - Ensure that their departments operate In accordance with the highest principles of business ethics, GICNR Policies and Procedures and in compliance with legal and regulatory requirements.
 - Reinforce the lines of communication available to Representatives to resolve concerns relating to the Code of Conduct.
 - Make the Corporate Compliance Manual, including the Code of Conduct, available for review upon request by any Representative or Vendor under their direction or control who may request it.

A GICNR management official receiving report of actual or alleged violation of this Code of Conduct must promptly forward the report to the Compliance Officer. If a Supervisor believes It is necessary to review the conduct of one or more Representative(s) In response to an actual or suspected violation of this Code, he/she shall request the approval of the Compliance Officer, or In the absence of the Compliance Officer, the Administrator.

Except for the Compliance Officer or tile Administrator. NO ONE shall independently undertake an internal investigation relating to this Code,

- b, **RESPONSIBILITIES OF THE COMPLIANCE COMMITTEE –**
A committee consisting of the
- Administrator
 - Compliance Officer
 - Director of Nursing
 - MDS Coordinator
 - Director of Rehab
 - Director of Finance
 - Admissions Director
 - and others as deemed necessary by these standing committee members

**RESPONSIBILITIES FOR IMPLEMENTATION and. ENFORCEMENT OF THE
CODE (continued)**

has been established, It is the purpose of this Compliance Committee to advise the Compliance Officer and assist in Implementing, monitoring, and overseeing the Corporate Compliance Program. The Corporate Compliance Officer is the chairperson of the Committee, which reports to the Operator(s) and Administrator at least twice per year and at such times as may be warranted. The Committee's responsibilities include:

- Analyzing the organization's regulatory environment, the legal requirements with which it must comply and specific risk areas,
- Assessing existing Policies and Procedures that address these areas for possible incorporation into the Compliance Program,
- Working with appropriate individuals within GICNR to develop standards of Conduct and Policies and Procedures that promote allegiance to GICNR's Compliance Program.
- Recommending and monitoring, in conjunction with the relevant departments within GICNR, the development of internal systems and controls to carry out the facility's standards and Policies and Procedures as part of its daily operation,
- Determining the appropriate strategy/ approach to promote compliance with the program and to detect any potential violations, such as through the Compliance Hotline (914) 740 -1447.
- Developing a system to solicit, evaluate, and respond to complaints and problems.
- Monitoring internal and external audits and Investigations for the purpose of identifying troublesome Issues and deficient areas,
- Review and determine the need for modification to the Compliance Program including the Code of Conduct, as it becomes part of the overall operating structure and daily routine,

c. **RESPONSIBILITIES OF THE COMPLIANCE OFFICER** - The Compliance Officer's primary responsibilities include:

- Overseeing and monitoring the Implementation of the Compliance Program.
- Reporting on a regular basis to the:
 - 1) Compliance Committee
 - 2) Administrator
- Periodically revising the Corporate Compliance Program in light of changes to the facility's needs and in the law and policies of government and private payer's health plans.
- Ensuring that each Representative has received required training and understood the standards of conduct.

RESPONSIBILITIES FOR IMPLEMENTATION and ENFORCEMENT OF THE
CODE *(continued)*

- Developing, coordinating, and participating in a multi-faceted educational and training program that focuses on the elements of the Compliance Program and seeking to ensure that all appropriate employees and management staff are knowledgeable of and comply with, pertinent Federal and State standards.
- Coordinating personnel issues to ensure that Representatives do not appear in the **Cumulative Sanction Report** prepared by the Office of Inspector General, Office of Medicaid Inspector General or the Department of Health and Human Services.
- Performing compliance and internal audit reviews to ensure effectiveness of the Compliance Program.
- - Independently Investigating and acting on matters related to compliance, including the flexibility to design and coordinate internal investigations and make any corrective action.
- Developing policies and programs that encourage Representatives to report suspected fraud and other improprieties without fear of Intimidation or Retaliation.
- Informing the Administrator concerning any investigation undertaken pursuant to a violation of the Code of Conduct.
- Will seek the advice of outside legal counsel as necessary.
- Will maintain a record of all inquiries pursuant to the Code of Conduct, and the disposition of all such inquiries.
- Must report at least twice per year to the Administrator on the status of Compliance.

III. REPORTING VIOLATIONS

Any Representative or Vendor with knowledge regarding an actual or suspected violation of this Code of Conduct should report what he/she knows as follows:

- a. **REPORTING VIOLATIONS TO SUPERVISORS AND ADMINISTRATOR** - Representatives are Encouraged to initially report known or suspected violations of this Code to their Supervisor or Administrator so long as the Representative making the report does not feel Uncomfortable in doing so. Representatives and Vendors, however, may report such Information to- any of the following instead of a Supervisor or Administrator:
 - Corporate Compliance Officer
 - The Corporate Compliance Hotline (914) 740-1447. Call the hotline 24 hours/ 7 days a week when you want to report a serious violation that *may* involve fraud, abuse, or other illegal activity.
 - The Confidential Compliance Mailbox located in the Lobby

REPORTING VIOLATIONS *(continued)*

- b. **REPORTING VIOLATIONS TO THE COMPLIANCE OFFICER** - Any Supervisor or Director who receives a report of a known or suspected violation of this Code must forward promptly to the Compliance Officer any and all such reports. This is crucial for the following reasons:
- It facilitates a prompt investigation.
 - It facilitates centralized tracking and monitoring of all reported violations.
 - It facilitates the process for systematically addressing and correcting internal control deficiencies that might have been the cause of the reported violation.
- c. **Reporting Violations via the Corporate Compliance Hotline:** (914) 740-1447 - Reports should be made to the Compliance Hotline whenever a Representative wishes to report an act anonymously, i.e. without having to reveal one or more of the following information:
- Any particular Information about the person making the reports such as his/her name and position.
 - How the Information concerning the actual or suspected violation was obtained.
 - The reason for reporting the violation.

Reports to the Hotline need not be made anonymously. The person making the report should feel free to leave as much Information about the reported violation as they know, in addition to as much information about themselves that is sufficient for the Compliance Officer to fully investigate the report. The Compliance Hotline and other reporting mediums utilized will only be monitored by the Compliance Officer, or the Administrator, in the absence of the Compliance Officer. All reported information will be kept confidential particularly until it has been fully investigated and the facts have been determined. Maintaining confidentiality of such reports may be a key factor in preventing the spread of misinformation or rumor that do not have any basis in fact and that might be detrimental to the reputation of the accused. Additionally, failure to maintain the confidentiality of reports or violations of this Code may impede the investigation into the facts surrounding the reported violation.

GICNR will not protect any Representative who knowingly submits a false or malicious report of a violation of this Code. Such a Representative may be subject to disciplinary action. GICNR strictly forbids reprisals against any Representative or other person who reports in good faith any actual suspected violations of this code. Any Representative who reports a violation of this Code and is later found to be a willful participant in the same violation is subject to disciplinary action up to and including termination of Employment.

IV. INVESTIGATING CODE VIOLATIONS

Internal investigations of actual or suspected violations will be handled as follows:

- Solely by or under the direction of the Compliance Officer, or Administrator

INVESTIGATING CODE VIOLATIONS continued

- Along with the reported information will be reported to Operations
- The Compliance Officer will promptly investigate and treat confidentially all reported violations of this Code.
- The Compliance Officer will maintain a written log of all violations investigated.

V, DISCIPLINE FOR VIOLATIONS

GICNR may hold Representatives who knowingly violate this Code of Conduct personally responsible for the consequences of their conduct. Disciplinary actions may be taken for:

- Authorization of, or participation in, actions that violate this Code of Conduct.
- Failure to report a violation of this Code or to cooperate in an investigation.
- Failure by a violator's supervisor(s) to detect and report a violation of this Code if such a failure reflects inadequate supervision or lack of oversight.
- Intimidation or Retaliation against an individual for reporting a violation or possible violation of this Code.

Disciplinary action may include termination of employment, when appropriate. In response to a violation of this Code, GICNR may choose to do one or more of the following:

- Take disciplinary action ranging from reprimand to dismissal or disassociation.
- Refer the situation to law enforcement for criminal prosecution when a law appears to have been violated,
- Notify regulatory agencies, professional licensing; or credentialing boards for sanctions.

With respect to disciplinary action, principles of fairness will apply, including; when appropriate, review of disciplinary decision. All disciplinary actions will be made consistent with Internal Policies and Procedures and when applicable, all collective bargaining agreements.

Disciplinary actions will be appropriately documented with representatives file, such documentation will be considered during regular and promotional evaluations.

VI, STANDARDS OF CONDUCT

This Code of Conduct does not specify specific standards of conduct for every situation. The Code sets forth general standards of conduct. When situations *and* decisions, for which specific guidelines are not provided by this Code, confront Representatives, they must be guided by the general standards of conduct. Additionally, Representatives should seek advice from appropriate Representatives of GICNR such as:

- Supervisors
- Administrator
- Compliance Officer

STANDARDS OF CONDUCT *(continued)*

- a. Ethical Standards of Conduct - Ethical behavior is more than complying with the law, regulatory requirements, and GICNR Policies and Procedures. It also means acting with honesty, integrity and respect whenever and wherever you are representing GICNR. GICNR expects and requires that every Representative will act ethically when dealing with other Representatives, the public, the business community, customers, suppliers and government and regulatory authorities. Additionally, GICNR expects and requires all of its Representatives to deal with others fairly and honestly, and in the best Interests of GICNR.
- b. Legal Standards of Conduct - GICNR is required to operate in accordance with federal and State laws, as well as local laws and regulations. Accordingly, GICNR expects and requires all of its Representatives to operate in accordance with federal, state, as well as local laws and regulations whenever they act on behalf of GICNR,
- c. Internal Standards of Conduct - GICNR has established internal standards of conduct that it requires of its Representatives that are not necessarily required as a matter of law or ethics. For example, there are Internal standards of conduct that deal with the use of alcohol and controlled substances in the work place, dress code, time to report to or leave work, procedures to follow in the event of an emergency, procuring goods and services and paying for them. These Internal standards of conduct are set forth in written Policies and Procedures, in memos and verbal instructions from management. All representatives are required to comply with these internal standards unless authorized personnel approve exceptions or unless they conflict with any applicable federal, state or local law/regulation.
- q. Respect for the Rights of All Individuals - We must respect the rights of all Individuals whom we serve and with whom we work and govern, including the rights of privacy, confidentiality and the right to be treated with care, respect and dignity.
- e. Discrimination and Harassment- All Representatives are forbidden by federal laws and GICNR Policies and Procedures from discriminating against any person in matters of employment, as well as discriminating or harassing based on sex, religion, color, age, national origin, marital status, sexual orientation, or disability. Similarly, all Representatives are forbidden by federal law and GICNR Policies and Procedures from engaging in any conduct that could reasonably be interpreted as sexual harassment. While it is not easy to define this precisely, sexual harassment not often includes one or more of the following:
 - Unwelcome sexual advance.
 - Requests or demands for sexual acts or favors.
 - Verbal, physical or visual conduct of a sexual nature which might create an uncomfortable or hostile work environment, including 'teasing', 'kidding', or 'joking', making derogatory remarks based on gender, repeated unwelcome flirtations and touching, and the display of objects or pictures of a sexual nature.
 - Unwelcome sexual advances or requests for sexual favors, or other conduct of a sexual nature, when the terms of a Representative's continued employment are conditioned upon submission.

If a Representative has a complaint about discrimination or harassment • be it sexual harassment or otherwise • involving a Representative of GICNR (such as co-workers,

supervisors or visitors) that occurred on the premises or while representing GICNR, he/she should report the complaint to his or her:

- Supervisor
- Administrator
- Compliance Officer

It is Important to report any suspected incidents of sexual harassment at the earliest possible date so that a thorough Investigation can be discreetly conducted, All complaints and investigations will be treated seriously and confidentially.

BLATANTLY FALSE ACCUSATIONS OF DISCRIMINATION OR HARASSMENT **WILL** RESULT IN ACTION, UP TO AND INCLUDING TERMINATION OF EMPLOYMENT.

- f. Billing - GICNR provides bills/statements to its residents or their designated representative responsible for payment (i.e. insurance company, Medicaid or Medicare), Billing statements regardless of payer sources must be accurate and completely reflect the charge for each service billed in accordance with all internal Policies and Procedures, regulatory requirements and/or contractual agreements. Additionally, charges and services included on all billing statements must be:

- Only for services actually rendered by a qualified health care professional.
- Only for medically necessary services that have been properly authorized by a licensed physician or other qualified licensed healthcare professional.
- Supported by adequate and accurate clinical and financial documentation that can establish each and every item on the billing statement related to the corresponding charge.

Accordingly, all Representatives directly or indirectly involved in providing healthcare services, including clinicians, administrative staff and billing personnel - are required to ensure GICNR's billing compliance by becoming familiar with and abiding by GICNR's rules and the billing regulations of third party payers. Representatives must use their best efforts to prevent and, where appropriate, report errors, improprieties or suspicious circumstances in billing that could violate applicable laws and regulations.

Representatives who falsify any billing information provided to a resident may be in violation of federal, state and local laws, which may lead to significant criminal and/or civil penalties. Billing errors, even if unintentional, may expose GICNR to the possibility of government investigation and monetary penalties. Under the Medicaid and Medicare programs, an erroneous bill could, in certain circumstances, may be deemed to be a 'false claim'. Additionally, negligently prepared bills may cause significant administrative problems as well as tarnish GICNR's reputation for professionalism.

- g. Conflict of Interest - It is the responsibility and duty of each Representative to avoid any perceived or actual conflict of interest in dealing with suppliers, customers and all other entities on behalf of GICNR. No Representative may use his/her position with GICNR or any information confidential or proprietary to GICNR to their personal advantage or in a manner

STANDARDS OF CONDUCT *(continued)*

that creates a conflict of Interest or the appearance of a conflict Of interest. Each Representative is required to fully disclose all personal and outside interests that may affect or be affected by GICNR's operations or by decisions that the Representative makes on GICNR's behalf. Each actual or potential conflict of interest that is disclosed by a Representative will be carefully examined and appropriate measures will be put Into place to maintain the balance between ensuring fair and honest deliberations and encouraging participation of qualified Representatives in the operations of GICNR.

The following activities would normally be considered a conflict Of Interest and should be avoided and when they exist, should be fully disclosed:

- Direct supervision of or responsibility for the performance evaluations, pay, or benefits of any close relative.
- Selling anything to GICNR or buying anything from GICNR (I.e. surplus equipment)
Any outside activity that Is so substantial that it may interfere with the Representative's ability to devote appropriate time and attention to his/her responsibilities with GICNR,

All potential conflicts must be promptly disclosed to GICNR consistent with the conflict of interest policy on at least an annual basis. Notwithstanding the foregoing, In the absence of a substantial and continuing conflict of interest, a Representative may engage in outside activities provided that the outside activity has been disclosed to and approved by GICNR and provided further that the Representative excuses himself/herself from participating in the consideration or decision of any matter related to the outside activity. For further details concerning conflict of interest, refer to GICNR's Conflict of **Interest Policy**,

- h. **Tax Exemption** - GICNR is not a charitable organization; therefore; is not exempt from taxation by Federal, state and local governments.
- i. **Anti-Trust** – Anti-trust laws are designed to foster fair and honest competition within the free enterprise system and to preserve a free and competitive marketplace. GICNR's policy is to comply fully with both the letter and the spirit of anti -trust laws, Representatives of GICNR who violate anti-trust laws may subject themselves and GICNR to personal and corporate -civil and criminal penalties.

Anti-trust laws are extremely complex. Representatives should seek guidance 'from the Facility's legal counsel when questions arise concerning matters that may give rise to violations of anti-trust laws before they become problems. The following areas of anti-trust concern are highlighted because the *services* that GICNR provides may pose a risk for non-Compliance with anti-trust laws to GICNR and Its Representatives:

1. **AGREEMENTS WITH COMPETITORS** – Competitors may agree on the prices they will charge for their products or services. For GICNR, a competitor may be another nursing home, other type of long term care facility or, depending on the circumstances, any other health care provider. Anti-trust laws make Illegal any agreement or understanding, el<pressed or Implied, written or oral, which restricts competition or Interferes with the ability of the free market system to function

STANDARDS OF CONDUCT *(continued)*

properly. Accordingly, no Representative should ever discuss or agree with a competitor concerning any of the following:

1. Our prices or their prices,
2. Pricing policies or practices,
3. Fees;
4. The terms and conditions under which services are to be provided,

Additionally, it may be illegal for Representatives to agree with competitors on any of the following:

1. The territories in which GICNR or its competitors will sell its services,
2. The clientele to which GICNR *OR* its competitors will offer services,
3. The types of services or the amounts of any service GICNR or its competitors will provide or offer,

Violations of these antitrust policies may be illegal. Representatives must avoid any conduct that violates or creates the perception of a violation of these policies.

2. **SELECTION OF CUSTOMERS AND VENDORS**-Another area of concern for violations of anti-trust laws rests in the selection of customers and vendors. GICNR is generally free to select its own customers and vendors. Anti-trust laws require GICNR to exercise this right alone and not in conjunction with other companies. Any agreement between GICNR and another one or more companies not to do business with a third party may violate the anti-trust laws. To prevent this from occurring, Representatives should generally not disclose to another company who GICNR will or will not do business. Additionally, Representatives should generally not attempt to persuade other companies to not do business with other vendors.

- J. Personal Gifts and Charitable Contributions - GICNR is not a charitable organization, therefore, is not eligible for charitable contributions. Personal gifts are different *from* charitable gifts, and are defined as gifts that are exchanged between Representative(s) and two or more *other* individuals. If a Representative or a vendor is aware, or has reason to believe, that a personal gift has been given or received by a Representative, that Representative or vendor must notify his supervisor or the Compliance Officer immediately.

Representatives may give or accept personal gifts that are of nominal value (i.e. a market value of less than \$50) provided that they do not fall into the categories listed below:

1. Personal gifts that are intended to or appear to indicate an intent to influence the normal business relationship between GICNR and any supplier, subcontractor, customer, competitor or other business associate, regardless of the market value of the gift.
2. Personal gifts with a market value equal to or greater than \$50, whether *OR* not it is intended to constitute a bribe or kickback.
3. Personal gifts involving any government official. Federal and state laws restrict the ability of organizations to give personal gifts to government officials, including politicians. These laws specifically prohibit giving personal gifts to government

STANDARDS OF CONDUCT (continued)

officials In connection with a business transaction. The giving of personal gifts are not permitted even if done without the intent to influence government action.

While Representatives are forbidden from using GICNR funds to make political contributions, this policy does not prohibit representatives from contributing their personal funds to any candidate or to any legally constituted political action committee, as permitted by law.

- k. Environmental Safety- Representatives who deal, directly or indirectly with hazardous materials and infectious wastes must comply with all applicable federal, state and local environmental laws and regulations as well as GICNR's Policies and Procedures. Representatives are required to:
- Comply with all laws and regulations governing the handling, storage and use of hazardous materials, other pollutant and infectious wastes.
 - Comply with GICNR's permits that allow it to safely transfer its pollutants to pollution control facilities, or onto or into land.
 - Hire only reputable licensed service companies to transport and dispose of hazardous and polluted materials and infectious wastes; and accurately maintain the records required by the environmental laws and regulations, including those that require precise description of the amount, concentration and make-up of hazardous materials or other regulated pollutants and infectious wastes that are used, stored, discharged or generated; and the time, place of origin, destination and transporter of hazardous materials, and discharge of pollutants. These records must be handled pursuant to GICNR policy.
 - Before proceeding to act on any instruction of questionable propriety, or to take any environmental-related action about which they are unsure, Representatives must consult GICNR's policy manuals that cover environmental safety issues, and as necessary, discuss their questions with their supervisor or the Compliance Officer. Staff handling hazardous materials, directly or indirectly, must inform their supervisor or the Compliance Officer of any known or suspected incidents involving any improper discharge or disposal of hazardous materials, pollutants or infectious waste,
- l. Health and Safety - Health and safety laws and Policies and Procedures governing the work environment are designed to protect the well-being of all persons at risk in the work environment; Representatives, visitors, and, of course, residents. Accordingly, Representatives are required to:
- Follow all federal, state and local laws governing health and safety.
 - Familiarize themselves with the laws and Policies and Procedures that apply to them in the normal course of performing their assigned duties.
 - Inform their Supervisor and/ or the Compliance Officer concerning any known or suspected violations of law or Internal Policies and Procedures Involving the health and safety of Representatives or others, within the GICNR work environment.
 - Follow instructions given by an authorized Representative during an emergency or drill involving health and safety.

STANDARDS OF CONDUCT (continued)

- m. Pharmaceuticals; Prescriptions and Controlled Substances- Representatives that have responsibility for or access to the products above must:
- Distribute, store and handle these products consistent with applicable federal, state and local laws and Internal Policies and Procedures at all times when performing their duties.
 - Ensure that adulterated, misbranded, mislabeled, expired or diverted products are **not** distributed in violation of federal, state and local laws for which severe CMI and/or criminal penalties may be imposed on individual violators as well as GICNR.
 - Limit all access to these products at all times, only to authorized and properly licensed Representatives,
 - Inform the Supervisor and/or Compliance Officer concerning any known or suspected violations of law or Internal Policies and Procedures involving these products within the work environment.
 - Familiarize themselves with the laws and Policies and Procedures that apply to these products sufficient enough to effectively perform their assigned duties.
 - Ensure that these products are utilized only for resident care and only under the direction of a licensed physician.
 - Inform the Supervisor and/or Compliance Officer of any known or suspected Incidents involving any improper access, usage or distribution of these products.
- n. Medical Records Information - Disclosure of medical record information is governed by statutory and regulatory laws and by Internal Policies and Procedures. Accordingly, all Representatives are required to:
- Abide by said statutes and policies.
 - Keep confidential medical record information that becomes known to them in the course of performing their assigned duties. Abide by state and federal confidentiality requirements as related to psychiatric, substance abuse and HIV conditions.
 - Obtain proper management authorization in accordance with applicable statutory and regulatory rules and Internal Policies and Procedures, governing disclosure of proprietary information before disclosing such information to unauthorized fellow Representatives or to persons or entities outside of GICNR.
 - Sign a confidentiality statement as a condition of employment or affiliation with GICNR. Refusing to sign such a statement will constitute grounds for immediate dismissal or grounds for not hiring an individual.
 - Inform the supervisor and/or Compliance Officer concerning any known or suspected violations of law or Internal Policies and Procedures involving disclosure of medical information in violation of this Code.
- o. Confidential Proprietary Information - Confidential information is information that GICNR owns, develops, pays to develop, possesses, or to which it has an exclusive right that has not been made available by authorized Representatives of GICNR to the general public. This may include, but is not limited to:
- Medical and personal information on residents, Representatives or others.
 - Information that GICNR is required by law, agreement, regulation or policy to maintain as confidential.
 - All financial information concerning GICNR and its residents

STANDARDS OF CONDUCT *(continued)*

- Representative personnel and payroll records
- Information that could help others commit fraud or sabotage, or misuse GICNR's services, or damage GICNR's business.
- Information not generally known to the public upon which the good will, welfare and competitive ability of GICNR depends, information regarding product plans and design, marketing plans, computer hardware, software, computer systems and programs, processing techniques and generated outputs.
- Information concerning GICNR's business plans
- Files, manuals, reports, notes, lists and other records or data of GICNR, in **any** form.

Representatives with such information are required to:

- Abide by statutory and regulatory laws and by internal Policies and Procedures governing the disclosure of confidential proprietary information.
- Keep confidential all GICNR proprietary information that becomes known to them in the course of performing the assigned duties both during and after the Representative's association with GICNR, except as required by appropriate court order, following prior notice to GICNR.
- Obtain proper management authorization in accordance with applicable statutory and regulatory rules and internal Policies and Procedures governing disclosure of proprietary Information before disclosing such information to unauthorized fellow Representatives or to persons or entities outside of GICNR.
- Sign a confidentiality statement as a condition of employment or affiliation with GICNR. Refusing to sign such a statement will constitute grounds for immediate dismissal or grounds for not hiring or accepting a position with GICNR.
- Inform the supervisor and/or Compliance Officer concerning any known or suspected violations of law or internal Policies and Procedures involving disclosure of proprietary Information in violation of the Code.
- Not use or share confidential proprietary information learned from a previous employer with other Representatives of GICNR or for the benefit of GICNR.

- p. **Software Licensing** - Most computer software is protected by copyright laws and contractual restrictions that safeguard the software manufacturer's investment in creating the software. Accordingly, when GICNR or a Representative purchases a copy of a computer software package, the copyright owner, and not the purchaser of the software, retains the right to control the number of copies made of the software. The purchaser's limited rights to use the software are set out in a license agreement that it comes with the software. In addition, Representatives should only use software that has been installed by GICNR's authorized information technology staff, refrain from adding, upgrading or modifying software, from changing or deleting any trademark or copyright notices on any software and from copying software manuals.

STANDARDS OF CONDUCT (continued)

Improper copying or use of computer software can subject both GICNR and its Representative to civil and criminal penalties may cause substantial disruption and embarrassment. Unauthorized software use can also expose computer hardware and software to harmful computer viruses.

- q. **Procurement and Service Contracts** - Contracts to procure goods and services represent agreements that may be legally binding under statutory and common laws. Representatives who are responsible for structuring these agreements must carefully review them to ensure that all terms of the agreement are in writing. Unwritten 'understandings' and side deals may lead to Kickback problems.
- r. **Books and Reports** - Consistent with Federal, state - and local laws and regulations, generally accepted accounting principles, as well as good business practice; GICNR requires that its books and records, including the amounts recorded and the nature of the transactions represented, are accurately and fairly stated. In all GICNR operations, it is against internal standards, and is illegal, for any Representative to falsify internal or external documents, or in any other way to intentionally create books and records that are inaccurate or misleading. False entries must not be made intentionally in any internal or external memoranda, correspondence or other communications, including telephone or wire communications. All funds and assets must be completely recorded and classified in appropriate books and reports.
- s. **Record Retention and Destruction** - Representatives must fully comply with GICNR's record retention and destruction policies and with applicable federal, state and local laws. Accordingly, GICNR has established controls to assure retention for required periods and, at the end of that period, timely destruction of retrievable records.

Every document must be retained for the minimum period required under law or GICNR policy. Failure to retain, such documents for the minimum period could subject GICNR to legal liability, or put GICNR at a serious disadvantage in litigation. Representatives must comply fully with the record retention and destruction schedules for the department in which they work. Representatives must consult their supervisor if they believe that documents must be saved beyond the applicable retention period. Representatives who are instructed to retain documents after the usual retention period must do so.

- t. **Equal Employment Opportunity** ... Representatives are required by federal law and GICNR Policies and Procedures to refrain from discriminating against other Representatives or prospective Representatives in all employment matters such as recruitment, hiring, training, compensation and termination because of the individual's race, sex, religion, color, age, national origin, marital status, sexual orientation or disability. All Representatives are expected to act in a manner consistent with federal law and GICNR Policies and Procedures concerning equal employment opportunity and to refrain from expressing views not supportive of these laws and policies when acting as Representatives of GICNR. Representatives should refer to the Human Resources Manual for additional information on equal employment.

STANDARDS OF CONDUCT *(continued)*

- u. **Immigration** - Federal law prohibits representatives who are not legally authorized to work in the United States from doing so. Representatives found not to be compliant with the aforementioned law may subject GICNR to civil or criminal penalties. GICNR requires all prospective Representatives to present appropriate documentation to verify that they are legally authorized to work in the United States. Questions on immigration issues must be referred to Human Resources and/or the Administrator.
- v. **Resident's Rights** - State and federal regulations require nursing homes to have written Policies and Procedures covering the rights of residents. Consistent with these regulations and the internal Policies and Procedures of GICNR, the facility requires its Representatives to treat all residents in accordance with the 'Resident's Bill of Rights', which is reviewed, at least annually, with all representatives.
- w. **Labor and Employee Relations** - GICNR complies fully with all applicable wage and hour laws and other statute -s regulating the employer-employee relationship and the workplace environment. No GICNR employee may interfere or retaliate against another employee who seeks to invoke his rights under those laws.

GICNR has entered into a collective bargaining agreement with the local union that represents some of GICNR's Representatives. Accordingly, GICNR requires an Included Representative to abide by the same terms and conditions of that agreement in conducting GICNR's business.

- x. **Substance Abuse, Alcohol and Smoking**- Federal, state and local laws make it unlawful to use, sell, purchase, transfer, or possess any illegal drugs as well as other-controlled substances. Consistent with these laws, GICNR's Policies and Procedures forbid the same by its Representatives, Vendors and anyone else while on GICNR property or while representing GICNR in any location. In addition, GICNR's internal policies forbid the use of alcohol by Representatives while on GICNR premises. Smoking is prohibited by Representatives inside the facility, just permissible at pre-approved outside locations on the property, during scheduled meal or break periods only.
- y. **Government Investigations** - Representatives are required to reasonably cooperate fully and appropriately with a government investigation. GICNR has the right to be represented in such investigations by its own legal counsel. Many of the laws regulating the conduct of GICNR's business contain criminal as well as civil penalties. The criminal penalties apply not only to GICNR, but also to those individuals within GICNR who took or failed to take actions that resulted in a violation of the law. If a Representative learns that a government investigation or inquiry is underway, this information should be communicated to the Administrator and/or Operator(s), so that appropriate action may be taken. "The facility's legal Counsel should be contacted immediately- before any action is taken or promised" If a representative receives work-related subpoena or written government request for information,

During a government investigation, a Representative must **NEVER**:

- Destroy GICNR documents in anticipation of a request for those documents from a

STANDARDS OF CONDUCT (continued)

- government agency or court;
- Alter GICNR documents or records
Lie or make misleading statements to governmental Investigators during any investigation; Federal statutes make **it** illegal to make false statements to investigators under any circumstances
- Pressure anyone to hide information from government investigators, or to provide false *or* misleading information; or alter or destroy GICNR documents
- Intimidate or Retaliate in any manner against any Representative for cooperating in an investigation.

The following protocol must be followed concerning requests for information from any government agency:

- Obtain the name and GICNR affiliation of all persons requesting access to information before said access is allowed;
- Maintain a written record of **every** document to which access is given;
- Keep a detailed record of all telephone contacts made, including specifically the name and affiliation of the parties to each conversation, the information requested and the response given during the conversation; and
- Do not provide information to any government agency unless reviewed by the Administrator and until its Representatives have presented proper identification.

In some governmental investigations, GICNR's legal counsel can protect the interests of both GICNR and its Representatives. In some cases, however, there may be a potential conflict of interest between GICNR and the individual Representatives, and the individual Representatives may need their own legal counsel. Representatives may consult with GICNR's Counsel or their own private counsel for legal guidance in these cases. GICNR and its Representatives have the right to be represented by legal counsel at all times, whether or not questions are asked during business hours, and even if they are asked off GICNR property, such as at a Representative's home. A Representative may also ask for time to consult with legal counsel before answering questions from federal or state investigators.

VII. COMPLIANCE TRAINING

GICNR has established an education program designed to assist Representatives to comply with the Code of Conduct and all applicable statutes and regulations. The program provides Representatives at all levels with initial training and continual retraining. The training is mandatory for all Representatives. In addition to such training, the Compliance Officer will disseminate information by routing to Representatives publications that describe current requirements and posting information in areas that affected Representatives are likely to see such information.

VIII. EVALUATION OF CONFLICTS OF INTEREST

All responses to the annual Conflict of Interest Disclosure Form which is required to be submitted by all Representatives at the managerial level, consultants and directors, and all other reports of actual or potential conflicts of interest, will be reviewed and evaluated initially by the

EVALUATION OF CONFLICTS OF INTEREST (*continued*)

Compliance Officer, with the advice of the Compliance Committee, *or* Administrator or Operator(s), or legal counsel, as appropriate.

The Compliance Office will present to the Administrator, and then the Operator(s), a proposed recommendation for action With respect to all conflicts and potential conflicts Identified in accordance with the Code of Conduct. Such recommendations may include the following:

- That no action be taken.
- That the individual Identified not be Involved in decision making situations relative to those companies and individual(s) listed by the Representative.
- That the individual be requested to resolve the conflict or the alleged conflict and for recommendation of action warranted, if any.

All Representatives shall have an obligation to answer inquiries in this regard. Such investigations will be confidential and no action will be taken against a Representative based upon his participation in such an Investigation, in the absence of willful misrepresentation.

IX. ACKNOWLEDGEMENT AND CERTIFICATION OF COMPLIANCE

- a. Managerial Employees, Physicians and Consultants -At least annually, GICNR requires that all Representatives who are employees at the managerial level, including Administrators, Directors, Department Heads, and all supervisors and all physicians affiliated with the facility, sign an acknowledgement confirming that they have received, read and understand the Compliance Manual which Includes the Code of Conduct and that they will comply with the Code of Conduct. Such Representatives must also acknowledge that the Code of Conduct has been or will be made available to all employees and consultants under their supervision. All new managerial employees will be required to sign and acknowledgement said form as a condition of employment.
- b. Non-Managerial Employees - GICNR requires that all non-managerial employees attend an in-service training on Corporate Compliance and the GICNR Code of Conduct, at least annually. A post-training competency will be given to verify that each Representative has understood the Information presented to him/ her, including that he/she has the right to review the Compliance Manual. All new employees will participate in this training and Complete the competency **as a** condition of their employment.

X. AUDITING AND MONITORING FOR COMPLIANCE

In order to ensure the effectiveness other Compliance Program, GICNH engages in regular monitoring of the Compliance Program. The process will encompass *review* of such matters as the effectiveness of Communication of the Compliance Program to affected individuals and programs, adherence- to established training standards, consistent application of disciplinary guidelines, and promptness of follow-through on reported potential and actual violations; Monitoring and internal audit procedures will be conducted under the supervision of the Compliance Officer and the Compliance Committee.

SUPPLEMENTAL INFORMATION REGARDING
HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996

Glen Island Center for Nursing and Rehabilitation follows all of the regulations related to HIPAA Compliance Standards in accordance with federal guidelines.

Within the Corporate Compliance Manual and Program, this is covered under the topic 'Standards of Conduct/Information'.

Additional Information is contained herein. All questions can be referred to the Administrator or the Corporate Compliance Officer.

GLEN ISLAND CENTER FOR NURSING AND REHABILITATION
CONFLICT OF INTEREST Policy

OBJECTIVES:

The objective of this Policy Is to ensure that the Administration and Staff of Glen Island Center ~~for~~ Nursing and Rehabilitation (hereafter *referred* to as 'GICNR') are able to govern and serve the best interests of GICNR by exercising their best care, skilled and honest Judgment on it's behalf and are not prevented from doing so solely because of a possible conflict of interest on their part. Additionally, the ~~objective~~ of this policy is to ensure that actual and potential conflicts of Interests that may exist between GICNR, its Administration and Staff are fully disclosed, examined a and resolved.

The objectives are to be promoted by:

1. *Full Disclosure* by all Representatives (operators, employees, consultants and Vendors, hereafter referred to as 'Representatives') of all personal and outside Interests that may affect or be affected by GICNR's operations or by decisions that a Representative makes on GICNR's behalf.
2. *Establishment of guidelines and procedures* for determining when a conflict of Interest exists and of principles and procedures for addressing them.

Each actual or potential conflict *of* interest that is disclosed must be carefully examined and appropriate measures must be put Into place to maintain the balance between ensuring fair and honest deliberations and encouraging participation of qualified Representatives In the operations of GICNR.

POLICY:

1. **Avoiding Conflicts of Interest.** It is the responsibility and duty of each Representative to avoid any perceived or actual conflict of Interest In dealing with suppliers, customers and all other entities on behalf of GICNR. No Representative may use his/tier position with GICNR, or any information, confidentially or proprietary to GICNR, to their personal advantage or in a manner that creates a conflict of Interest or the appearance of a conflict of Interest.
2. **Conflict of Interest Disclosures.**
 - *Duty to Disclose.* Each Representative must disclose the existence and nature of any personal and outside interest that may affect or be affected by GICNR its operations or by a decision that a Representative makes on GICNR's behalf, **KEY Representatives as** defined below that have one or more of the following responsibilities to GICNR must complete and return the Conflict of interest Disclosure Form to the Compliance Officer:
 - 1, All Representatives with Supervisory and/or decision making authority.
 - 2, Representatives with oversight responsibilities (such as Operators, Administrator, Finance Director)
 3. Representatives with procurement and purchasing responsibilities.
 4. Representatives with responsibility for establishing agreements that can contractually bind GICNR, Including resident admissions,

**GLEN ISLAND CENTER FOR NURSING AND REHABILITATION
CONFLICT OF INTEREST POLICY** *(continued)*

5. Representatives who are clinicians that make decisions about patient care.
 6. Representatives with responsibility for setting and enforcing Policies and Procedures.
- *Initial Disclosure.* Within 30 days after adopting this policy, each Representative as defined above (1-6) must complete and return to the Compliance Officer for review, the Conflict of Interest Disclosure Form, indicating:
 1. Any possible conflict of interest involving a financial interest, a position as an officer, board membership, other organizational membership, employment with an outside organization, ownership interest in an outside organization or joint venture arrangement with which GICNR compete or does business or could reasonably be expected to compete or do business with.
 2. Any other possible conflict of interest which may have material impact on GICNR's plans and operations or result in personal benefit to a Representative.
 - *Disclosure Before Appointment or Employment.* Prior to the appointment or employment of a new Representative, the new Representative must disclose any conflicts of interest as noted above.
 - *Annual Disclosure.* Within three months following the close of each fiscal year, every Representative, as noted above, must disclose any conflict of interest.
 - *Continuing Duty.* When any personal or outside interest on the part of any Representative that is suspected to be a conflict of interest develops after completion of the Annual Conflict of Interest Disclosure Form, but prior to the next, Representatives must contact the Compliance Officer or the Administrator and complete and Interim Conflict of Interest Disclosure Form indicating the suspected conflict.

3. Conflict of Interest Determination

- a. *Definitions of Conflict of Interest-* A Conflict of Interest is any personal or outside interest of a Representative that conflicts with, or that may in the foreseeable future conflict with, in-fact or appearance, the operations of GICNR, in that the promotion of such interest may be inconsistent with the promotion of the best interest of GICNR. The following list includes examples of activities that are likely to constitute a conflict of interest for the Representative. This list is by no means all inclusive.
 - A Representative who has a direct or indirect interest in any competitor or supplier, or a Representative who accepts directly or indirectly from any competitor or supplier any (a) salary, fee, commission or any other compensation, (b) loans or other credit facilities, or (c) gifts or favors.

**GLEN ISLAND CENTER FOR NURSING AND REHABILITATION
CONFLICT OF INTEREST POLICY** *(continued)*

- A Representative who uses GICNR's monies, materials, information or other tangible or intangible assets, including its reputation, to advance his/her personal outside business, or other outside interests.
 - b. *Family or Household Members* - Any Business relationship between GICNR and a family or household member of any Representative, or any financial Interest held by such family or household member must be deemed a business relationship or financial Interest belonging to that Representative for purposes of this policy. For the purposes of this policy, the following persons are considered family or household members:
 - Spouse, domestic partner or significant other
 - Natural or adoptive child
 - Children and siblings
 - Step-parents, step-children and step-siblings
 - Father-in-law, mother-in-law, brother-in-law, sister-in-law
 - Grandparents and grandchildren
 - c. *Process for Determining Conflict of Interests* - The Compliance Officer, under the general direction of the Administrator, is responsible for the Implementation of the Conflict of Interest Policy. The Compliance Officer must ensure that all Key Representatives receive a copy of this Policy and complete the disclosure requirements. Additionally, the Compliance Officer must ensure that all conflicts of interests or possible conflicts of interests disclosed through this process are brought to the attention of the Administrator promptly. As part of the process of determining the existence of a conflict of interest, the Compliance Officer may review any actual or potential conflict of Interests involving a Representative with the Administrator as necessary.
- If a conflict of interest still appears to exist following a review by the Compliance Officer and the Administrator, then the matter will be forwarded to the facility's General Counsel for guidance in making a final decision.
- d. *When There is a Conflict of Interest* The Compliance Officer and the Administrator must review all available evidence brought to their attention sufficient to determine if Representative or prospective Representative has a conflict of Interest sufficient in number or importance to have or create an appearance of having a material effect on the operation or reputation of GICNR. If, after hearing the response of the Representative and making such further investigation, as may be warranted in the circumstances, the Compliance Officer and the Administrator determine that the Representative has in fact failed to disclose personal or outside interest that could constitute a conflict of Interest, they must take appropriate disciplinary and corrective action.
 - e. *When a Conflict of Interest Is Determined NOT to Exist* - Representatives who do not receive or who are not contacted by the Compliance Officer covering a conflict of interest do not have a conflict of interest. Accordingly, an affirmative response will not be sent to

Representatives by the Compliance Officer to confirm that a conflict of interest does not exist for Key Representatives who completed a Conflict of Interest Disclosure Form.

**GLEN ISLAND CENTER FOR NURSING AND REHABILITATION
CONFLICT OF INTEREST POLICY** *(continued)*

- f. ***Failure to Disclose*** - If the Compliance Committee has reasonable cause to believe that a Representative has failed to disclose a personal or outside Interest that could constitute a conflict of interest, It must Inform the Representative of the basis for that belief and given the Representative an opportunity to explain the alleged failure to disclose.
- g. ***Conflicting Duties*** - In certain circumstances, a Representative disclosing an actual or potential conflict of Interest may be faced with conflicting duties such that the Representative's disclosure of the actual or potential conflict of Interest would breach the Representative's duty of confidentiality to another organization. In such cases, the Representative must state that an actual or potential conflict of interest exists and that his /her duty to another organization precludes full disclosure of the nature or extent of the Interest. The Representative must leave the meeting, or at least abstain from the discussion and vote. The Disclosure must be recorded in the minutes of the meeting.