



Approved by: Allen Connely Date: \_\_\_\_\_

## Challenge Corporate Compliance Plan

### Introduction

Challenge is dedicated to conducting all business in compliance with the laws of local, state, and federal jurisdictions. Challenge manages and operates its service programs and business operations at the highest level of business, ethical and moral principles. Each employee, board member, contractor, and affiliate contribute to achieving these principles by conducting business activities with integrity and high ethical standards. Supervisors and Managers also contribute to achieving these principles through supervisory and management practices, by exercising superior leadership and being role models in creating and promoting a workplace environment in which compliance and ethical business conduct are adhered to.

### Challenge Mission:

*Challenge is a not-for-profit organization that is committed to creating pathways to employment for people with disabilities and other barriers.*

### Challenge Vision:

*At Challenge, we envision a community where people with disabilities and other barriers are a valued and integral part of our workforce.*

### Services:

<i>Job Placement</i>	<i>Job Development</i>
<i>Job Coaching</i>	<i>Pre-Employment Training</i>
<i>Benefits/Work Incentives Planning</i>	<i>Travel Training</i>
<i>Job Development/Training through DSS services</i>	

Challenge also operates small businesses and contracts with local employers that provide employment and/or training opportunities to workers with disabilities, individuals transitioning from public assistance to work, and others with barriers to employment.

### Compliance Program Elements:

The Challenge Corporate Compliance Plan consists of eight key elements as well as a wide array of policies and procedures that address critical risk areas to guide Challenge in operation under ethical and legal standards. These key areas are:

1. Leadership and Structure
2. Written Standards
3. Education and Training



4. Supporting Communication and Participation in the Corporate Compliance Plan
5. Screening, Auditing, and Monitoring
6. Enforcing Standards through Progressive Guidance
7. Responding to Detected Problems
8. Evaluation, Monitoring, and Updating the Corporate Compliance Plan

Each of these key elements is described below.

## **1. Leadership and Structure**

Effective March of 2021, Challenge became an affiliate of Mozaic, a large not-for-profit committed to providing quality services to people in the Finger Lakes region of New York. This affiliation restructured the leadership of Challenge and leadership is now comprised of both Challenge and Mozaic employees.

Challenge is committed to the operation of an effective compliance program. As the result, the Administrator of Quality Improvement from Mozaic serves as the Challenge Compliance Officer and is charged with the responsibility of developing, operating, and monitoring the compliance program. The Compliance Officer investigates compliance concerns and reports compliance concerns directly to the CEO/President and the Challenge Board of Directors. The Compliance Officer effectuates change within the agency and exercises independent judgment. The Compliance Officer reports to the Senior Vice President of Administration.

The Quality Assurance Associate assists the Compliance Officer with carrying out the roles and responsibilities of the compliance program. These responsibilities include assisting in the development and review of policies, keeping abreast of state and federal regulations and statutes, providing training to staff, developing and implementing internal monitoring processes, and serving as a point of contact for reporting allegations of violations in the absence of the Compliance Officer. The Quality Assurance Associate reports to the Mozaic Administrator of Quality Improvement/Compliance Officer.

The Human Resources Manager is responsible for managing personnel matters in conjunction with Senior Management. In instances where the corporate compliance issue involves a personnel matter, the Manager of Human Resources, in consultation with the Compliance Officer and/or the Senior Vice President of Administration, will be responsible for investigating and carrying out appropriate disciplinary action for violations of Challenge policies and procedures.

Reports from the Compliance Officer are presented to and discussed with the Board of Directors on a semi-annual basis. This ensures that the Board is included as an integral part of the Corporate Compliance Plan and will exercise oversight concerning the implementation and effectiveness of the Corporate Compliance Plan.



## 2. Written Standards

Challenge has developed written compliance policies, procedures, and practices that guide the agency and the conduct of employees, contractors, board members, and other affiliates. Challenge's compliance philosophy is expressed within this Corporate Compliance Plan and related documents, including Challenge's Code of Conduct and policies and procedures related to service provision, business operations, human resources, and fiscal management. Understanding and following these standards reduces the prospect of unethical, illegal, and criminal conduct.

The *Statement of Ethical Conduct* guides us to ensure our work is done ethically and legally. This document establishes the shared common values, culture, and guidance for our day-to-day actions. Challenge provides each staff member and board member a copy of this document and is part of required annual training for staff. All employees and affiliates that have significant unsupervised contact with service participants are provided orientation by Human Resources on specific policies that provide further clarification on expectations for professional and ethical conduct. All employees are required to sign an acknowledgment that they understand and will adhere to these policy guidelines. In addition, board members and all staff are required to complete a Conflict of Interest/Related Party Questionnaire on an annual basis.

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### Statement of Ethical Conduct

**Ethical Attitude:** We are committed to the highest ethical standards. We exhibit those standards to our customers, the agencies which fund us, and the people we serve.

**Conflicts of Interest:** We avoid pursuing personal gain in conflict with the interests of Challenge or the people we serve.

**Abuse of Position and Harassment:** We maintain an environment that fosters respect for the dignity of all people. We do not tolerate using a position of authority to influence others to perform inappropriate acts.

**Laws, Regulations, and Policies:** We comply with all laws, rules, and regulations that apply to us. We comply with all Challenge policies and procedures.

**Use of Resources:** We use all property and other resources of Challenge for their intended purpose, for the good of the agency and the people we serve. We do not tolerate theft or the misuse of property for personal purposes.



**Protection of Confidential Information:** We respect all confidential information to which we are exposed and use it only for the purpose for which it is intended. We protect Challenge’s proprietary information and access to Challenge facilities and computer systems. We protect the personal health information of the people we serve.

**Reporting Violations:** We report violations of the law, regulation, and Challenge policy or procedure to the appropriate party. We do not tolerate any retaliation against any staff member who reports a violation.

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**Related Policies and Procedures:** Challenge has policies and procedures to address a variety of potential risk areas, including the risk of liability under several fraud and abuse statutes and regulations. The policies and procedures are part of a comprehensive framework of compliance controls that exist through Challenge. In particular, Challenge has policies and procedures to reduce and eliminate the potential risks involved in Medicaid compliance, as identified by the New York State Office of Medicaid Inspector General (OMIG) and the Office of People with Development Disabilities (OPWDD).

These policies and procedures are found in the *Staff Handbook* on [www.insidechallenge.org](http://www.insidechallenge.org).

Challenge reviews, revises, and develops new policies and procedures, as necessary, to ensure that all Challenge operations are conducted with “best practices”. These policies and procedures cover billings and payments, quality of care, governance, mandatory reporting, background screenings of employees, and other risk areas associated with personnel practices, environmental health and safety, and business and fiscal operations. These policies and procedures are found in the *Agency Manual*.

### 3. Education and Training

Compliance training is a critical element of Challenge’s Corporate Compliance Program. All employees and applicable affiliates take part in mandatory training on Challenge policies and procedures as part of initial orientation and ongoing staff development. This training provides individuals with the knowledge and guidance to conduct business in an ethical, legal manner and conforms with Challenge’s mission, vision, standard of conduct, and Corporate Compliance Plan.

During orientation, employees and applicable affiliates are provided an overview of key policies contained in the *Staff Handbook*. All employees are required to sign an attestation of receiving the overview of these policies. Challenge’s Compliance Plan and all associated policies are available on the [www.insidechallenge.org](http://www.insidechallenge.org) website. Additional training is provided through the employee’s supervisor and department, specific to the roles and responsibilities of the position.



New board members also receive an orientation package and review of key agency policies tailored to their roles and responsibilities.

Separate from the orientation by Human Resources and supervisor/department training, all new employees, board members, and applicable affiliates take part in training on the Corporate Compliance Plan.

Challenge requires that all employees, board members, and applicable affiliates sign an acknowledgment confirming that they have been provided with a copy of the Corporate Compliance Plan or have been told how to access it on [www.insidechallenge.org](http://www.insidechallenge.org), that they understand that they are required to adhere to the plan and all associated policies and procedures, and must attend annual training as a condition of their employment/involvement with Challenge.

Challenge regularly reviews and updates its training program and identifies additional areas of training on an “as needed” basis to inform employees about changing regulations or to address specific situations that have been taking place. Periodic training and information sharing are offered through department meetings, in-service training, e-mail, and notices. Annual review training on Challenge’s Corporate Compliance Plan is provided to ensure that everyone maintains a solid, working knowledge of their responsibilities under the plan. All employees are required to submit an updated Corporate Compliance acknowledgment form upon completion of annual training.

Challenge leadership regularly attends regional and state forums hosted by funding agencies to stay abreast of new laws, regulations, and activities related to corporate compliance. Challenge’s Finance & Audit Committee members and other board members are additional sources of information and guidance in analyzing and responding to changing compliance requirements and responsibilities.

#### **4. Supporting Communication and Participation in Compliance**

The effectiveness of Challenge’s Corporate Compliance Plan depends on the willingness and commitment of all employees, board members, and affiliates at all levels of the agency to step forward, in good faith, with questions and concerns. Challenge is committed to fostering dialogue between senior management and employees. Our goal is that all employees, whether seeking answers to questions or reporting instances of suspected fraud and abuse, will know whom to turn to for a meaningful response and should be able to do so without fear of retribution.

**Reporting Allegations of Fraud, Abuse, or other Non-Compliance Situations:** All Challenge employees have the responsibility to report any activity by any Challenge employee, board member, or affiliate that appears to violate applicable laws, rules, regulations, standards of



ethical practice, or the Corporate Compliance Plan. This includes, but is not limited to, reporting incidents and suspicions of abuse involving persons receiving Challenge services, discrimination or creation of a hostile work environment, lack of compliance with the Department of Labor, OSHA, other health and safety issues, suspected Medicaid, or other fraud or abuse. These reports may be made in person, in writing, or over the phone. These reports can be made anonymously.

Any person with any concerns is strongly encouraged to bring those concerns to the attention of the Compliance Officer (or their designee) immediately upon learning of the potential problem. Concerns can also be raised with any member of senior management. If the suspected violation is organization-wide or by a member of senior management, the report is to be brought to the Chair of the Board of Directors. Reports of suspected fraud or other compliance problems can also be made anonymously to the Compliance Officer or the President/CEO.

A person reporting does not need to be certain that a violation has occurred before reporting. Reasonable belief that a violation has occurred is sufficient to begin an investigation into the potential problem.

Challenge is committed to making every effort to maintain, within the limits of the law, that the identity of any individual who reports a concern in good faith will be kept confidential.

#### **Contact Information for Reporting:**

Corporate Compliance Officer  
1083 Waterloo-Geneva Rd.  
Waterloo, NY 13165  
315-856-8164

President/CEO  
1083 Waterloo-Geneva Rd.  
Waterloo, NY 13165  
315-539-5067

**Whistle Blower Protection:** It is unlawful for any person to retaliate against someone who has reported any wrongdoing. Challenge shall not retaliate in any way, nor tolerate personal retaliation by any of its employees, board members, or affiliates. It is Challenge policy to protect all persons from any kind of interference with a report of wrongdoing to the appropriate person. Supervisors may not prevent reporting of wrongdoing nor influence an attempt to report by threat or harassment. Anyone who is subjected to retaliation for reporting, or interference with an attempt to report it, should make a complaint to the Human Resources Manager or the Compliance Officer. For more information, refer to the Challenge Whistleblower Protection Policy.



## 5. Personnel Screening and Internal Auditing

**Personnel Screening:** All Challenge employees and appropriate affiliates that have unsupervised contact with Challenge service recipients must undergo a Criminal Background Check (CBC). Arrest and/or conviction of a criminal offense may result in termination if the offense is determined by state funding agencies to constitute a threat to the safety and well-being of persons served by Challenge.

All Challenge board members, employees, and affiliates who are involved with the provision, management, or administration of Medicaid-funded services are screened to ensure that they have not been excluded by the Federal or State government from participating in either the Medicare or Medicaid programs. Employees are screened at initial hire and then again, every month using the Office of Medicaid General Medicaid Exclusion List. This list can be accessed at [www.omig.ny.gov](http://www.omig.ny.gov). Providing false information about the history of Medicare or Medicaid fraud/abuse or omitting such information will constitute grounds for termination of the hiring process or grounds for dismissal if employed. The list of screened persons is kept updated on an ongoing basis by the Quality Assurance staff.

**Internal Auditing:** Challenge has a comprehensive set of internal auditing of documentation, billing, and other areas that have regulatory or compliance implementations. These auditing procedures ensure that the billing of third-party payers will not occur until specific expectations have been met. Employees in key positions across the agency are responsible for implementing self-monitoring processes conducted within programs and business operations, along with a centralized internal auditing schedule conducted by Quality Assurance staff.

Internal auditing procedures for OPWDD HCBS Waiver Services and State-funded mirrored services are detailed in the Challenge *OPWDD HCBS Waiver Services Guidelines*. Regular file reviews are conducted on all program services. Results are noted in the yearly audit spreadsheet with follow-up reviews as needed. This data is kept and maintained by the Quality Assurance staff.



## 6. Enforcing Standards through Coaching and Guidance

Each employee, board member, and affiliate have the responsibility to report suspected Medicaid fraud, other fraud, or any activity that appears to violate applicable laws, rules, regulations, or the Corporate Compliance Plan. Failure to report suspected problems, assisting or participating in fraud or other non-compliance behavior, and/or encouraging, directing, permitting, or facilitating such activities (whether actively or passively) will result in action up to and including termination. Although each situation is considered on a case-by-case basis, Challenge undertakes significant efforts to ensure consistent and appropriate guidance or disciplinary action is taken in response to violations. Challenge may impose progressive guidance, as outlined in the *Staff Handbook*. However, Challenge reserves the right to determine, in its sole discretion and judgment, the nature and level of guidance or discipline, depending upon the circumstances. This policy is not a guarantee of progressive guidance, and Challenge reserves the right to terminate an employee at any time, for any lawful reason, with or without notice.

In addition to the general rules and regulations established by Challenge in the *Staff Handbook*, the following “zero tolerance” applies concerning the Corporate Compliance Plan. This policy amends the general rules and regulations contained within the *Staff Handbook*.

1. Documenting for a service not rendered is fraud and will result in an immediate administrative response.
2. Falsifying, altering, or destroying agency records, without authorization, will result in an immediate administrative response.
3. Omitting required documentation from the participant’s file, and failing to complete service documentation or other agency paperwork will result in an immediate administrative response.
4. Refusing to participate in an investigation and/or turn over relevant evidence will result in an immediate administrative response.
5. It is the manager’s responsibility to ensure that employees are completing paperwork in accordance with agency policies. Excessive errors or omissions in paperwork by supervised employees may subject the manager to an appropriate administrative response.
6. The misapplication of agency funds or other resources will result in an immediate administrative response.

Any employee who intentionally makes a false accusation intended to cause personal harm or to denigrate Challenge’s reputation will be subject to appropriate disciplinary action. The Human Resources Manager in conjunction with senior management will determine the disciplinary





action to be taken. Any employee who retaliates or interferes with reporting an allegation of wrongdoing will be subject to disciplinary action. It is Challenge's policy to refer any criminal act of retaliation or interference to law enforcement. For more information, refer to Challenge's *Whistle Blower Protection Policy*.

## 7. Response to Detected Problems

**Investigations:** The Corporate Compliance Officer (or Designee) takes a lead role in coordinating the investigation. A timely and thorough investigation is conducted following the established protocol utilized by the Corporate Compliance Officer and Human Resources in investigating and documenting disciplinary and other personnel matters. Challenge completes a thorough, fair, and impartial investigation of reported and perceived errors, abuses, and violations. The Corporate Compliance Officer (or Designee) acts in consultation with senior management and/or the President/CEO during an investigation as appropriate.

All allegations of violation of the Corporate Compliance Plan are reported immediately to the President/CEO by the Compliance Officer (or Designee). The President/CEO, in conjunction with senior management, the Manager of Human Resources, and legal counsel when appropriate, determines the steps for handling the information. A determination is made whether the alleged action violates the compliance plan, state or federal laws, poses a risk to the public or those served by Challenge, or otherwise jeopardizes Challenge in any way.

Any personnel investigation or disciplinary action related to service provision, documentation, or billing of Medicaid-funded services and/or reports of intimidation or retaliation regarding the reporting of concerns related to Medicaid Corporate Compliance are documented in the Human Resources Medicaid Compliance Log with all supporting documentation kept in staff confidential personnel files. All non-personnel compliance issues are documented in the Corporate Compliance Log or Voided Payment Log.

The priority is to take immediate measures to ensure the health and safety of all affected parties. All efforts are made to secure relevant evidence and documentation including secondary sources of information such as date planners, emails, or informal notes. Investigator(s) have access to all documents, including email, and have the authority to interview any employee. All Challenge employees are required to participate in any investigation and are required to turn over relevant evidence upon the request of the Investigator or senior management. Failure to do so will result in an immediate administrative response. During the investigation, the Investigator or senior management may search computers, desks, or other areas on Challenge property.

If an investigation of an alleged violation is undertaken and the Investigator believes the integrity of the investigation may be at stake because of the presence of the employee under investigation,



said employee is placed on a \*leave of absence until the investigation is completed. All Challenge employees and affiliates must cooperate fully with internal investigations.

Internal investigations are conducted to maintain confidentiality to the extent practicable under the circumstance. Challenge cannot promise confidentiality to an employee providing information. It is always a possibility that Challenge may be compelled to report the employee's information to the authorities, thus disclosing the employee's name. However, to the extent possible, the employee's identity is kept confidential. The confidentiality of all investigative reports is safeguarded to ensure that agency policy is followed that prohibits any form of retaliation against any person who makes a report. The Investigator makes sure that all records relating to allegations of wrongdoing are secured and preserved. When the internal investigation is complete, Challenge, to the extent appropriate, informs the person reporting the allegation of violation of the results of the investigation and the determination by the Investigator and senior management.

It is Challenge policy that all employees and affiliates cooperate with any government investigation. As Challenge should act only with the advice of its legal counsel in these types of matters, all cooperation with the government must be coordinated by the Challenge President/CEO, with prior consultation with Challenge's legal representative and the Board of Directors.

Results of investigations and recommendations for corrective action, notifications, and other follow-ups are presented to the President/CEO of Challenge. The Corporate Compliance Officer gives reports of all allegations of compliance violations, including the results of investigations and remedial action taken, to the Board of Directors.

*\*When an employee is put on a leave of absence due to being the subject of an investigation, the leave is considered unpaid. The employee may use any accrued PTO for the time off. If the results of the investigation are unfounded, the employee will then be paid for the time on leave.*

**Responding to Substantiated Allegations:** If an internal investigation substantiates an allegation of fraud, non-compliance, or other misconduct, it is agency policy to engage in a two-fold process:

1. To initiate timely corrective action as appropriate, including restitution of any overpayment amounts, notifying the appropriate government agency, instituting disciplinary action, and
2. To analyze and implement systematic changes to prevent similar violations from occurring in the future.

A written report of any occurrences, investigations, and responses to allegations of fraud and other non-compliance is a regular agenda item at senior management meetings and reviewed at Board of Director meetings.



**Self-Reporting to Government Agencies:** Under certain, specific circumstances, Challenge may voluntarily disclose potential errors or abuses to governmental agencies. The President/CEO, the Compliance Officer, Senior Management, and the Board of Directors review all self-reporting issues with legal counsel before any voluntary disclosures.

## **8. Evaluating, Monitoring, and Updating the Corporate Compliance Program**

The Corporate Compliance Program establishes a framework for effective regulatory compliance. It is intended to be flexible and readily adaptable to changes in regulatory requirements. This plan is regularly reviewed and modified as necessary, along with correlating policies and procedures. This process starts with reviewing the results of all internal and external audits, any allegations of compliance violation or misconduct, changes in regulations, staffing, administration, fiscal management, physical plant, or other areas that may create risk/liability for Challenge.

After the assessment, Quality Assurance submits a report to the Corporate Compliance Officer. The report includes the results of the assessment and proposed changes to the Corporate Compliance Plan and/or related policies. This assessment is part of the semi-annual report to the Board of Directors prepared by the Corporate Compliance Officer.

Once approval has been obtained to move forward with changes, Quality Assurance works with the correlating department managers to change policy, and procedure, provide training, or any other change needed to improve the Corporate Compliance Plan and Challenge's adherence to the plan.

### **Declaration of Compliance**

To the best of our knowledge, Challenge continues to be following its Corporate Compliance Plan. It is the expectation that all board members, employees, and affiliates comply with the Corporate Compliance Program and all policies that support the program. Challenge is committed to assessing ongoing compliance with the Corporate Compliance Program which is designed to prevent, detect, and address potential and actual instances of fraud, abuse, and other non-compliance.