CORPORATE COMPLIANCE
&
RISK MANAGEMENT PROGRAM

2025/2026

-PROGRAM DESCRIPTION-

-ASSESSMENT-

-AUDITING, MONITORING AND EDUCATION PLAN-

As adopted by
the MCN Board of Directors
on ***10/28/25***

I. PROGRAM STATEMENT

The Montcalm Care Network (MCN) is committed to using good faith efforts to comply with applicable health care laws, regulations and third-party payor requirements. MCN's main focus is on good faith efforts towards compliance with the requirements of the State and Federal government programs. This is of highest importance as MCN's services are primarily to persons with Medicaid coverage. MCN fully intends to use this Compliance Program/Plan as a framework to comply with those applicable laws, regulations and program requirements in *all* of its actions and services, in keeping with these key principles:

- Minimize organizational risk and improve compliance with applicable billing, documentation, and related laws, rules, regulations and policies.
- Maintain adequate internal controls & paying special attention to identified areas of risk.
- Reduce the possibility of misconduct and violations through prevention and early detection.
- Being proactive in compliance to reduce exposure to civil and criminal sanctions.
- Encourage the highest level of ethical and legal behavior from all employees, contractual providers, and board members.
- Educate employees, contractual providers, board members and stakeholders on procedural, regulatory and contractual changes, as well as their responsibilities and obligations to comply with applicable local, state, and federal laws and regulations.
- Maintain effective lines of communication that provide options for employees, contractual providers, board members and stakeholders to ask questions, report problems, share concerns, and that is encouraged as part of the culture of the organization.
- Promote a clear commitment to compliance by taking actions and showing good faith efforts to uphold such laws, regulations, and standards.

MCN recognizes that complete perfection in the area of compliance may not be truly attainable in practice; however, it is MCN's goal to strive for excellence and use good faith efforts in its compliance activities.

The Standards of Conduct set forth below in this Compliance Program contain the principles and standards to which MCN is expected to adhere. The purpose of the Standards of Conduct is to articulate the ethical and legal framework within which MCN operates and to advise staff that they are required to abide by these Standards. The Standards of Conduct define the scope of conduct that this Compliance Program covers. The policies of MCN (which may be continually developed, implemented, and revised when necessary) further delineate the special focus areas set forth below in this document. These evolving policies are hereby incorporated by reference as part of MCN's Compliance Program.

This plan is intended to encompass the activities, both operational and administrative, of all MCN board members, employees and contracted providers. The use of the term "staff" is generally used within this document to include all said parties. The failure of staff to observe the provisions of the Compliance Program can result in serious consequences for MCN including criminal prosecution, substantial criminal and civil monetary fines, damage to its professional reputation, and exclusion from the Medicaid and Medicare Programs. Likewise, the failure of staff to observe the provisions of the Compliance Program, including failure to report perceived violations of the

program, may result in serious consequences for staff, including various levels of corrective action. Failure of employees to adhere to standards may result in disciplinary action up to and including termination of employment. Failure by contracted providers to adhere to the standards of MCN's Compliance Plan may result in remediation and contract sanctions, up to termination, depending on the seriousness of the offense. Failure by Board Members to adhere to the requirements of MCN's Compliance Plan will be addressed in accordance with MCN Board by-laws.

Compliance contact information is provided at new staff orientations; Board member annual trainings; via dissemination of the Corporate Compliance Plan to contracted providers annually; and in postings at each of MCN's office sites and on MCN's website.

II. STANDARDS OF CONDUCT

A. Integrity of Business Practices

1. Ethical Practices:

MCN expects its staff to conduct business in an ethical, legal, and competent manner. Staff shall adhere to the spirit and language of the Compliance Program and strive for excellence in performing all duties. Staff must maintain a high level of integrity and honesty in business dealings with persons served, physicians, third party payors, and all other MCN staff and officers and avoid any conduct that could reasonably be expected to reflect adversely on the integrity of MCN, its officers, or staff. MCN staff are required to refrain from participating in activities that may be in conflict of interest and must make full disclosure of all situations involving either actual or potential conflicts of interest whenever such situations may arise. MCN staff are required to perform all duties in good faith, and with the due care that a reasonably prudent person in the same position would use under similar circumstances. Reference MCN policy 7135 Code of Ethics and procedure 7135B Conflicts of Interest.

2. Staff Conduct:

All MCN staff are responsible for using good faith efforts to comply with applicable laws, regulations, and third-party payor requirements, including those which they have been made aware of through MCN's programs and its educational activities. No staff shall act in performance of their duties in any manner which they believe to be in violation of any statute, rule, regulation or policy. In case of doubt, the staff should consult their direct supervisor or the Compliance Officer before taking action. Staff should be open and honest in their business relationships with other staff, MCN leadership, MCN counsel, and MCN consultants. It is unacceptable to provide information which a staff knows or has reason to know is inaccurate, misleading, or incomplete. Reference MCN policy: 11100 Standards of Conduct.

3. Improper Payments and Fraud and Abuse:

No staff shall engage, either directly or indirectly, in any corrupt or inappropriate business practice including kickbacks or payoffs intended to influence, induce or reward favorable decisions of any government representative, person served, physician, vendor, contracted facility, or any person or facility in a position to benefit MCN in any way. No staff shall offer or make any payment or provide any other thing of value to another person with the understanding or intention that such payment will be used for an unlawful or improper purpose.

MCN fully expects its staff to refrain from conduct that may violate the fraud and abuse laws. These laws prohibit (1) direct, indirect or disguised payments in exchange for referring persons for services; (2) the submission of false, fraudulent or misleading information to any governmental entity or third-party payor; and (3) making false representations to any person or entity in order to obtain payment for a service or to justify the provision of services in connection with cost reporting.

***4. Staff Screening*:**
It is the policy of MCN that it makes a good faith inquiry into the background of prospective staff or consultants whose job duties include provision of services or billing and related services to the Medicare, Medicaid and other federal health care programs. To this end, MCN shall not knowingly employ or consult with, with or without pay, individuals who have been listed by a federal agency as debarred, suspended, or otherwise ineligible for federal programs or who have been convicted of a criminal offense related to healthcare.

In screening prospective staff or consultants, when applicable, MCN reviews the following. Ongoing screening processes will occur at the time of employment or contract, as well as during the course of employment/contract:

- Sources for State or local background checks (at time of hire/contract and minimally every 3 years for employees and contracted providers); and
- Medicaid Program bulletins, sanctioned provider lists, and related online searches (monthly for staff, Board Members & contracted providers).

5. Contractual Arrangements with Subcontractors:
In order to effectively enhance compliance, MCN recognizes that it is essential to coordinate certain compliance responsibilities with its subcontractors. To this end and to the extent reasonably feasible, MCN will educate its subcontractors on their responsibilities and obligations.

- Accuracy of Information: Subcontractors shall be responsible, and held accountable, to provide accurate and truthful information to MCN in connection with treatment of persons served , provider qualifications, documentation of services and subcontractors' preparing of and submission of claims to MCN. This includes, but is not limited to, accurately reporting services rendered, time involved in a service, training and credentialing of provider staff, and accurately representing that documentation supports the service/procedure rendered or level of service reported.

- Knowledge of Payer Requirements: Subcontractors shall be responsible for keeping apprised of Medicaid rules and other applicable third payer documentation and billing requirements so that information can be accurately provided to MCN in the performance of its functions.

B. Compliance with Financial Transactions and Related Statutes, Regulations and Policies

MCN shall ensure integrity of all financial transactions. Transactions shall be executed in accordance with established policies and procedures and with federal and state laws and recorded in conformity with generally accepted accounting principles and any other applicable criteria. MCN shall maintain internal controls and obtain an annual independent

audit of financial records and annual compliance examination; shall ensure that reimbursement for services billed is accurate, appropriate, and based on completed claims documentation; and shall maintain accountability of assets.

1. Statutory Prohibitions:

The term "fraud and abuse laws" generally describes a number of federal and state laws that contain penalties for violations of laws that regulate both the provision of health care services as well as the methods and requirements for submitting claims for services to third party payors including the state and federal government. These laws apply to claims submitted directly for payment as well as claims based on a cost reporting basis.

a. False Claims/Records

The submission of false claims is prohibited by several different statutes. A violation of the false claims statutes includes submitting, or causing to be submitted, a claim for payment to the federal or state government (or using a false record to get the claim approved) when the claim is false or fraudulent. The submission of a false claim may result in civil or even criminal penalties. The False Claims Act applies to cost reporting matters as well as fee for service claims. For cost reporting entities, claims for items or services for the purposes of the statute include entries or omissions in cost reports, books of account, or other documents supporting the claims.

For example, the Federal Civil False Claims Act prohibits the knowing submission of false or fraudulent claims for payment to the federal or state government, the knowing use of a false record or statement to obtain payment on a false or fraudulent claim, or a conspiracy to defraud the federal or state government by having a false or fraudulent claim allowed or paid. Violation of the False Claims Act may result in substantial civil monetary penalties.

The Federal Criminal False Claims Act prohibits knowingly and willingly making or causing to be made any false statement or representation or material fact in any claim or application for benefits under Medicare or Medicaid. Violations are felonies and are punishable by imprisonment and/or fines. The Medicare/Medicaid Civil Monetary Penalties law prohibits submission of claims to Medicare or Medicaid that a provider knows or should know are false or fraudulent and provides for the imposition of sizable penalties.

The Health Insurance Portability and Accountability Act of 1996 amended the Federal penal code to criminalize federal health care offenses. These offenses include, for example, health care fraud that covers fraud against any public or private health care benefit program or obtaining money by false pretenses in connection with the delivery or payment of healthcare benefits. The offenses also include false statements relating to matters concerning any public or private healthcare benefit program. These offenses are punishable by fine and imprisonment.

Other federal criminal laws may be used to prosecute the submission of false claims, including prohibitions on making false statements to the government and engaging in mail fraud. Felony convictions will result in exclusion from Medicare and Medicaid and other federal programs for a minimum of five years.

Michigan’s Medicaid False Claim Act and Michigan’s Health Care False Claims Act provide that it is unlawful to solicit, offer, pay, or receive a kickback or bribe in

connection with the furnishing of goods or services for which payment is or may be made in whole or in part by the Medicaid program or a health care corporation or insurer. A person who makes or receives the payment, or who receives the rebate of a fee or charge for referring an individual to another furnishing goods or services is guilty of a felony. It is also unlawful under these Michigan Acts to make or present or cause to be made or presented a claim knowing the claim to be false. Violations are punishable as a felony.

b. Breach Notification

As of August 24, 2009, the Department of Health and Human Services (HHS) began enforcing regulations requiring healthcare providers, health plans and other entities covered under HIPAA to notify individuals when their health information is breached. These breach notification regulations implement provisions of the Health Information Technology for Economic and Clinical Health (HITECH) Act, passed as part of the American Recovery & Reinvestment Act of 2009 (ARRA), and as modified by the Final Rule of 2013. Breach notification provisions apply to HIPAA-covered entities and the business associates that access, maintain, retain, modify, store, destroy or otherwise hold, use, or disclose unsecured Protected Health Information (PHI). Individuals affected by a breach are to be promptly notified of a breach of confidentiality as well as the HHS Secretary and the media in cases where the breach affects more than 500 individuals. The HITECH Act also applies to all business associates of MCN and their subcontractors and requires them to notify MCN of any known or suspected breaches of confidentiality.

c. Kickbacks and Other Improper Inducements

The Federal Anti-kickback statute is a criminal statute that bars the knowing and willful solicitation or receipt of any remuneration (broadly defined to encompass anything of value) “in return for” (1) referring someone for services, or (2) purchasing or otherwise arranging for an item or service, for which payment may be made under Medicare, other federal health plans, or Medicaid. The statute also prohibits the offer or payment of remuneration to induce a person to refer someone for services. Unless the activity is protected by one of the exceptions to the Anti-kickback statute or by a safe harbor published to protect certain activities, violations can result in imprisonment and civil monetary penalties.

d. The Stark Law

The Stark self-referral ban prohibits a physician from making a referral to an entity for the furnishing of designated health services to Medicare or Medicaid beneficiaries, if the physician (or a member of the physician’s immediate family) has a financial relationship with that entity. It also prohibits entities from presenting or causing a claim or bill to be presented to any individual, third-party payor, or other entity for designated health services furnished pursuant to a prohibited referral. Unless the activity is protected by one of the exceptions, violations can result in recoupment, civil monetary penalties, and exclusion from the Medicare and Medicaid programs.

2. Additional Legal and Regulatory Standards:

MCN must ensure compliance with all state and federal regulatory agency standards and applicable laws and regulations including, but not limited to, the following. All MCN Board members, staff and contractual providers are required to comply with all applicable laws, rules and regulations including those not specifically addressed in this Compliance Plan:

State/Federal Laws and Rules

- Michigan Mental Health Code, Public Health Code and Administrative Rules
- Requirements as identified in the Michigan Department of Health & Human Services (MDHHS) or Mid-State Health Network (MSHN) contracts
- Requirements as identified by the Office of Inspector General
- Technical Assistance Advisories, as required
- Medicaid State Plan
- Waiver Applications
- Medical Services Administration (MSA) Policy Bulletins
- Michigan Whistleblowers Act, Act 469 of 1980
- Home and Community Based Final Rules

Federal Medicaid Law, Regulations and Related Items

- Social Security Act of 1964, (Medicare and Medicaid)
- Balanced Budget Act of 1997
- Deficit Reduction Act/Medicaid Integrity Program of 2005
- Anti-Kickback Statute
- Code of Federal Regulations
- 42 CFR Part 2 Confidentiality of Alcohol and Drug Use Patient Records
- State Operations Manual
- Letters to State Medicaid Directors
- Technical Assistance Tools
- Quality Improvement Systems for Managed Care (QISMC)
- Guide to Encounter Data Systems
- Office of Management and Budget (OMB) Circulars
- Government Accounting Standards Board (GASB)
- Affordable Care Act

Other Relevant Legislation

- Health Insurance Portability and Accountability Act of 1996 (HIPAA)
- False Claim Act (Federal and Michigan)
- Provisions of Public Act 368 of 1978 – revised – Article 6 Substance Abuse
- Office of Inspector General Work Plan
- Stark Law
- HITECH Act
- Americans with Disabilities Act of 1990

3. MCN Special Focus Compliance Areas:

MCN, through its implementation of policies and procedures, has given special attention to the following compliance focus areas which are set forth in policy:

- Clinical Documentation (#8200)
- Medical Necessity (#11610)
- Medicaid Eligibility (#11750)
- Cost Reporting (#11710)

- Contracting (#11400)
- Acquisition and Maintenance of Third-Party Payor Publications (#11700)

III. COMPLIANCE PROGRAM ASSIGNMENT AND DUTIES

MCN has appointed the Quality & Information Services Director as its Compliance Officer (Appendix A). This individual shall serve as a focal point for MCN's compliance. The Compliance Officer is accountable to the Executive Director. The Compliance Officer may recommend to the Executive Director and the direct supervisor that disciplinary action be taken regarding a staff. However, the Executive Director and the direct supervisor will maintain authority over staff discipline issues. The Compliance Officer is responsible for overseeing implementation of the Compliance Program, making recommendations to the Executive Director regarding changes in MCN practice to enhance compliance, and updating the Compliance Program. This includes:

- monitoring and reporting on matters pertaining to corporate compliance.
- promptly reviewing all reports of actual or suspected compliance violations received from any source and ensuring that effective investigation and/or other action is taken.
- submitting information to MSHN as required for its MDHHS-Office of Inspector General Program Integrity reports, including: detailed information on cases of overpayments made to providers; information provided to persons served via Explanation of Benefits disseminated; and pre-payment activities conducted (including claims audited, denied, and reviewed pre-payment; prior authorization denials; and contractor and beneficiary education provided related to billing).
- submitting MDHHS-OIG Adverse Action and Exclusion Reporting Forms and supporting documentation to MSHN on any change in a staff or contracted provider's circumstances that may adversely affect their eligibility to provide services, including temporary suspension or termination from services, or any denial of a provider's application to participate in services.
- submitting Fraud Referral Forms and supporting documentation to MSHN on identified instance of potential waste, abuse or fraud, and participating in fraud referral presentations with MSHN and MDHHS-OIG if indicated.
- identifying regulatory requirements and assuring agency compliance; and conducting compliance risk assessments.

The Compliance Officer may also delegate certain tasks/functions to a designee (e.g., to address an issue outside the expertise of the Compliance Officer). In such cases, the designee shall report to the Compliance Officer.

The Compliance Officer also chairs MCN's Compliance Committee. Committee membership is comprised of MCN Directors, Managers, Recipient Rights Officer and Quality Analyst (Appendix A). The Compliance Committee, along with the Compliance Officer, is responsible for assuring implementation of the Corporate Compliance Program and Plan, and the Risk Assessment and Management Plan, evaluating the program for effectiveness, and making recommendations for changes in MCN practice to enhance compliance. The committee reviews and makes recommendations related to various audit results, network monitoring activities, compliance investigation data, MCN's Information Technology (IT) Plan and IT systems compliance and security, and compliance risk assessment, and keeps apprised of State and regional compliance information and activities. The membership composition of the Compliance Committee has been established for the purpose of being small enough to function effectively. However, "ad-hoc" committees may be formed, or at times deemed necessary, to address and deal with specific substantive compliance issues. Internal staff who have not been named to the Compliance

Committee may be appointed to these "ad-hoc" committees for purposes of obtaining their expertise in a particular area.

The MCN Compliance Program also includes the Compliance Officer's participation in the Regional Compliance Committee and any regional compliance activities. The Compliance Officer consults with other regional Compliance Officers for the purpose of education on changes in federal and/or state laws and regulations affecting corporate compliance as well as participates in ongoing activities of sharing methods for policy and procedure review, compliance reporting, and comparison of local processes. Regionally, efforts will be made to share in costs of obtaining legal opinions that are of mutual benefit and agreed upon in advance.

The MCN Board of Directors is responsible for the review and approval of the MCN Corporate Compliance Plan and Risk Management program, MCN compliance policies, and recommendations and reports from the MCN Corporate Compliance Committee or Officer.

MCN's Compliance Officer also serves as the Privacy Officer. MCN is committed to protecting the privacy of its persons served and shall strictly govern the disclosure of any information to anyone other than those authorized in compliance with applicable privacy laws, regulations and contractual requirements. To ensure that all information of persons served remains confidential, employees and contracted providers are required to comply with all confidentiality policies and procedures in effect, specifically to include the HIPAA Privacy Regulations, the Michigan Mental Health Code, and 42 CFR, Part 2, and 45 CFR Part 160 & 164. The Privacy Officer works in close cooperation with the MCN Recipient Rights Office on confidentiality and privacy matters.

MCN's System Administrator serves as the Security Officer. Together with the MCN's Information Technology Manager, they shall ensure the reliability and integrity of information systems utilized to support the effectiveness of the MCN compliance program, including but not limited to:

- Maintaining security, assuring integrity, and protecting health information and confidentiality of persons served.
- Controlling access to computerized data.
- Assuring reliability, validity and accuracy of data.
- Following procedures that assure confidentiality of electronic information pursuant to HIPAA, the Michigan Mental Health Code and other applicable laws and regulations.

IV. EDUCATION

MCN determines how best to educate its staff, Board members and contracted providers regarding their responsibilities in all aspects of the Compliance Program including billing and documentation of claims, providing quality care, and engaging in marketing, public relations and contracting activities. As part of the educational process, MCN has developed an Internal Auditing, Monitoring and Education Plan (Appendix B). Upon hire, and on an annual basis, and as regulatory or procedural changes occur, MCN will educate its staff, Board members and contracted providers on compliance topics relevant to job or position responsibilities. The Compliance Officer must receive training by an entity other than themselves. Staff or contracted providers with billing, documentation or other compliance related questions should seek clarification from their direct supervisor or the Compliance Officer. If an answer to the question is not obtainable from sources within MCN, the Compliance Officer must be notified and will be responsible to take appropriate action, which may include obtaining opinions from other regional Compliance Officers, national associations, and appropriate government authorities. Appropriate steps will be taken to ensure that requests for clarification (particularly when directed to Medicare or Medicaid) are made in an appropriate manner.

V. INTERNAL AUDITING AND MONITORING OF THE PROGRAM

MCN is committed to submitting claims and accounting for costs accurately and in compliance with applicable laws, regulations, and third-party payor requirements including Medicaid and federal government requirements. As part of its compliance efforts to maintain the effectiveness of its compliance activities, MCN has outlined its actions in the Internal Auditing, Monitoring and Education Plan (Appendix B).

MCN is additionally committed to conducting necessary monitoring and auditing in response to specific complaints or reports related to any other compliance-related matters.

VI. RISK ASSESSMENT & MANAGEMENT PLAN

MCN has also developed a Risk Assessment & Management Plan (Appendix C) to promote quality services and manage risk effectively. MCN strives to protect itself against accidental loss that would significantly affect agency personnel, property, its budget, or its ability to continue to fulfill its missions and responsibilities. It is the policy of MCN for every staff to act to reduce the risk of accidental loss or injury to the greatest extent feasible, consistent with carrying out MCN's mission to provide a comprehensive array of services and supports that promotes the mental health and wellness of individuals in Montcalm County. The plan outlines a Risk Assessment & Management Controls System that has been established to identify and analyze loss exposure and safety hazards, control mechanisms, responsibility and scheduling of reporting and monitoring the results produced or achievement of changes.

VII. MCN INTERNAL REPORTING AND DISCIPLINE

As part of each staff's duty under the Compliance Program, each is obligated to internally report any violations of the program, incorporated policies or law pursuant to MCN's Internal Compliance Reporting policy (#11110). MCN will treat all reports confidentially to the extent reasonably possible. It is the policy of MCN to take all reports of wrongdoing seriously. It is also the policy of MCN that no one who makes a report will be subject to reprisal, discipline or discrimination based on having made the report (whistleblower protection). MCN has developed a Non-Retaliation and Discipline policy (#11200) to address compliance related discipline. As set forth in policy #7102, however, MCN remains an at will employer who can discharge any staff with or without notice and with or without cause.

MCN also conducts an exit survey and interview with departing staff, which ask the staff if they are aware of any compliance issues within the agency. The Compliance Officer is notified of any reports or concerns of non-compliance reported by departing staff for follow up accordingly.

The Compliance Officer is responsible for completing preliminary investigations on all reports. In the case of suspicion of fraud, waste or abuse, the Compliance Officer shall consult with the MSHN Compliance Officer, and the MDHHS Office of Inspector General (OIG) if indicated. MCN shall follow the guidance and direction provided by MSHN and the OIG regarding investigation and/or other necessary follow up. MCN Compliance investigations shall include the collection of information about the nature of fraud and abuse complaints, the name of the individuals or entity involved in the suspected fraud or abuse, including name, address, phone number and Medicaid identification number and/or any other identifying information, the type of provider, approximate dollars involved, and legal and administrative disposition of the case including actions taken by law enforcement officials to whom the case has been referred.

MCN compliance investigations are followed by prompt response to detected offenses. The MCN Compliance Program shall complete any preliminary investigation for suspected fraud, waste or abuse within five (5) business days, including providing an acknowledgement report of preliminary findings and recommendations to the individual making the report. For all reports of suspected wrongdoing not involving fraud, waste or abuse, action shall be taken within 15 business days of receipt of the information regarding the potential compliance problem.

VIII. MCN EXTERNAL REPORTING

MCN shall inform the CEO of the Mid-State Health Network (MSHN), in writing, of any notice to, inquiry from, or investigation by any Federal, State, or local human services, fiscal, regulatory, investigatory, prosecutory, judicial, or law enforcement agency or protection and/or advocacy organization regarding the rights, safety, or care of a recipient with Medicaid.

MCN shall immediately report suspected compliance violations, including allegations of suspected fraud, to MSHN's Compliance Officer,
The Office of Inspector General Program Integrity Report shall be submitted to MSHN's Compliance Officer, in accordance with MSHN policy.

MCN shall also report to the Michigan Department of Health & Human Services-Office of Inspector General in any other circumstances as required by law, MCN or MSHN policy or procedure, and/or contract requirement.

IX. DOCUMENT RETENTION

MCN understands that certain documents must be retained as a requirement of its contractual obligations, State regulations, and as a requirement of Medicaid, Medicare and other payors. Accordingly, as part of its compliance efforts, MCN has developed a Document Retention Compliance policy (#11300).

X. GOVERNMENT INVESTIGATIONS

It is MCN's policy to comply with the law and to cooperate in any reasonable demand made in a government investigation (#11500). In so doing, however, it is essential that MCN's legal rights, and those of its staff, are fully protected to the extent of the law. If any staff receives an inquiry, subpoena, or other legal document regarding MCN business, whether at home or in the workplace, from any governmental agency, the staff shall notify the Executive Director and the Compliance Officer immediately. If a staff is visited at home by a governmental agent concerning MCN business, the staff is legally entitled to ask the agent to return, at their option, and shall immediately contact the Executive Director and Compliance Officer to discuss the matter. MCN may arrange for MCN's legal counsel to accompany any staff to any interview by a government person.

MCN expects that its staffs will notify the Compliance Officer if the staff believes that the government has initiated an investigation with regard to MCN or any party affiliated with MCN. In the event that the staff is unsure as to whether an investigation has been undertaken, the staff shall consult with the Compliance Officer or a member of the administrative team. Any Administrative team member who receives such a report shall in turn immediately notify the Compliance Officer.

APPENDIX A

COMPLIANCE OFFICER AND COMMITTEE PARTICIPATION

As part of its Compliance Program, MCN has appointed the following individual to serve as the Compliance Officer:

- Sally Culey, Quality and Information Services Director

MCN has also designated the following individuals to serve as the Compliance Committee:

- Tammy Warner, Executive Director
- Julianna Kozara, Clinical Director
- Jessica Palasek, Finance Director
- Liz Ingraham, Family Intensive Services Manager
- Dawn Herriman, MI Community Services Manager
- Jennifer Bauer, Children's Community Services Manager
- Leigha Harris, IDD Community Services Manager
- Gwen Alwood, Access/Crisis Services Manager
- Melissa MacLaren, Integrated Health Services Manager
- Tara Allen, Outreach Services Manager
- Matthew Stevens, Maintenance/Facilities Coordinator
- Terry Reihl, Information Technology Manager
- Joseph Cappon, Quality Analyst
- Nicole Kipp, Human Resources Manager
- Angela Loiselle, Recipient Rights Officer
- Sally Culey, Compliance Officer: Chair
- Dr. Brian Smith, Medical Director: Consultant
- Other Designees as appropriate

Responsibilities of the Compliance Committee include but are not limited to the following:

- Review compliance issues, investigations, and corrective actions.
- Review and recommend changes or revisions to the compliance plan and related policies and procedures, as necessary.
- Evaluate the effectiveness of the compliance program, including review of various data reports, such as claims verification and audit findings.
- Determine appropriate strategies to detect potential compliance violations and areas of risk.
- Recommend the development of internal systems and controls to carry out the compliance program.
- Identify topics for compliance education.
- Remain informed of regional compliance efforts.
- Share information on changes that affect MCN, such as changes in regional, state and federal regulations, reporting requirements, and payer requirements.

APPENDIX B

MCN INTERNAL AUDITING, MONITORING AND EDUCATION PLAN

General:

MCN recognizes that maintaining compliance is an ongoing process and thus entails continuous auditing, monitoring and educational activities. It is the goal of MCN to use this plan as a general guide to oversee that MCN is compliant, and maintains such compliance, in all areas of service and business practices, and that its staff and subcontractors are appropriately educated in these areas. In order to assist MCN in the monitoring and education process, there may be times when MCN retains the services of experienced mental health service consultants to perform attorney/client privileged reviews and assist with implementation of recommendations and staff and subcontractor education.

In furtherance of the effectiveness of the Compliance Program, MCN will use good faith efforts to assure the provision and adequacy of the following monitoring and auditing activities:

Financial and Billing Integrity

- An independent audit of financial records occurs each year; report of audit results is provided to the MCN Board of Directors for review and approval.
- An independent compliance examination is completed in accordance with the MDHHS guidelines (if applicable); report of compliance examination results is provided to the MCN Board of Directors for review and approval.
- Contractual providers have signed contracts and adhere to the contract requirements;
- Explanation of benefits are provided annually to 5% of persons being served;
- MCN conducts internal encounter and claim reviews and auditing;
- MSHN conducts biannual Medicaid Event Verification Audits.

Information Systems Reliability and Integrity

- MCN Information System staff monitor the reliability and integrity of the information system and data;
- MCN Information System staff assure appropriate security and system backup and recovery processes are in place to address loss of information and that provide sufficient disaster recovery plans;
- MCN employees and contracted providers are trained on use of information systems and provided access based on role and job function.
- MCNs employees and contracted providers are enrolled in the Michigan Medicaid Program via the MDHHS Medicaid Management Information System (MMIS), specifically the Community Health Automated Medicaid Processing System (CHAMPS.)

Clinical/Quality of Care

- Performance indicators are monitored and reviewed in an effort to continually improve timeliness and access to services;
- MCN employees are evaluated in writing on their performance and are provided with detailed job descriptions;

- MCN employees are hired through a detailed pre-employment screening and hiring process and complete a comprehensive orientation program;
- MCN assures ongoing qualification and competency of MCN employees and contracted providers through a thorough credentialing and privileging process;
- MCN provides ongoing opportunities for training on coding, documentation, and general clinical practices;
- MCN conducts regular chart auditing, for both qualitative and quantitative content.

Rights and Protections of Persons Served

- Rights complaints and issues are reviewed, and investigations are completed, as required;
- Designation of a Recipient Rights Officer, and monitoring to assure the responsibilities of the Recipient Rights Office are completed inaccordance with state and federal requirements;
- Review by MDHHS Recipient Rights Office, to maintain substantial to full compliance of MCN Office of Recipient Rights;
- Risk events and adverse/critical incidences are reported as required, and follow up action is taken as needed;
- A root cause analysis is completed on each sentinel event reported, as defined in MSHN and MDHHS contract, and for MCN defined critical incidents.
- Designation of a Customer Services Representative, and review of actions of grievances and appeals received from persons served.
- Initial and annual rights training for all staff and contractors.

Environmental Risks

- Comprehensive maintenance reviews of facilities, equipment, and vehicles are completed as required;
- Emergency drills are conducted and evaluated on a regular basis;
- Accommodations are provided in accordance with the Americans with Disabilities Act (ADA);
- Privacy concerns within MCN facilities, and during community-based and virtual services, are immediately addressed;
- Appropriate environmental licensures are obtained; and
- Initial and ongoing education of staff on health, safety, and emergency issues is provided.

Quality and Utilization:

- Reviews by MSHN of delegated managed care functions (as identified in the MSHN/CMHSP Medicaid Subcontract);
- Annual review of the Quality Assessment and Performance Improvement Program (QAPIP) Plan, and committee activities and structure; and
- Review of utilization of services and assurance of appropriate provision of clinical services within medically necessary guidelines.

Additional Internal Monitoring, Auditing, and Education Activities

- Surveys of satisfaction of persons served, conducted at various times during service provision;

- Contract Expense Monitoring;
- Monitoring capacity and demand for services through the Network Adequacy Report;
- Review of MCN Policies and Procedures for any needed revisions or development of new ones, and requirement that staff review all policy and procedure changes;
- MCN Employee Survey to poll on thoughts on various areas of agency processes, functioning, and staff training needs;
- Exit interviews with departing staff (including inquiring on issues related to Compliance);
- Annual Compliance Training required of all MCN staff and Board members, with verification or signed certifications of completion of training.

Additional External Monitoring, Auditing & Education Activities:

- External Quality Reviews (MDHHS/Health Services Advisory Group-HSAG): Performance Measure Validation, Encounter Data Validation, Network Adequacy Validations, & federal Compliance Reviews
- MDHHS Certification Reviews
- MDHHS Waiver Surveys
- CARF Accreditation Surveys
- Agency requirement of annual staff trainings on multiple topics in keeping with regulatory and accreditation requirements, as well as promotion of external trainings, webinars and conferences to enhance skills & areas of expertise.

APPENDIX C

MCN RISK ASSESSMENT & MANAGEMENT PLAN

The goal of MCN's Risk Assessment & Management Plan is to promote quality services and manage risk effectively. MCN strives to protect itself against accidental loss that would significantly affect agency personnel, property, its budget, or its ability to continue to fulfill its missions and responsibilities.

It is the policy of MCN for every staff to act to reduce the risk of accidental loss or injury to the greatest extent feasible, consistent with carrying out MCN's mission to provide a comprehensive array of services and supports that promotes the mental health and wellness of individuals in Montcalm County. MCN is governmental authority under contract with State of Michigan to provide specialty mental health services and supports. MCN employs staff members. MCN's main office is located at 611 N. State Street, Stanton, Michigan.

To accomplish the goal of effective management of risks, a Risk Assessment & Management Controls System has been established to identify and analyze loss exposure and safety hazards, control mechanisms, responsibility and scheduling of reporting and monitoring the results produced or achievement of changes. The areas of exposure are tracked through all sites of the organization including the main Stanton office, secondary offices in Greenville, the Wellness Works site in Stanton, and the psychosocial rehabilitation/Clubhouse program site in Greenville.

MCN faces many risks in the course of its daily operations. Most fall into one of the following categories:

- General Liability
- Professional Liability
- Liability to Employees
- Liability to Persons Served
- Contractual Liability
- Business Loss / Interruption
- Loss of Reputation

MCN utilizes various methods to manage risks as outlined in the Risk Assessment & Management Control System Grid. MCN Administrative Team, as a management group, is responsible for the review and upkeep of the system.

Risk Avoidance

MCN may elect to avoid undesirably high risks by refusing to undertake business ventures that are unsafe and unsuitable for staff and/or for persons served by the organization.

Loss Prevention and Loss Reduction

Risks inherent in the existence and operation of MCN can be reduced, resulting in a decrease in both frequency and severity of accidental losses. It is the responsibility of each site and its personnel to conduct the business in such a way as to reduce or prevent hazards to individuals and property and to evaluate the risk cost potential when developing new programs.

Risk Retention

It is the policy of MCN to retain the financial responsibility for its risks of accidental loss to the maximum extent possible without jeopardizing the financial position of the agency or the continuation of essential programs.

Risk Transfer

The financial responsibility for risks may be transferred to others through contractual agreements or through the purchases of insurance. MCN will purchase insurance in the normal course of business operations and when required by law, bond or contractual agreement. Commercially insuring risks does not alter the responsibility of MCN personnel for compliance with required and appropriate safety and security standards.

Monitoring

The Risk Assessment & Management Plan shall be reviewed and updated annually by MCN's Steering/Compliance Committee and the agency's Board of Directors as part of the MCN Corporate Compliance Program Plan.

The appropriate staff and/or quality committee will review and analyze all exposures to correct the issue and reduce the potential for future risks. Findings will be reported to the Steering/Compliance Committee for overall monitoring to assure control mechanisms are implemented and working and if not, to initiate improvement efforts.

MCN Risk Assessment & Management Controls System

Goal: TO PROMOTE QUALITY SERVICES AND MANAGE RISK EFFECTIVELY.
Staff members are well trained for their job duties and responsibilities in their daily functions. This assessment & management plan assesses the level of organizational exposure to risks, incorporates systems of checks and balances that clearly define accountability and monitor critical performances variables, and identifies if there is need for additional controls. Control systems are designed to minimize risks and prevent and detect illegal or unethical activity and or fraud, waste and abuse. Access to critical information is on a need-to-know basis.

General Liability

General Liability refers to the amount of loss payable to others outside the organization for injury or damage arising from operations. It applies to personal injury, bodily injury and damage to a third party resulting from the negligence of the program operations or the staff.

Exposure	Potential Severity of Impact (Low-Mod-High)	Control Mechanism(s)	Responsibility	Review Date	Risk Reduction Effectiveness (Low-Mod-High)	Goals/Action Steps
Clinicians while providing services in the buildings	Mod	Liability Insurance; personal safety training, and on-call training.	Finance Director and Safety Officer	Annually at Renewal	Mod	N/A
Persons coming into the buildings for treatment	High	Liability Insurance and safety drills and training; monthly self-inspections for hazards.	Safety Officer	Annually at Renewal and Monthly Safety checks	High	N/A
Mental health professionals working in the community	High	Workers' Compensation Insurance, Liability Insurance; personal safety training, & on-call training, and availability of use of personal safety devices (PERSA).	Finance Director and Safety Officer	Annually	Mod	N/A

Exposure	**Potential Severity of Impact (Low-Mod-High)**	**Control Mechanism**	**Responsibility**	**Review Date**	**Risk Reduction Effectiveness (Low-Mod-High)**	**Goals/Action Steps**
Misuse of stored or handled medications	High	Policies and procedures on medication management: storage, administration, inventory, disposal.	Clinical Director and Nurse Manager	Annually	High	N/A
Addition of an on-site pharmacy and potential for increased risk for break-ins, and pharmacy risk to persons served.	High	• Pharmacy arrangement is via sublease; pharmacy carries own liability insurance. • Pharmacy maintains its own security system and alarms separate, but as an additional layer to, MCN's system. • Identified that MCN carries no additional risk or insurance due to having an on-site pharmacy.	Finance Director and Safety Officer	Annually	High	N/A
Injury of an unauthorized individual on agency equipment (Wellness Works)	Mod	• Security cameras with review of tapes as concerns arise • Signed waivers • Liability insurance • Member rules	Directors, Wellness Team Leader	Annually	High	N/A
Animals in the building (i.e., emotional support animals brought in by persons served.)	High	• Liability insurance • Procedure on animals in the building.	Finance Director; Clinical Director; Clinical Program Managers	Annually	High	N/A

Professional Liability

Our highest risk of exposure is in the area of service provision. MCN is responsible for carrying professional liability insurance for all its staff members.
Failure to comply with the Americans with Disabilities Act (ADA) opens another arena for possible liability exposure. Criminal Backgrounds checks are required of all staff prior to hire. Professional Liability Insurance is carried by the organization on appropriate staff.

Exposure	Potential Severity of Impact (Low-Mod-High)	Control Mechanism	Responsibility	Review Date	Risk Reduction Effectiveness (Low-Mod-High)	Goals/Action Steps
Clinical staff and Medical staff	High	• Licensure and Trainings • Professional Liability Insurance • Regular supervision of staff • Annual evaluations to assess competence & scope of practice • Processes for conducting background checks using other States' records databases for new hires coming from out of State. • Implementation of MSHN & MDHHS-OIG procedures related to mandatory exclusion laws. • Implementation of Provider Monitoring Module in EHR for comprehensive provider monitoring, data collection & tracking structure. • Implementation of MDHHS Universal Credentialing and revised credentialing process, with additional system training for applicable MCN staff.	HR and Finance Director; Clinical Managers	Annually	High	N/A

Liability to Staffs

MCN liability to its staffs includes compensation for job-related accidents or occupational illnesses. Loss exposure includes workers' compensation claims and non-compliance with applicable occupational safety and health regulations. MCN conducts its Safety Program through its Environment of Care Committee (EOC) as part of the quality system. It is the responsibility of EOC to ensure safe work practices and a safe work environment for all staffs.

Exposure	Potential Severity of Impact (Low-Mod-High)	Control Mechanism	Responsibility	Review Date	Risk Reduction Effectiveness (Low-Mod-High)	Goals/Action Steps
Staff may be exposed to various occupational accidents such as falls, tripping, straining	Mod	• Injury reporting and tracking to determine trends and prevention. • On-going staff training on safety issues and practices. • Facility & grounds physical improvements and repairs • Pre-employment drug testing and mandatory testing after work-related vehicle accidents.	• HR and EOC • EOC and Safety Officer	• Each incident by HR and quarterly by EOC • Monthly	High	N/A
Staff exposure to serious communicable illnesses (eg: COVID-19)	High	• Comprehensive pandemic plan, including extensive staff training & education. • Safety procedures on symptom checking & tracking. • Use of telehealth, remote work & virtual meetings. • Limited office capacities. • Enhanced office cleaning. • Maintenance of adequate supply of Personal Protective Equipment (PPE), & inventory tracking. • Emergency sick & medical leave procedures. • MCN Safe Start Dashboard/ Community Levels on MCN's	Executive Director, Integrated Nurse Manager, Clinical Director Safety Officer	Daily/Weekly	High	N/A

Exposure	Potential Severity of Impact (Low-Mod-High)	Control Mechanism	Responsibility	Review Date	Risk Reduction Effectiveness (Low-Mod-High)	Goals/Action Steps
		intranet, displaying CDC COVID data tracker, risk levels, to assist with decision making on in-person service provision restrictions. • Availability of COVID and flu vaccines at MCN for persons served, their caregivers, and staff and staff's family. • MCN access to Rapid Testing and PCR Testing for COVID testing for staff, & COVID/flu/ strep testing device to test for providing same day results. • COVID pandemic/post pandemic planning as a standing agenda item for bimonthly Administrative Team meetings.				
Non-business related intruders into the building that may represent a threat to staff and/or persons served	High	• All staff are trained in Crisis Prevention and Intervention (CPI). • Emergency buttons on office desk phones to alert others. • Main office secured lobby. • Internal practices in case of known potential issues. • Availability of use of personal safety devices (PERSA)	EOC and Safety Officer	Each incident by Manage-ment and quarterly by EOC	High	N/A
When clinicians are providing services in the community	High	• Personal safety training for staff. • Alternative arrangements for service delivery if clinician feels unsafe.	Supervisors	Each incident and quarterly by EOC	Mod	N/A

Exposure	Potential Severity of Impact (Low-Mod-High)	Control Mechanism	Responsibility	Review Date	Risk Reduction Effectiveness (Low-Mod-High)	Goals/Action Steps
		• Staff training on use of personal safety feature on cell phones. • Agency procedure & staff training on prevention of injury during contact with animals in the community. • Availability of use of personal safety devices (PERSA).				
Exposure to hazardous body fluids	Mod	• Orientation and Training. • Precautionary equipment and procedures. • Remodel of clinic for more efficient handling of specimens & materials.	Safety Officer	At orientation and annually	High	N/A
Exposure to hazardous chemicals for cleaning or maintenance	Mod	Hazardous chemicals are not maintained or utilized by the organization	Safety Officer	At orientation and annually	High	N/A

Liability to Persons Served

MCN is committed to providing the best possible services to its population. In order to reduce or avoid exposure MCN will implement the following:

Exposure	Potential Severity of Impact (Low-Mod-High)	Control Mechanism	Responsibility	Review Date	Risk Reduction Effectiveness (Low-Mod-High)	Goals/Action Steps
Administrative Litigation on abuse and neglect	High	Code of ethics and policy on reported suspected abuse and neglect	Rights Officer and anyone suspecting abuse and neglect	Ongoing	High	N/A
Exploitation of persons served with cognitive disabilities	High	• Code of ethics • Progressive discipline system • Procedures for handling concerns and complaints of persons served.	Rights Officer and anyone suspecting exploitation of a person receiving services.	Ongoing	High	N/A
False billing of services	High	• Corporate compliance procedure, financial policies and procedures, reporting system, code of ethics, admission and billing procedures • Implementation of functional EHR incorporating validations to protect against errors and inaccurate billing. • Internal & external event verification auditing	Compliance Officer	Ongoing	High	N/A
Staffing Shortages– causing higher caseloads and longer work shifts; some persons served	High	• Significant focus on staff recruitment and retention efforts, such as hiring bonuses; student loan forgiveness; emergency leave for vaccinated staff testing positive for COVID; pay range	Administrative Team	Ongoing	Mod	N/A

Exposure	Potential Severity of Impact (Low-Mod-High)	Control Mechanism	Responsibility	Review Date	Risk Reduction Effectiveness (Low-Mod-High)	Goals/Action Steps
getting fewer or less quality services, fewer hours of service, and/or multiple reassignments of their workers; shift of staff between departments to cover areas of need; potential for increased staff errors with documentation and billing. - multiple staff medical leaves and meeting ADA rules related to work exceptions & accommodations is creating staffing issues/workforce strain.		increases; revised sick leave payout; increased employer match on employee pension plan contributions; availability of an Employee Assistance Program, and more. • Contract with private provider for additional outpatient services. • Processes established such that in low staffing periods, service levels are adjusted to assure persons with most critical needs are receiving the most intensive services. • Changes made in some services to allow for bachelor's level clinicians to work in intensive need areas. • Governmental loan forgiveness program targets potential staff for intensive service recruitment. • Implementation of a partial paid internship program to allow staff to work while working on their internship: motivating for staff to obtain advanced degrees. • Addition of a specialist positions to support degreed staff roles.				
Computer Network System - information loss/shut down due to virus, hackers,	High	• Up-to-date virus protection software, firewall, off site backup of data and virtual machines, and individual login passwords	IT Manager Security Officer	Ongoing with virus protect-tion upgrades daily	Mod	N/A

Exposure	Potential Severity of Impact (Low-Mod-High)	Control Mechanism	Responsibility	Review Date	Risk Reduction Effectiveness (Low-Mod-High)	Goals/Action Steps
spam, etc. General increase in frequency, severity and complexity of breaches and cyber attacks.		• Updated policies & procedures related to backup & testing. • Use of external party to conduct regular security risk analyses and security testing. • Implementation of enhanced internal phishing exercises provides additional training for staff • Implemented 2-factor authentication for network and EHR log ins. • Implementation of SharePoint • Purchased enhanced Microsoft licensure with advanced security • Updated firewall agency insurance includes protections in the event of a cyber attack.				
Computer Network System- difficulties or inabilities of persons being served to connect to services provided via telehealth,	High	• Implementation of single platform for psychiatric, outpatient and access services. • Use of allowed special funds to assist persons served with device and internet needs to	IT Manager Security Officer	Ongoing; for special funds, as funding exists.	Mod	N/A

Exposure	Potential Severity of Impact (Low-Mod-High)	Control Mechanism	Responsibility	Review Date	Risk Reduction Effectiveness (Low-Mod-High)	Goals/Action Steps
particularly during pandemic.		allow them to utilize telehealth services.				
Information Management-unauthorized disclosure of protected health information	High	• Privacy & Security policies and procedures • Annual Security Analysis • Processes for handling information on agency equipment & software (i.e., copiers, scanners, fax machines, use of email, texting, etc.) • Processes for monitoring business associates' security of information. • Implemented single, secure telehealth platform across all programs. • All staff retrained on confidentiality & disclosure laws regarding MH & SUD information. Staff are provided with policy/ guidelines for privacy & security during remote work; included in new staff orientation.	Privacy & Security Officers and Compliance Officer	Annually	High	N/A
Injury of persons served in accidents when providing transportation	High	• Driver's license checks at hire, and review annually and as incidents are reported. • Pre-employment drug testing and mandatory testing after work-related vehicle accidents.	HR	Annually	Low	N/A
Exposure of persons served to serious communicable illnesses (eg: COVID-19)	High	• Comprehensive pandemic plan. • Extensive education and training for staff, contracted providers, and persons served.	Executive Director, Integrated Nurse Manager, Clinical Director, Safety Officer	Daily/Weekly	Mod	N/A

Exposure	Potential Severity of Impact (Low-Mod-High)	Control Mechanism	Responsibility	Review Date	Risk Reduction Effectiveness (Low-Mod-High)	Goals/Action Steps
		• Implementation of telehealth services throughout all service programs. • In-person services available for high priority populations, with staff use of proper PPE and safety precautions. • Medication injections available in-home for high-risk populations.				

Contractual Liability

Contractual liabilities can arise out of leases, rental agreements, special service agreements, joint use agreements, cooperative ventures, and construction contracts.

Exposure	Potential Severity of Impact (Low-Mod-High)	Control Mechanism	Responsibility	Review Date	Risk Reduction Effectiveness (Low-Mod-High)	Goals/Action Steps
Other Contracted Services	Mod	Carries own malpractice insurance	Finance Director	Annually	High	N/A

Business Loss / Interruption

Loss or reductions in business has direct impact on MCN financial status. Business interruption in any site could cause significant loss to the agency.

Exposure	Potential Severity of Impact (Low-Mod-High)	Control Mechanism	Responsibility	Review Date	Risk Reduction Effectiveness (Low-Mod-High)	Goals/Action Steps
Loss of Medicaid contract, i.e., current efforts to award Medicaid contracts to the for-profit Health Plans, with possible ruling of MHPs being allowed to contract with other providers for MH services; reorganization of regions; potential for elimination of managed care functions	High	• Regionalization • Advocacy efforts of CMHs statewide & the Community Mental Health Association of Michigan (CMHAM) • Internal dissemination to staff of information from MDHHS, CMHAM, CMH Leadership & Health Plan, and Federal organizations relative to funding and system redesign. • Internal dissemination to staff of information and opportunities to advocate/contact legislators	Executive Director	Ongoing	Low/Mod	• Consider how MCN can bring continued awareness to the community of CMH/MCN system and funding issues.
MDHHS withhold of funding, or underfunding, causing a strain on resources and finances, and reduction in workforce and services, and potential for loss of credibility with	High	• Additional budget monitoring across all departments. • Implementation & monitoring of Cost Containment strategies within clinical programs and by MCN's Utilization Management Committee.	Executive & Finance Director; Utilization Management Committee	Monthly	Mod	• Continued implementation & monitoring of cost containment strategies. • Identify opportunities to educate providers and persons served on the current and impending impacts on

Exposure	Potential Severity of Impact (Low-Mod-High)	Control Mechanism	Responsibility	Review Date	Risk Reduction Effectiveness (Low-Mod-High)	Goals/Action Steps
community partners and persons served due to the need for changes in services and local practices.		• Advocacy efforts individually and in conjunction with CMHAM.				the CMH system and on local services. • Consider how MCN markets its services and whether new marketing messages are needed. • Monitor grievance and appeals from persons served for any indicators showing the need for changes in services or education. • Monitor for any loss in current provider network due to potential changes in payment structures or fees. • Review service decision-making tools to assure they reflect current/new practices.

Exposure	**Potential Severity of Impact (Low-Mod-High)**	**Control Mechanism**	**Responsibility**	**Review Date**	**Risk Reduction Effectiveness (Low-Mod-High)**	**Goals/Action Steps**
Increase in unfunded service mandates from MDHHS, causing a strain on resources and finances, and concerns for the potential for people to "fall through the cracks."		• Additional budget and resource monitoring across all departments. • Targeted focus on high-cost service utilization within the Utilization Management Committee on high cost/highly utilized services. • Activities targeted on assuring persons served are maintaining proper Medicaid enrollment. • Review and revision of service packages associated with levels of care. • Advocacy efforts individually and in conjunction with CMHAM.	Executive Team; Utilization Management Committee	Monthly	Mod	N/A
Extended Power Outage would affect ongoing business operations of billing for services and thus cash flow for payment of employees and expenses.	Mod	• Offsite back up of computer systems with ability to access from home or other office location. • Updated policies and procedures related to backup & testing. • Installation of a generator at the main office.	Security Officer	Annually	High	N/A

Loss of Reputation

Loss of reputation could result from negative publicity arising from negligent or unethical behavior of staff and /or organization. It could also incur by not meeting the qualities and specifications agreed with business customers.

Exposure	Potential Severity of Impact (Low-Mod-High)	Control Mechanism	Responsibility	Review Date	Risk Reduction Effectiveness (Low-Mod-High)	Goals/Action Steps
Loss of accreditation	Low	Continuous review of CARF standards	Quality	Ongoing	High	N/A
HIPAA violation and resultant investigation by Office of Civil Rights	High	HIPAA policies, and annual & periodic trainings during the year.	Executive Director and HR	Ongoing	Mod	N/A
Administrative litigation on abuse or neglect	High	Code of Ethics	Executive Director and Management Team	Ongoing	High	N/A
Embezzlement or misuse of organization monies	High	• Strong Internal Control Policies with segregation of duties • Code of Ethics	Executive Director and HR	On-going, Annual audit	High	N/A
Administrative litigation related to issues resulting from disclosure or discoverability of documents that are beyond document retention requirements. (This includes both paper as well as electronic documents and emails.)	High	• Revised policies and procedures on document retention and destruction. • Enhanced storage of historical electronic service documents for auditing & disposal. • Electronic tagging of documents considered “Permanent” to prevent accidental deletion. • Continued work on disposal of historical records beyond required retention dates.	Quality and Information Services Director	Ongoing	Mod	N/A

Exposure	**Potential Severity of Impact (Low-Mod-High)**	**Control Mechanism**	**Responsibility**	**Review Date**	**Risk Reduction Effectiveness (Low-Mod-High)**	**Goals/Action Steps**
Inappropriate contact with the media, and misuse of social media.	High	• Policies on contact with the media, and on expectations on use of social media. • Agency procedures on staffs' personal social media use & representation of agency/ work topics. • Restricted & designated access to use of agency social media sites. • Implementation of SharePoint & Teams, which includes ability for auditing of current data on network drives for archiving or disposal.	Executive Director and Management Team	Ongoing	Mod	N/A