

Policy 9.8

POLICY TITLE: COMPLIANCE ENFORCEMENT AND DISCIPLINE	POLICY # 9.8		
Topic Area: CORPORATE COMPLIANCE Applies to: LRE Staff and Operations Developed and Maintained by: CEO and Designee Supersedes: N/A	<u>ISSUED BY:</u> Chief Compliance Officer <u>APPROVED BY:</u> Board of Directors	REVIEW DATES	
		6/26/14	7/22/22
		7/21/23	2/18/25
	Effective Date: January 1, 2014	Revised Date: 5/21/2025	

I. PURPOSE

The purpose of this policy is to articulate LRE commitment to the standards contained and/or referenced in its Corporate Compliance Plan regarding enforcement, consequences, and incentives in relation to compliance with State and Federal laws and regulations, Medicaid program requirements, and Prepaid Inpatient Health Plan (PIHP) contractual obligations.

II. POLICY

Through its commitment to have an effective compliance program, Lakeshore Regional Entity (LRE) will include disciplinary guidelines, which are a necessary component of enforcement, that identify the consequences of violating the organization's standards of conduct, policies, and procedures. These disciplinary guidelines will also be enforced for failure to detect noncompliance when routine observation or due diligence should have provided adequate clues or put one on notice.

Enforcement and disciplinary standards contained or referenced in the LRE Corporate Compliance Plan will be consistently enforced through appropriate disciplinary mechanisms, up to and including termination, depending on the egregiousness of the offense.

Sanctions will be imposed for failure to report actual or suspected noncompliance.

It is the policy of LRE that officers and managers are accountable for the foreseeable behavior of their subordinates.

Each situation will be considered on a case-by-case basis to determine the appropriate response. Consideration of numerous factors will be included in the determination, including, but not limited to, the degree of intent, the amount of financial harm to the LRE or the government, or whether the wrongdoing was a single incident or lasted over a long period of time. Certain violations, such as intentional misconduct or retaliating against an employee who reports a violation, carry more stringent disciplinary sanctions.

Disciplinary action will be taken on a fair, equitable, and consistent basis.

LRE will ensure that enforcement and disciplinary guidelines are a contractual obligation of member CMHSPs and the Provider Network.

III. APPLICABILITY AND RESPONSIBILITY

This policy applies to LRE staff and operations.

IV. MONITORING AND REVIEW

The CEO or designee will review this policy on an annual basis.

V. DEFINITIONS

Member CMHSPs A Community Mental Health Service Program within the Lakeshore Regional Entity (The ENTITY is a seven-county region for whom the ENTITY is the acting PIHP).

Network Provider Any provider, group of providers, or entity that has a provider agreement with Member that receives Medicaid funding directly or indirectly to order, refer or render covered services as a result. A network provider is not a subcontractor by virtue of the network provider agreement, unless the network provider is responsible for services other than those that could be covered in a network provider agreement related to the delivery, ordering, or referring of covered services to a beneficiary.

VI. REFERENCES AND SUPPORTING DOCUMENTS

- A. 42 CFR 428.608
- B. MDHHS-PIHP Contract

VII. RELATED POLICIES AND PROCEDURES

- A. Corporate Compliance Plan

IV. CHANGE LOG:

Date of Change	Description of Change	Responsible Party
06/26/2014	New Policy	Corporate Chief Compliance Officer
7/22/2023	Annual Update	CEO and Designee
2-18-2025	Annual Update: changed wording to reflect the Corporate Compliance Plan	CEO and Designee
5/21/2025	Streamlined policy language; Added definitions	Compliance Officer