

GURWIN JEWISH NURSING & REHABILITATION CENTER

CORPORATE COMPLIANCE PLAN

Code of Ethics and Rules of Business Conduct

Rev. 11/2019

Dear Fellow Gurwin Associate,

The Gurwin Jewish Nursing & Rehabilitation Center (“Gurwin or Center”) has a longstanding reputation for lawful and ethical behavior, a reputation which our staff members have earned over the years. This is more than a source of pride for us; it is one of our greatest assets. Each member of the Center is expected to continue to adhere to the high standard of honesty whenever he or she acts on behalf of the Center, whether in interactions with other employees, with residents and their families, with vendors, with government regulators or with the general public. Violations of the legal or ethical requirements jeopardize the welfare of the Center, its employees and residents and the community that it serves.

The Corporate Compliance Plan and Code of Ethics and Rules of Business Conduct (the “Code”) reaffirms the principles that have guided this institution since its founding and sets forth our general standards of legal and ethical conduct. The Code applies to all work situations – from conflicts of interest and giving and receiving gifts to adherence with patient privacy and information security laws. All employees are expected to uphold these legal and ethical principles without exception.

We recognize that no Code can anticipate every question or substitute for each individual’s sense of honesty and integrity. If you have questions or come across any situation which you believe violates the Code, you should consult your Supervisor, the Compliance Officer or call the anonymous helpline at 631.715.2255. There will be no retaliation for asking questions or reporting possible compliance issues in good faith.

Thank you for your continued commitment to Gurwin.

Sincerely,



Bert Brodsky
Chairman Board of Directors



Stuart B. Almer
President and CEO

Gurwin Healthcare System Mission

Gurwin Healthcare System, Inc., through its subsidiary entities – Gurwin Jewish Nursing & Rehabilitation Center, Gurwin Jewish ~ Fay J. Lindner Residences, Inc., and Gurwin Home Care Agency, Inc. (collectively, the “System”) is committed to excellence and to the provision of the highest standards of quality health care to achieve its purpose of serving the community.

The System’s continuum of care shall include long-term care, short-term rehabilitation and subacute care, advanced care, respiratory and ventilator care, palliative and hospice care, memory and other specialty care, medical and social adult day care programs, home care services, on-site dialysis and infusion therapy, assisted living and independent senior housing. It shall assess services and evolve to meet changing community needs. While embracing all, the System shall build upon a foundation of Jewish ethics, tradition and lifestyle.

The System shall provide leadership in senior care and chronic care management, health education, research, and public policy development. It shall serve as a teaching resource for the education of healthcare professionals, enabling them to attain the highest standards of competence and compassion. It will strive to educate and sensitize staff, volunteers, residents and their families on issues pertaining to aging, rehabilitation, chronic and long-term care.

The System shall act as an industry leader in the development and adaptation of models of care and outreach programs. In all endeavors, the System shall seek to serve as a role model for other healthcare providers.

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GURWIN JEWISH NURSING & REHABILITATION CENTER
Code of Ethics and Rules of Business Conduct

I. Purpose & Applicability of the Code of Ethics & Rules of Business Conduct

The Gurwin Jewish Nursing & Rehabilitation Center (hereinafter “Gurwin” or “the Center”) is committed to integrity as the fundamental guiding principle for its employees, independent contractors, resident medical staff and its governing board of directors. To maintain the Center’s success and reputation, it is the responsibility of each Gurwin employee, independent contractor and board of director’s member to act in a lawful and ethical manner and comply fully with the appropriate standards of conduct in interacting with other employees, residents/patients and their families, vendors, government regulators, and the general public. The guidelines contained in this Code are designed to assist you in understanding the Center’s standards of conduct and to provide guidance in resolving ethical and legal questions that might arise in the course of your employment or other relationship with the Center.

This Code does not contain all of the Center’s rules and policies on every topic, but it is intended to establish the principles that must guide our conduct. The following general principles are intended to summarize Gurwin’s standards of conduct and ethics and are intended as a guide to its employees in recognizing these situations.

- The Center and its employees will abide by the letter and spirit of all applicable laws and regulations and will act in such a manner that the full disclosure of all facts related to any activity will reflect favorably upon the Center.
- Patients have the right to receive excellent, compassionate, high-quality, and person-centered care at Gurwin. These rights are the essence of our *Mission Statement*.
- Gurwin will deal fairly and honestly with those who are affected by our actions and treat them as we would expect them to treat us if the situation were reversed.
- The Center will promote relationships based on mutual trust and respect and will provide an environment in which individuals may question a practice without fear of adverse consequences.
- We expect outside colleagues, vendors and consultants to also adhere to the same standards in their dealings with us as with others on our behalf of the institution.

II. Overview of Code of Ethics and Rules of Business Conduct

2.1 Comply with all Laws and Regulatory Requirements

All staff must observe all laws and regulatory requirements that apply to the Center. Every staff member is expected to be familiar with the basic legal requirements that are relevant to his or her duties. Staff can learn the laws and regulations that apply to their work through the in-service training programs, from supervisors, by reviewing the Center’s policies and by asking questions of their supervisor, department head, Human Resources, Compliance Officer and/or Administration. Staff are expected to ask

supervisors when they require assistance in understanding their legal obligations.

2.2 Keep Accurate Records

Every staff member is expected to comply with the Center and government requirements regarding record keeping. All records and reports are to be prepared accurately and retained in accordance with applicable requirements. All communications, within the Center or to outside agencies, must be truthful.

2.3 Behave Ethically

Every staff member is expected to adhere to high ethical standards when he or she acts on behalf of the Center.

2.4 Comply with the Conflict of Interest Policy

Every staff member is expected to be loyal to the Center, to avoid using his or her position for personal gain. Directors, Officers and Key Employees are expected to comply with the Conflict of Interest policy, a copy of which is available in Administration and on the Gurwin website.

2.5 “Good Faith” Reporting of Possible Compliance or Ethical Violations

Every staff member is expected to report any possible violations that they detect, or suspect may be inconsistent with any law or ethical standard. Reports may be made either in person, by telephone or in writing to any of the following:

- Your supervisor or department head
- Human Resources (631.715.2621)
- Compliance Officer (Joanne Parisi-631.715.2577)
- Administration (631.715.2600)

or you may call the Compliance Hotline at 631.715.2255

“Good Faith Reporting” means you do not have to be absolutely certain that a violation has occurred before making such a report; reasonable belief that a violation is possible, is sufficient. Reporting enables the Center to investigate potential problems quickly and to take prompt action to address them.

Gurwin has a strict “No Retaliation” -also known as Whistleblower- policy which means intimidation, retaliation or reprisal against such employees is prohibited by law and Gurwin policy. Where possible, the confidentiality of the employee making the report will be protected.

2.6 Respect for Residents/Patients

All residents and patients are entitled to equal access to services and are to be treated with care and respect. In addition, we must protect the privacy of our residents and their families and comply fully with all confidentiality rules.

2.7 Respect for Other Staff Members

All staff are entitled to be treated fairly and respectfully. Any form of discrimination or harassment on the basis of race, creed, citizenship, religion, color, sex, sexual orientation, gender identity and expression, national origin, age, disability, genetic information, marital status, victim of domestic violence status, veteran status, prior conviction record, or any other classification protected by federal, state and local laws and ordinances is a violation of this policy and will be treated as a disciplinary matter. Gurwin has zero tolerance for discrimination or harassment and is committed to a workplace free of such misconduct.

2.8 Adhering to Proper Business Practices

We must conduct our business activities on the basis of fair practices. All purchases of services and supplies must be from legitimate sources and based upon objective factors such as quality and price.

2.9 Compliance with Environmental Laws

We must comply with all environmental laws and regulations. All hazardous materials and infectious waste must be stored, handled and disposed of as required by laws, regulations and Center policies. Unsafe storage or release of such materials into the environment must be reported immediately.

2.10 Protection of Occupational Safety

To ensure a safe work environment, we must follow all laws and regulations regarding safety on the job.

2.11 Maintenance of a Drug and Alcohol-Free Workplace –

The illegal use, sale, purchase, transfer, possession or presence in one's system of drugs is strictly prohibited. The use, sale, purchase, transfer, possession or presence in one's system of alcoholic beverages while on duty is also strictly prohibited.

2.12 Certification of Compliance

All staff members are required to sign an acknowledgment confirming that they have received, read, understand and will comply with the Code of Ethics and Rules of Business Conduct.

GURWIN JEWISH NURSING AND REHABILITATION CENTER CORPORATE COMPLIANCE PLAN

Gurwin is subject to numerous federal and state laws and regulations that govern the activities of staff who are expected to be knowledgeable of and in compliance with the laws and regulations that affect their area of responsibility. Staff that violate laws or regulations risk individual criminal prosecution, civil actions resulting in monetary damages, and exclusion from federally funded health care programs. In addition, actions of staff may subject Gurwin to risks and potential penalties. Accordingly, any staff who violate federal or state laws may be subject to corrective action, up to and including termination of their employment/affiliation. Questions regarding laws or regulations or any other part of the Plan should be directed to the Compliance Officer at 631.715.2577.

III. Plan Elements

The Gurwin Compliance Program plan elements are based on standards set forth by the Office of Inspector General (“OIG”) Guidances for Nursing Facilities and the New York State Office of Medicaid Inspector General (“OMIG”) and are as follows:

3.1 Compliance Standards, Policies and Procedures

Gurwin has developed the Gurwin Code of Ethics and Business Conduct (the “Code”) that presents behavioral expectations and basic legal principles under which staff must operate. Staff are responsible for ensuring that their behavior and activity is consistent with the Code which is contained in the Plan.

In addition to the Code, Gurwin has developed, and will continue to develop as necessary, policies and procedures that address specific areas, issues, and activities that are especially complex, or have been identified as compliance risk areas. These policies will be tailored to the specific needs of that area and will be distributed and reviewed with affected staff as part of their training and education. As with all compliance policies, these specific policies and procedures will be reviewed regularly, and modified to reflect organizational and regulatory changes.

3.2 Oversight Responsibility

The Board of Directors of Gurwin is committed to supporting Gurwin’s staff in complying with federal, state, and local laws that govern health care and in order to enhance Gurwin compliance efforts. Gurwin, by action of the Board of Directors, has adopted this Corporate Compliance Plan. The Plan is designed to incorporate recommendations enumerated in the Department of Health and Human Services Office of Inspector General’s (“OIG”) Compliance Program Guidance for Nursing Facilities as well as to reflect the elements of an effective compliance plan as described in the

Federal Sentencing Guidelines. The Board of Directors also appointed a Compliance Officer who has been given authority to do all things necessary to develop and implement an effective compliance program.

The Compliance Officer maintains administrative authority for implementation, monitoring, and enforcement of the Plan. All questions and concerns regarding compliance with the Plan, or legal and regulatory standards, should be directed to the Compliance Officer. If an individual is uncertain whether their conduct or behavior is prohibited under law, they must contact their supervisor or the Compliance Officer for guidance prior to engaging or continuing in the conduct or behavior. The Compliance Officer has full discretion to investigate possible instances of non-compliance and to initiate corrective action when a non-compliant situation is identified. Staff are directed to cooperate fully and to assist the Compliance Officer in the exercise of their duties.

The Compliance Officer's duties include but are not limited to the following:

- Creating an environment where staff are encouraged to raise compliance issues;
- Developing standards of conduct and policies and procedures to promote compliance with ethical and legal requirements;
- Developing, modifying, and monitoring the implementation of the Plan;
- Responding to staff inquiries regarding matters related to the Plan;
- Developing, coordinating, and participating in compliance education and training;
- Monitoring compliance with the Code of Conduct;
- Developing and supervising on-going compliance auditing and monitoring activities;
- Developing a compliance concern reporting mechanism that encourages staff to report compliance concerns without fear of retribution;
- Receiving, investigating, and reporting on compliance concerns and violations;
- Recommending and overseeing implementation of corrective actions when necessary;
- Establishing committees to assist in implementing and maintaining the Compliance Program;
- Chairing the Compliance Committee;
- Revising the Plan in response to organizational need and changes in law and policy; and,
- Reporting regularly to the President and Chief Executive Officer and to the Board of Directors regarding compliance activities.

The Compliance Committee includes managers and employees of key operating units with the seniority and experience to advise the Compliance Officer regarding risks and concerns in their areas. The primary role of the Compliance Committee is to advise the Compliance Officer and to assist the Compliance Officer in the implementation and enforcement of the Plan. The Compliance Committee will have its own charter which specifically outlines membership and any specific duties.

The general responsibilities of the Compliance Committee are as follows:

- Analyze the industry environment and applicable legal requirements;
- Identify specific compliance risk areas;
- Assess existing policies and procedures addressing compliance risk areas;
- Recommend and monitor the development of internal systems; policies and controls to carry out the compliance program;
- Determine the appropriate strategies to promote compliance;
- Complete assigned tasks related to compliance and employment duties, and monitor the results of external and internal investigations for the purpose of identifying deficiencies and implementing corrective action.

Gurwin Managers and Supervisors have a responsibility to know and understand the laws and regulations that apply to their area of responsibility and to exhibit a strong commitment to compliance. Managers and supervisors will encourage open communication among staff concerning compliance matters.

Due Diligence in the Hiring or Credentialing of Staff

Gurwin has developed a screening process to avoid hiring or credentialing individuals who pose a risk of involvement in illegal activities. New hires, all allied health, medical staff applicants, and contract employees who go through HR will have references checked and be subject to criminal background check or Criminal History Record Check review of the HHS/OIG Cumulative Sanctions List, the General Services Administration List of Parties Excluded from Federal Procurement and Non-Procurement Programs, and the National Practitioner Data Bank, as applicable. In addition, Gurwin performs criminal background checks on all applicants for employment. The application asks “HAVE YOU EVER BEEN CONVICTED OF A CRIME (MISDEMEANOR OR FELONY, EXCLUDING TRAFFIC VIOLATIONS) THAT HAS NOT BEEN EXPUNGED, SEALED, PARDONED OR ANNULLED? NOTE: YOU ARE NOT REQUIRED TO REVEAL ANY YOUTHFUL OFFENDER CONVICTIONS. IF YOU CHECKED “YES,” PLEASE EXPLAIN BELOW. A CRIMINAL CONVICTION WILL NOT NECESSARILY BE A BAR TO EMPLOYMENT. TO HELP US EVALUATE YOUR APPLICATION, PLEASE DESCRIBE THE NATURE OF THE CRIME AND YOUR SUBSEQUENT REHABILITATION.” The new hire application also asks “HAS YOUR PROFESSIONAL LICENSE AND/OR CERTIFICATION EVER BEEN REVOKED OR SUSPENDED? YES NO IF YOU CHECKED “YES,” PLEASE EXPLAIN.” Gurwin will not employ, credential, retain, contract, or otherwise affiliate with anyone excluded from participation in governmental funded health care programs.

3.3. Training and Education

Successful implementation and functioning of the Plan will require effective training and education of staff. Gurwin will make appropriate resources available and require successful completion of educational training programs to ensure staff familiarity with organizational policies and procedures and areas of law that affect the conduct of their duties. The compliance training and education program will provide staff with

awareness regarding the importance of compliance, an understanding of the Plan, and needed technical and functional training to carry out their responsibilities. The responsibility for the development of compliance education lies with the Compliance Officer.

The Plan Code of Ethics and Rules of Business Conduct will be presented to staff in initial mandatory training sessions. This initial training will introduce staff to compliance and reaffirm the Center's commitment to an ethical, professional work environment, and compliance with legal standards. Initial general compliance training is a mandatory orientation subject for newly hired staff. General compliance education is provided at least annually as part of the Gurwin annual mandatory education program. Additional organization-wide general compliance education shall be developed as needs arise.

In addition to the general compliance education, staff will receive job or department specific compliance education as needed. This education will focus on technical and functional training to allow staff to carry out their job responsibilities in a fully compliant manner. The departmental compliance education will be based upon identified compliance educational needs as determined by the supervisor, the Compliance Committee, and the Compliance Officer. This specialized training will focus on complex or high compliance risk areas and will be modified over time in response to regulatory developments and newly identified compliance risk areas. Compliance risk areas may be identified by departmental monitoring activities, reported compliance concerns, governmental enforcement initiatives, or by other means available. The Compliance Officer, managers, supervisors, and staff share a responsibility to identify compliance related information to be presented to staff through education and training.

Participation in compliance training will be mandatory. Outside experts may be enlisted by the Compliance Officer to conduct specialized or highly technical compliance training. The Compliance Officer will regularly, and not less than annually, report to the Board of Directors on compliance educational activities.

3.4 Monitoring and Auditing Systems

To assure the success of the compliance program, the Compliance Officer will oversee monitoring and audit activities. The monitoring and audit activities will assess compliance with laws, regulations, standards, policies, or procedures. The scope and frequency of compliance monitoring and auditing activities in a particular area will be based on an assessment of risk and the effectiveness of existing operational controls and on-going monitoring of activities.

Compliance monitoring and audit activities will be under the direction of the Compliance Officer. In addition to the use of internal resources, outside parties with compliance expertise may be used. When possible, claim and billing accuracy monitoring will be completed on a prospective basis to identify potential problems

before claims are submitted. Audit procedures may be conducted with the assistance of legal counsel to maintain the attorney client privilege. Monitoring and audit results will be used to assist in correcting past problems and putting systems into place to prevent them from recurring. Compliance monitoring and audit records will be kept confidential and maintained for seven (7) years.

Results of routine compliance monitoring and audit activities will be reported to the President and Chief Executive Officer and the Board of Directors on at least an annual basis. If monitoring and audit activities identify a potential non-compliant situation or other compliance concern, the investigative procedures set forth in Section 3.6 below will be followed.

3.5 Compliance Communications

Staff members have a duty and obligation to immediately report any concerns of suspected or actual violation of laws, regulations, standards, or any other part of this Plan, to their supervisor. Reports should be made either in person, by telephone or in writing to any of the following:

- Your supervisor or department head
- Human Resources (631.715.2621)
- The Compliance Officer (Joanne Parisi at 631.715.2577)
- Administration (631.715.2600)

The Compliance Officer shall have an open-door policy regarding components of the Plan, adherence to the law, or reports concerning violations, or suspected violations of law. If Staff are uncomfortable making such report, an anonymous Compliance Hotline has been established.

Compliance Hotline: To encourage reporting of compliance concerns or questions, Gurwin has established an anonymous Compliance Hotline at 631.715.2255. Staff may leave an anonymous message which is reviewed by the Compliance Officer for follow-up.

Staff are encouraged to disclose their identity, recognizing that anonymity may hamper complete and timely investigations. However, anonymous reports will not be refused or treated less seriously because the reporter wishes to remain anonymous. All compliance concern reports will be kept confidential to the extent possible and will be investigated by the Compliance Officer or designee. However, complete anonymity cannot be guaranteed, especially in situations where governmental authorities may be involved.

No staff member who reports a compliance concern will be retaliated against or otherwise disciplined solely for reporting the concern (see policy in the Employee Handbook under Financial Fraud, Waste and Abuse Section); also see Corporate Compliance Plan Code of Ethics & Rules of Business Conduct and Financial Fraud, Waste and Abuse in the Employee Handbook. Gurwin strictly prohibits retaliation against

employees who raise concerns honestly and forthrightly, and retribution in any form will not be tolerated. Staff found to have retaliated against another staff member will be disciplined in accordance with Gurwin's disciplinary guidelines up to and including termination. The Compliance Officer does not have the authority to extend protection or immunity from disciplinary action or prosecution to individuals who have engaged in misconduct, regardless of whether they reported the misconduct. No staff will be punished solely for mistakenly reporting what they in good faith believed to be an act of misconduct, but an individual may be subject to disciplinary action if the report was knowingly misstated. Any staff who knowingly misuses the hotline will be subject to disciplinary action up to and including termination of their employment/affiliation.

3.6 Investigations and Corrective Action

Upon receipt of a hotline report, questionable audit or monitoring results, or other information that suggests a compliance issue, the Compliance Officer will take all reasonable steps to promptly investigate for the purpose of assessing potential risks, obligations, and compliance with this Plan. The Compliance Officer will record the concern in the compliance concern log and open a written report. Based upon information and the nature of the concern, the Compliance Officer will conduct an initial assessment to determine whether the report has merit and warrants additional investigation. If warranted, investigations will start as soon as possible but in no event more than fourteen (14) days following the receipt of the report suggesting a potential compliance issue.

Investigation activities may include, but not be limited to, the following:

- A review of applicable laws, regulations and standards;
- Interviews with the person reporting the concern and others who may be involved or have information to support the investigation; and
- A review of all relevant documents including financial and clinical records.

The Compliance Officer shall take necessary steps to prevent the destruction of documents or other evidentiary material relevant to an investigation.

If, upon conclusion of the investigation and, if appropriate, review by outside legal counsel, it is determined there is a substantiated material compliance concern, the Compliance Officer shall immediately formulate and implement a corrective plan of action. The corrective plan of action will ensure the issue is addressed, eliminated, or mitigated to reduce the possibility of recurrence of the risk. Corrective action may include, but not limited to, adopting new policies and procedures and monitoring their implementation, education and training, imposing restrictions on staff duties, discipline of staff up to and including termination, and disclosure to governmental authorities as required by law.

If the compliance problem relates to billing, similar billing will be discontinued until the problem is corrected and education on appropriate billing processes is provided. If improper payments were received, the Compliance Officer in concert with Administration and, if appropriate, outside legal counsel, will determine the amount of repayment to be made and the required disclosures. If there is reason to believe the misconduct may have violated criminal, civil or administrative law, the misconduct will be reported to the appropriate authority within a reasonable period of time but ordinarily within no more than sixty (60) days.

The Compliance Officer will maintain records of investigations including documentation of the alleged violation, a description of the investigative process, interview notes, copies of key documents, the log of witnesses interviewed and documents which were reviewed, the results of the investigation, and any corrective action. The Compliance Officer will report periodically to the Compliance Committee and the Board of Directors on identified compliance concerns and the investigations undertaken as a result of these concerns.

Any issue for which a corrective action plan has been implemented will be monitored and incorporated into future audits. Information gathered during an investigation may be incorporated into future staff education and training.

3.7 Enforcement and Corrective/Disciplinary Action

Any staff member who fails to comply with applicable laws, regulations, standards, or policies may be subject to corrective action, up to and including termination of employment/affiliation. Failure to report known or suspected noncompliance may subject staff to corrective action. Management or other supervisory staff may be subject to disciplinary action in the event that they unreasonably fail to detect a known or suspected compliance violation.

The Chief Human Resources Officer, together with the Compliance Officer, will include compliance violations in the disciplinary guidelines. These guidelines will be applied and enforced consistently and will result in enforcement penalties, up to and including termination of employment/affiliation.

The disciplinary system shall provide that corrective actions, including a statement of the reasons why the penalty was imposed, are documented in the personnel or credential file. The Compliance Officer will communicate with Human Resources regarding all disciplinary actions taken with respect to compliance violations. The Compliance Officer will periodically review disciplinary actions to assure the actions are administered in a fair and consistent manner and will report to the Compliance Committee on a regular basis concerning the disciplinary aspects of the Plan.

IV. Legal And Regulatory Compliance

Gurwin provides various healthcare services in accordance with applicable federal, state and local laws and regulations. This section provides information to enhance awareness of key laws and regulations pertaining to healthcare compliance.

Fraud and abuse statutes, including the False Claims Act, prohibit: (1) payments made to a referral source in exchange for a patient referral; (2) the submission of false, fraudulent, or misleading claims; and (3) making false representations to gain or retain participation in or to obtain payment from a federally funded health care program. The False Claims Act protects those who report misconduct under the “qui tam” or whistleblower protection. Gurwin has adopted a Whistleblower Policy which explains whistleblower protections (see Whistleblower Policy in the Employee Handbook).

The Deficit Reduction Act (DRA)

The DRA mandates that providers receiving \$5 million or more annually in Medicaid funds must provide, as a condition of payment, education to employees, agents and contractors about the False Claims Act including the Whistleblower provisions therein.

Medicare Anti-kickback Act

Both federal and state laws specifically prohibit any form of kickback, bribe or rebate made directly or indirectly, overtly or covertly, in cash or in kind to induce the purchase, recommendation to purchase or referral of any kind of any health care goods, services or items paid for by Medicare or the Medicaid program. Care must be taken in structuring relationships with persons not employed by the Center, not to create a situation where the Gurwin Center appears to be offering an improper inducement to those who may be in a position to refer or influence the referral of residents to the Gurwin Center. Nor should Gurwin accept any improper inducements from its vendors to influence its decisions regarding the use of particular products or the referral or recommendation of residents. (For example, goods or services offered for free or below market value may be treated as “kickbacks” even if given as part of a promotional program by a vendor or provider).

Q. My supervisor directed me to do something I believe is against Gurwin’s policy and, perhaps, the law. I don’t want to do something improper, but I’m afraid if I don’t do as I am told, I may lose my job. What should I do?

A. Do not risk your job or the Center’s future by taking part in improper or illegal activity. Discuss the situation with your supervisor to be sure you understand the facts and that he/she is aware of your concern. If you are uncomfortable discussing the situation with your supervisor, or you are not satisfied with the response, contact the Compliance Officer. The effectiveness of the Corporate Compliance Plan depends on staff taking appropriate action if they suspect non-compliant conduct is occurring. Gurwin strictly prohibits retaliation against employees who raise concerns honestly and forthrightly, and retribution in any form will not be tolerated.

Q. What should I do if a physician asks me to provide payment or compensation in exchange for referrals to our facility?

A. Such a request is against our Code of Conduct and Rules of Business Ethics and may be illegal. Discuss the situation with your supervisor or the Compliance Officer. Any supervisor receiving this type of information should immediately notify the Compliance Officer.

Conditions of Participation are federal regulations with which health care facilities must comply in order to receive funding from the Medicare and Medicaid programs. In order to participate in the Medicare program, Gurwin must meet standards regarding types of services provided, staffing, medical supervision, compliance program, and Gurwin's physical plant, equipment and sanitary conditions.

Competition and Antitrust laws are designed to preserve and foster fair and honest competition within the free enterprise system. To accomplish this goal the language of these laws is deliberately broad, prohibiting such activities as "unfair methods of competition" and agreements "in restraint of trade." To avoid violating the prohibitions of the antitrust laws, no one from the Center should have any discussions or other communications with competitors about resident/patient referrals, geographic areas, services, marketing efforts, salaries or the circumstances under which business will be conducted with suppliers, insurance companies or residents/patients. Discussions with competitors regarding the future business plans, competitor's prices, reimbursement or salary levels should be avoided. All of these prohibitions apply even if the communication is made during the course of participation in professional and trade associations. Anyone who violates the law or knowingly permits a subordinate to do so is subject to disciplinary action.

Health Insurance Portability and Accountability Act (HIPAA) is a Federal law that restricts access to individuals' protected health information ("PHI").

The **Privacy Rule** informs patients of their privacy rights, gives patients access to their PHI and control over how it is used, and requires security processes for medical records and other confidential information used or shared in any form.

The **Security Rule** requires administrative, physical and technical safeguards to protect patient privacy and covers information that is stored or transmitted electronically.

You play a vital role in protecting the privacy and security of patient information, which is detailed in Sections V, VI and VII below.

V. Confidentiality of Information.

Gurwin is required by law to strictly protect the confidentiality of patient, business, and employee information. Seeking access to confidential information for any purpose other than to perform job related responsibilities will result in disciplinary action up to and including termination. Moreover, failure to report a suspected breach of confidentiality may result in disciplinary action up to and including termination.

Staff shall at all times maintain the confidentiality of patient and other information in accordance with HIPAA and all other legal and prevailing ethical standards. Staff may have access to confidential and sensitive patient and family information whose use should be limited only to individuals directly involved in the care of that patient. Confidential information will be released only upon obtaining a valid authorization for release of information or as otherwise authorized by law (See HIPAA policies).

Staff should be aware not to discuss sensitive patient information in public areas. Posting any confidential information to social websites is prohibited. Questions regarding disclosures of information should be directed to the Compliance Officer.

Staff may have access to information, ideas, and other intellectual property important to the success of the Center. Staff should take care to assure that such proprietary information is carefully managed, maintained, and is only shared with other staff who need the information to perform their assigned duties. Documents or information regarding Gurwin's current, proposed, or future business plans, strategies, costs, prices, terms of contracts, or general finances are considered confidential and protected.

Staff may have access to confidential information regarding other staff. This information should be protected and released only by designated personnel if the party requesting needs to know in order to perform his/her assigned duties or has valid written consent.

Q. I overheard that an 85-year-old famous celebrity has been admitted to Gurwin. Is it okay to access the medical record to see if the rumor is true?

A. No, access to patient information is limited to individuals directly involved in the care of the patient and business operations under HIPAA and other state law. Unauthorized or inappropriate access or attempts to access patient information will subject the employee to disciplinary action up to and including termination.

VI. Safeguarding the Privacy of Our Residents/Patients and Employees:

Our professions require that we gather a great deal of personal information about individuals, both in resident/patient medical records and employee files. Therefore we must avoid unwarranted invasion of the individual's right to privacy.

This applies to information about residents/patients and employees. The following guidelines apply:

- Limit access to only those authorized by Center policy as per the principle of "minimum necessary" information necessary to perform employees' job function.
- Use only legitimate means to collect information and whenever practical, obtain it directly from the individual concerned.
- Specific confidentiality rules apply to a resident's/patient's HIV status - before release of any information with respect to HIV status, special rules must be adhered to.

- Conduct oneself appropriately when in possession of personal information; for example, do not engage in discussion of residents/patients or their families in public places such as elevators or the cafeteria. Any employee or agent of the Center who engages in unauthorized disclosure of information regarding residents/patients or others may be subject to disciplinary action. Any person who becomes aware of such unauthorized disclosure should report it immediately to Human Resources, Administration or the Compliance Officer.

The widespread use of computer terminals and computer systems has caused information to be accessible to many employees. Failure to protect this information adequately can lead to the loss of confidential data that may place the Center legally at risk. Because of the risk of harm to the Center, its employees and residents, no employee shall without the written consent of the Center during the term of employment or thereafter use for the benefit of such employees or others or disclose to others any confidential information obtained during the course of employment.

Protected Health Information should not leave the Center either physically, on a USB drive or laptop, or digitally, through electronic transmission via email or file transfer services, without proper authorization from Administration. If authorization is given, then no downloading of PHI off of remote systems to personal systems outside control of the Center is permitted under any circumstances.

Confidential information includes the Center's methods, processes, techniques, computer software, equipment, service marks, copyrights, research data, clinical and pharmacological data, marketing and sales information, personal data, resident lists, financial data, plans and all other know-how and trade secrets which are in the possession of the Center and which have not been published or disclosed to the general public. Documents containing confidential data, including information concerning residents, should be handled appropriately during work hours and must be properly secured at the end of the business day. Particular attention must be paid to the security of data stored on the computer system. If you observe individuals whom you do not recognize using terminals in your area, immediately report this to your supervisor.

VII. Information Owned by Others:

If you have access to another party's confidential information, it is incumbent upon you to prevent any accusations that you or the Center misappropriated or misused the information. You should not receive confidential or restricted information, whether oral, visual or written until the terms of its use have been formally agreed to by the Center and the other party. The Center's entry into such an agreement requires approval of an appropriate member of senior management. Once another party's confidential or restricted information is properly in your hands, you must not use, copy, distribute or disclose that information unless you do so in accordance with the terms of the agreement.

Special care should be taken when acquiring software from others. Software is intellectual property and is protected by copyright laws and may also be protected by patent, trade secret laws or as confidential information. Such software includes computer programs, databases and related documentation owned by the party with whom you are dealing or by another party. If you acquire software for your personally owned equipment, you are prohibited from copying any part of such software in any work you do for the Center, placing such software on any Center-owned computer system, or generally bringing such software onto the Center's premises.

VIII. Conflict of Interest:

The Center's business partners should be selected solely on their merits, in the best interests of the Center and without regard to non-business-related considerations.

It is the policy of the Center that certain selected employees with purchasing responsibility as part of their duties be free from such conflicting interests. The overall governing principle is that such employees must avoid situations where their personal interests may conflict, or appear to conflict, with the interests of the Center.

Selected employees shall include all Administrators, Department Heads, Assistant Department Heads, and employees with purchasing responsibility. These employees will execute a Conflict of Interest Statement of Disclosure (see policy #A-72) annually.

IX. Gifts and Entertainment:

Gifts and entertainment represent an area of potential conflict in situations where a competitive, regulatory or adversarial relationship could exist. Giving or accepting gifts and entertainment can sometimes be construed as an attempt to unduly influence the relationship. Gifts to the Center must be processed through the Gurwin Jewish Healthcare Foundation. No personal gifts should be offered or received if done under circumstances that would raise a reasonable question concerning whether the gift was offered or received improperly to influence a person in the exercise of proper business judgment. One should not provide or accept gifts of more than nominal value.

X. Fundraising

As a nonprofit organization, the Center relies heavily on contributions from donors to support its many activities. Employees are encouraged to support this fundraising effort but are required to coordinate all activities with the Gurwin Jewish Healthcare Foundation. Monies or other items received on behalf of the Center as gifts should be deposited immediately in Foundation accounts.

Charitable contributions from vendors to the Center may raise issues implicating federal and state anti-kickback laws. Care should be taken when receiving contributions that the contributor not be led to believe, either directly or indirectly, that the contribution will affect the Center's professional judgment regarding the goods or services it purchases, recommends or provides to its residents. All such contributions must be handled through the Gurwin Jewish Healthcare Foundation and accepted on behalf of the Center by the Foundation.

XI. Hazardous Materials and Infectious Waste/Environment Health and Safety

In the course of the Center's operations, hazardous materials may be used, and infectious waste may be generated. The Center is financially and legally responsible for the proper handling and disposal of these materials. Environmental responsibility is also an important component of our duty to the public and our good reputation.

It is essential that everyone at the Center that deals with hazardous material and infectious waste disposal complies with the environmental laws and regulations and the Center's policy and procedure for proper disposal. The unsafe storage or release of such materials into the environment must be promptly reported to Administration, and if applicable, to city, state and or federal authorities.

The Center is obligated to accept sharps generated within the community for proper regulated disposal. Sharps, provided that they are properly packaged in a leak-proof and puncture-proof container with suitable identification (as outlined in the Administrative policy and procedure manual, policy A-84) will be accepted for disposal at the reception desk between the hours of 8AM and 4PM, seven days a week.

Questions regarding the procedures for disposal of hazardous materials and infectious waste should be referred to the Infection Preventionist and Housekeeping Department. Any employee who has reason to believe that there have been violations of this, or any other aspect of the Center's environmental compliance procedures, should report it immediately to the Compliance Officer.

XII. Pharmaceuticals, Prescription Drugs, and Controlled Substances

The Center is responsible for the proper distribution and handling of pharmaceutical products. Federal, state and local laws covering prescription drugs and controlled substances are intended to maintain the integrity of our national drug distribution system and protect consumers by assuring that prescriptions drugs are safe and properly labeled. Many of the Center's employees have responsibility for or access to prescription drugs including controlled substances, hypodermic needles, drug samples and other regulated pharmaceutical products.

Federal, state and local laws include prohibitions against diversion of any prescription drug or controlled substance, including a drug sample, in any amount for any reason to an unauthorized

individual or entity. The distribution of adulterated, misbranded, mislabeled, expired or diverted pharmaceuticals is a violation of law for which severe criminal penalties may be imposed, both on the individual who violated the law as well as on the Center.

It is the Center's policy that all employees be both diligent and vigilant in carrying out their obligations to handle and dispense the Center's prescription drugs and controlled substances in accordance with all applicable laws, regulations and Center procedures. Every employee is expected to maintain the highest professional standards in safeguarding pharmaceuticals of all kinds and in preventing unauthorized access to them. Questions regarding pharmaceutical and controlled substances should be referred to Administration, the Medical Department or the Pharmacy.

XIII. Political Participation

Participation in the political process is one of every American's most basic rights. Federal and state laws, however, limit the nature and extent of organizational political participation. For example, both federal and state laws prohibit Gurwin from contributing to political candidates or office holders. Federal law and Center policy also state that no one will be reimbursed for personal political contributions. Personal compensation will not be altered to reflect such contributions. The Center encourages employees to participate in the American political process if they so desire. It is important however, to distinguish between personal and organizational political activities. The Center will occasionally speak out on issues of importance to the organization or health care industry. Senior management is responsible for developing the Center's position on relevant legislative and regulatory issues.

Unless you are specifically requested by the Center to represent it before legislative or other governmental bodies, be sure you clearly state that any personal communication with legislators is your own belief. If you are contacted by legislators or regulators regarding the Center's position on public issues, you should refer them to Public Relations at 631-715-2562. The Center also periodically engages with lobbyists or lobbying firms to help promote its interests and has established internal controls to assure that all activities are appropriate. No employee should engage in lobbying nor contact any lobbyist or consultant to lobby or promote Gurwin's interest on any legislative, regulatory or other governmental issue without prior authorization from the President and CEO or designee.

Federal and state laws prohibit giving a gratuity to a government employee in connection with a business transaction, even if done without the intent to influence some official action. Rules exist to eliminate even the appearance of a conflict of interest by government employees. Laws regarding this issue could be violated if anything of value is given to a government employee, even if there is no intent to influence an official action or decision. Therefore, no employee should entertain a public official on behalf of the Center without authorization from Administration.

XIV. Records Retention/Destruction:

The Center's records must be fully and accurately completed and maintained consistent with proper business practices. Many of the Center's records serve as a basis for treatment decisions for its residents, as a compilation of goods and services rendered for billing purposes and as a record of historical courses of treatment. Consequently, the proper and timely creation of accurate and complete records is the duty of each member of the Center.

The Center is required by law to maintain certain types of medical and business records for a specified period of time. Legal liability could result if a document is destroyed before its scheduled destruction date. Accordingly, the Center has established controls to assure retention for required periods and timely destruction of retrievable records, such as hard copies and records on computers, or electronic systems, microfiche and microfilm. You are expected to comply with the records retention and destruction schedule for the department in which you work. If you believe the document should be saved beyond the applicable time, consult your supervisor.

XV. Government Investigations:

Inaccurate or incomplete information provided to government officials in response to inquiries can generate complications for the Center and possibly frustrate the legitimate purposes of the inquiry. Unauthorized disclosure of information may jeopardize residents'/patients' rights to privacy and expose the Center to liability.

Any employee of the Center who is approached by any federal or state law enforcement agency seeking information about any aspect of the operations of the Center or the job-related activities of any of the Center's officers, employees or agents, must contact Administration **before** revealing any information.

To insure that government agencies are provided with the information to which they are entitled on a timely basis and at the same time, to prevent the improper disclosure of private information, it is imperative that you contact Administration promptly after receipt of any request for information that you receive. In addition, please be certain to:

- Obtain the name and organization affiliation of all persons from whom a request for access to information is received or to whom access is permitted before any access is allowed;
- Maintain a written record of each and every document to which access is given;
- Keep a detailed record of all telephone contacts made, including specifically the name and affiliation of the parties to each conversation, the information requested, and the response given during the conversation.

Q. A man came to our nursing station and showed me his FBI badge and asked to see specific patient files. Should I give him the information he requested?

A. No. Gurwin will fully cooperate with any governmental investigation, but the Compliance Officer or Administration must first be contacted so the validity and scope of the governmental investigation can be determined. No patient information should be released to an investigator until the Compliance Officer or Administration confirms the validity of the investigation.

XVI. Human Resources Commitment to Fairness:

The Center recognizes that its greatest strength lies in the talent and ability of its employees. While specific Human Resources programs and policies may differ somewhat by department, these goals have been established to guide the Center's activities to its employee relations. It is the Center's ongoing policy:

- to provide equal opportunity for employment and advancement on the basis of ability and aptitude without regard to race, creed, color, age, citizenship, religion, sex, sexual orientation, gender identity and expression, national origin, age, disability, genetic information, marital status, victim of domestic violence status, veteran status, prior conviction record, or any other protected class;
- to protect the health and safety of employees in their work environment; and
- to compensate employees according to their position and to provide equitable salary and benefits within the framework of prevailing practices.

The Center is committed to a work environment in which all individuals are treated with respect and dignity. Each person has the right to work in a professional atmosphere that promotes equal opportunities and prohibits discriminatory practices, including sexual harassment. Discrimination or harassment whether based on race, creed, color, age, gender, sexual preference, national origin, religion, marital status, disability or regardless of whether it occurs at the Center or at outside Center-sponsored settings, is unacceptable and will not be tolerated. The Center has prepared an extensive manual of policies designed to implement the above-stated goals of the Center. Familiarity with and adherence to the Center's Human Resources policy is a responsibility of every employee.

XVII. Tax Exemption/Taxes

The Center is exempt from taxation by Federal, State and local governments. In order to maintain this exemption, which is critical to the Center's survival, the Center must operate for the benefit of the community and must avoid what the tax law calls "inurement" and "private benefit." All nonexempt individuals or entities must pay fair market value for use of the Center's services or property. Violation of the tax law can give rise to criminal penalties as well. Questions on tax issues should be referred to Administration.

Care must also be taken that the Center's sales tax exemption is used exclusively for Center activities. All appropriate taxes must be withheld from employees' wages and the use of a purchase order to compensate individuals must be limited to true independent contractors.

Gurwin Jewish Nursing & Rehabilitation Center

**Code of Business Conduct
Report of Suspected Violation**

DATE, TIME REPORT RECEIVED: _____

NAME/POSITION OF PERSON RECEIVING REPORT: _____

NAME/POSITION OF PERSON MAKING REPORT: _____

DEPARTMENT: _____

SUBJECT MATTER:

Antitrust: _____

Dishonesty/Fraud: _____

Billing Issue: _____

Environmental : _____

Code Violation: _____

HIPAA: _____

Conflict of Interest: _____

OSHA: _____

Retaliation: _____

Other (describe): _____

SUBSTANCE OF REPORT: _____

(This section to be filled out by Compliance Officer):

DATE REPORT RECEIVED: _____

REFERRED FOR INVESTIGATION TO: _____

DATE REPORT ON STATUS OF INVESTIGATION RECEIVED: _____

ACTION TAKEN: _____

DATE: _____

INITIATOR/REPORTEE OF REPORT INFORMED OF ACTION TAKEN: _____