

THE COUNSELING SOURCE, INC.

CORPORATE COMPLIANCE  
PROGRAM

The Counseling Source, Inc. Corporate Compliance Program is a program established to educate employees on the Company's Standard of Conduct. The Program gives the employees the information and process to prevent, detect and report conduct that is not consistent with the Standard of Conduct. The employee and the management staff, through a joint process can then resolve the issues that are inconsistent with the Standard of Conduct through an organized and consistent process.

The goal of the Corporate Compliance Program is to ensure a Company culture that is ethical in all respects and one that refuses to tolerate non-compliance, in any respect, with the Standard of Conduct.

## THE COUNSELING SOURCE, INC.

### STANDARD OF CONDUCT

The Counseling Source, Inc. management and employees are committed to the delivery of high quality services. In delivery of those services, it is the policy of The Counseling Source, Inc. to comply with all legal requirements, and to conduct its business with the highest level of integrity. The Standard of Conduct applies to all aspects of its operations including client care, billing, maintenance of accurate records, and all other areas of the business of The Counseling Source, Inc. Therefore, The Counseling Source, Inc. is committed to conducting its business and operations in accordance with both the law and the highest standards of business ethics.

As noted above, the Standard of Conduct has two aspects:

Ethical Standards – behavioral principles and expectations for employee conduct.

Legal Standards – policies and procedures that define operational processes and procedures that help the Company to adhere to legal and regulatory requirements.

### THE GOAL OF THE CORPORATE COMPLIANCE PROGRAM

To bring the expectations of the Standard of Conduct into the conscious awareness of each employee of The Counseling Source, Inc. and to ensure accountability of performance of all aspects of the Standard of Conduct.

### ETHICAL STANDARDS

It is the responsibility of the management team to ensure that each employee's behavior reflects a very high ethical standard. No conduct that limits, restricts, or interferes with our ability to deliver the highest quality of care to our clients or interferes with another person's ability to deliver care to our clients is acceptable. The ethical standards are outlined as follows:

- **Equal Employment Opportunity**  
All aspects of employment are governed on the basis of merit, qualifications, and competence and are not influenced by race, color, religion, age, sex, national origin, sexual orientation, ancestry, military status, veteran status, or disability.
- **Statement on Harassment**  
A positive working relationship is based on mutual respect. No harassment of any employee by another employee or supervisor on the basis of race, color, religion, age, sex, national origin, sexual orientation, ancestry, military status, veteran status, or disability.
- **Conflict of Interest**  
We all have a duty of loyalty to the Company to further its goals and to work on behalf of the interest of the Company. Each employee is expected to avoid an actual conflict, or the appearance of a conflict between the Company's interest and the financial or other personal interest of the employee.
- **Fraud and Deception**  
Each employee is expected to avoid conduct or behavior that defrauds the Company. The types of behavior that The Counseling Source, Inc. considers fraudulent, includes but is not limited to the following:
  - Engaging in outside employment without the written permission of the Executive Director
  - Participating in outside activities that distract an employee from the performance of his/her job duties or cause him/her to use The Counseling Source, Inc. resources for other than The Counseling Source, Inc. purposes.
  - Wasting time or being absent from work without permission
  - Dishonesty, misrepresentation, or making false statements
  - Falsification of Time Cards
- **Proprietary Information**  
All information received from The Counseling Source, Inc. is confidential information and is the property of The Counseling Source, Inc. Information concerning the business practice may not be shared except as may be required in the normal course of business.
- **Competition and Solicitation**  
The Counseling Source, Inc. is a competitive business and spends significant time and money training employees. Therefore, all employees must agree to refrain from competing directly or indirectly with The Counseling Source, Inc., from soliciting any client or business away from The Counseling Source, Inc., and from seeking to influence any Counseling Source, Inc. employee to leave The Counseling Source, Inc. employment.

- **Accepting Gifts or Gratuities**  
Employees may not ask for or accept gifts, cash, cash equivalents, payments, services, vacations, or pleasure trips from suppliers, vendors, customers, families or any other person, firm or corporation that does or seeks to do business with the Company. Employees may accept common courtesies usually associated with customary business practices.
- **Substance Abuse**  
The use, possession, or distribution of an illegal controlled substance in the workplace is unacceptable.
- **Statement on Workplace Violence**  
The Counseling Source, Inc. will make every effort to maintain a safe workplace for its employees and clients. Any physical, verbal, or mental abuse or intimidation of co-workers, clients, or families is unacceptable. Fighting or disorderly conduct on the job is unacceptable.
- **Rules and Regulations**  
The Counseling Source, Inc. has established workplace rules and regulations to assure a safe and efficient business operation to comply with public law and to protect the well being of all employees and clients. All employees must comply with these rules and regulations; otherwise they may be subject to disciplinary action.
- **Disciplinary Procedure**  
Under normal circumstances, The Counseling Source, Inc. supports a policy of progressive discipline in which the employee is given notice of deficiencies and is provided an opportunity to improve. However, management may choose, in its discretion, to immediately terminate an employee depending on the seriousness of the issue.
- **Complaints and Disputes Procedure**  
The majority of complaints and disputes can and should be resolved with an employee's immediate supervisor. More formal provisions have been established to resolve difficult problems. Employees may give notice of their complaint to their immediate supervisor and, if not satisfactorily resolved, to the Executive Director.

## LEGAL STANDARDS

It is the responsibility of all employees of The Counseling Source, Inc. to comply with all federal and state laws and regulations, with an emphasis on preventing fraud and abuse. The legal standards are outlined as follows:

- **Operating Policies and Procedures**

All employees are required to become aware of the operating policies and procedures relative to his or her position in the Company and comply with those policies and procedures.

- **Medical necessity**  
The Company will bill only for services that are warranted by a client's current and documented medical condition
- **Billing for Services Rendered**  
The Company will bill only for **medically necessary** services that are actually rendered.
- **False Claims**  
The Company will not make false statements on medical claim forms to obtain payment or higher payment to which it is not entitled.
- **Anti-kickbacks**  
The Company will not:
  - submit claims for clients who are referred to the Company under contracts or financial arrangements that induce such referrals, or
  - accept money (or in kind gifts) in exchange for referring clientsin violation of anti-kickback statutes, or, similar federal or state laws or regulations.
- **Cost Reports**  
The Company will submit cost reports that accurately reflect actual and allowable operating costs.
- **Billing Codes**  
The Company will use billing codes that accurately reflect the service delivered and provide for the appropriate payment rate.
- **Bundling of Services**  
The Company will bill for tests or procedures that are required to be billed together as a single bill and not in a piecemeal or fragmental fashion.
- **Licensing**  
The Company will bill only for services that are rendered by a licensed clinician or a properly supervised non-licensed clinician.
- **Covered Services**  
The Company will not bill for non-covered services as covered ones to circumvent coverage limitations.
- **Carriers**  
The Company will not bill the wrong carrier to receive higher reimbursement rates.

- Retention of Records  
The Company will maintain all medical documentation required by federal or state laws to substantiate the service provided and demonstrate the medical need.

## IMPLEMENTATION OF THE CORPORATE COMPLIANCE PROGRAM

In order to ensure accountability of the ethical and legal standard in accordance with the Standard of Conduct, we must:

- I. Understand the roles of those who are involved with administering the Program and each employee's role in the operation of the Program.
  - A. Compliance Officer
    - Oversee implementation of the Program
    - Oversee on-going development of ethical and legal standards
    - Monitor Program's effectiveness
    - Investigate and resolve compliance issues (any actual or suspected deviations from the Standard of Conduct)
    - Report compliance issues to the Executive Director
    - Coordinate Program training and education, document education (completion of "Compliance Certification" Form), and ensure inclusion of training as part of the orientation process and annual review process.
    - Cooperate in any investigation
    - Act in accordance with the Standard of Conduct
    - Complete Corporate Compliance Investigation Report
  - B. Compliance Liaison
    - Available to employees who have reportable compliance issues
    - Addresses questions and suggestions regarding the Program
    - Reports all compliance issues to the Compliance Officer
    - Assists Compliance Officer with resolution of compliance issues
    - Cooperate in any investigation
    - Act in accordance with the Standard of Conduct
  - C. Supervisors
    - Available to employees with reportable compliance issues
    - Address questions and suggestions regarding the Program
    - Reports all compliance issues to the Compliance Liaison or the Compliance Officer
    - Assist with resolution of compliance issues
    - Cooperate in any investigation
    - Act in accordance with the Standard of Conduct
  - D. Employees

- Receive and acknowledge Corporate Compliance Program training.
- Promptly report all actual or suspected compliance issues in accordance with Program procedures
- Document compliance issue
- Complete “Compliance Certification” Form
- Cooperate in any investigation
- Act in accordance with the Standard of Conduct

E. Compliance Committee

- Review results of investigation and determine disciplinary action, if indicated

II. Outline the procedure for reporting deviations from the Standard of Conduct

A. If actual or suspected deviations from the Standard of Conduct are observed, employees should discuss their concerns with:

- their supervisor
- the Compliance Liaison
- the Compliance Office

B. Employees should document their concerns (in narrative format) with help from their supervisor, the Compliance Liaison, or the Compliance Officer and complete the “Compliance Certification” Form.

C. Employees should cooperate with management during its investigation (every effort will be made to maintain the anonymity of an employee making a report).

Compliance Officer: David Ludwin  
 Compliance Liaison: Cynthia Bair, Ph.D.

**Compliance Committee**  
 Executive Director: David F. Turner, Ph.D.  
 Compliance Office: David Ludwin  
 Compliance Liaison: Cynthia Bair, Ph.D.  
 Clinical Staff Representatives

III. Describe process for resolution following the report by employee

A. The compliance issue will be reported to the Compliance Officer in writing.

- B. The Compliance Officer will discuss the compliance issue with the Compliance Liaison and begin the investigation process.
- C. The Compliance Officer will review any documentation that is relevant to the compliance issue.
- D. The Compliance Officer will interview any employees, clients, or other individuals that are relevant to the investigation (every effort will be made to maintain the anonymity of an employee making a report).
- E. The results of the investigation will be reviewed by the Compliance Committee to determine course of action based on the findings.

The Counseling Source, Inc. is committed to ensuring that we provide the highest quality of care in a manner that is fully consistent with all applicable laws and the ethical standards as outlined in our Standard of Conduct. Full implementation of this Corporate Compliance Program will assist us in achieving this goal.