



<b>DEPARTMENT:</b> Compliance	<b>POLICY DESCRIPTION:</b> Notification Process for Reportable Events
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<b>REVISION DATES:</b>	<b>EFFECTIVE DATE:</b> March 13, 2020

## **SCOPE**

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This policy is applicable to all company affiliated Centers and employees.

## **PURPOSE**

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To establish a process for identifying potential Reportable Events and reporting them in accordance with the Corporate Integrity Agreement (“CIA”).

## **DEFINITIONS**

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Reportable Event – Anything that involves:

- a. A substantial Overpayment;
- b. A matter that a reasonable person would consider a probable violation of criminal, civil, or administrative laws applicable to any Federal health care program for which penalties or exclusion may be authorized;
- c. The employment of or contracting with or having as a member of the active medical staff a Covered Person who is an Ineligible Person;
- d. The filing of a bankruptcy petition by Diversicare.

A Reportable Event may be the result of an isolated event or a series of occurrences.

Overpayment – Any funds that Diversicare receives or retains under any Federal health care program to which Diversicare, after applicable reconciliation, is not entitled under such Federal health care program.

Covered Person – Includes: (1) all owners, officers, directors, and employees of Diversicare; (2) all contractors, subcontractors, agents, and other persons who furnish patient care items or services or who perform billing or coding functions on behalf of Diversicare, excluding vendors whose sole connection with Diversicare is selling or otherwise providing medical supplies or equipment to Diversicare; and (3) all physicians and other non-physician practitioners who are members of Diversicare’s active medical staff.

Ineligible Person – An individual or entity who:

- a. Is currently excluded from participation in any Federal health care program; or,
- b. Has been convicted of a criminal offense that falls within the scope of 42 U.S.C. § 1320a-7(a) but has not yet been excluded.

## **POLICY**

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Diversicare will report all Reportable Events fully and as required within the timeframes required by the CIA. Additionally, a corrective action plan will be required for all Reportable Events.

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## **PROCEDURE**

- A. *Reporting of Potential Reportable Events Internally.* If any employee or contractor of Diversicare discovers a potential Reportable Event, it must be reported to the Center Administrator and Chief Compliance Officer immediately. The Chief Compliance Officer will initiate an investigation into the potential Reportable Event by working with the Chief Legal Officer, Center Administrator, outside counsel, and others as applicable. If it is determined that the potential Reportable Event is substantiated, the Chief Compliance Officer will make the required notifications to the Office of Inspector General (“OIG”) as outlined in this policy.
- B. *Reporting of Reportable Events to the OIG.* If Diversicare determines (after a reasonable opportunity to conduct an appropriate review or investigation of the allegations) through any means that there is a Reportable Event, Diversicare shall notify OIG, in writing, within 30 days after making the determination that the Reportable Event exists.
- C. *Reportable Events Involving a Substantial Overpayment or Violation of Law.* For Reportable Events in these categories, the report to OIG shall include:
1. a complete description of all details relevant to the Reportable Event, including, at a minimum, the types of claims, transactions or other conduct giving rise to the Reportable Event; the period during which the conduct occurred; and the names of individuals and entities believed to be implicated, including an explanation of their roles in the Reportable Event;
  2. a statement of the Federal criminal, civil or administrative laws that are probably violated by the Reportable Event, if any;
  3. the Federal health care programs affected by the Reportable Event;
  4. a description of the steps taken by Diversicare to identify and quantify any Overpayments; and
  5. a description of Diversicare’s actions taken to correct the Reportable Event and prevent it from recurring.

If the Reportable Event involves an Overpayment, within 60 days of identification of the Overpayment, Diversicare shall repay the Overpayment, in accordance with the requirements of 42 U.S.C. § 1320a-7k(d) and any applicable regulations and Centers for Medicare and Medicaid Services (CMS) guidance and provide OIG with a copy of the notification and repayment.

- D. *Reportable Events Involving Ineligible Persons.* For Reportable Events Ineligible Persons, the report to OIG shall include:
1. the identity of the Ineligible Person and the job duties performed by that individual;
  2. the dates of the Ineligible Person’s employment or contractual relationship or medical staff membership;
  3. a description of the Exclusion List screening that Diversicare completed before and/or during the Ineligible Person’s employment or contract or medical staff

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membership and any flaw or breakdown in the screening process that led to the hiring or contracting with or credentialing the Ineligible Person;

4. a description of how the Ineligible Person was identified; and
5. a description of any corrective action implemented to prevent future employment or contracting with or credentialing an Ineligible Person.

E. *Reportable Events Involving Bankruptcy.* For Reportable Events involving bankruptcy, the report to OIG shall include documentation of the bankruptcy filing and a description of any Federal health care program requirements implicated.

F. *Reportable Events Involving the Stark Law.* Notwithstanding the reporting requirements outlined above, any Reportable Event that involves solely a probable violation of section 1877 of the Social Security Act, 42 U.S.C. §1395nn (the Stark Law) should be submitted by Diversicare to CMS through the self-referral disclosure protocol (SRDP), with a copy to the OIG. If Diversicare identifies a probable violation of the Stark Law and repays the applicable Overpayment directly to the CMS contractor, then Diversicare is not required to submit the Reportable Event to CMS through the SRDP.

## **REFERENCES**

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Corporate Integrity Agreement