

Kings Harbor Multicare Center

Compliance Program - Code of Conduct

A. Introduction

Bronx Harbor Health Care Complex, Inc. d/b/a Kings Harbor Multicare Center ("Kings Harbor") has adopted a corporate compliance program ("Compliance Program" as an embodiment of its commitment to conducting its business in compliance with all applicable laws, rules, regulations and other directives of the federal, state, and local governments and agencies. An expression of this commitment is the code of conduct ("Code of Conduct") described herein which is applicable to all individuals, including, as applicable, Kings Harbor's members, managers, shareholders, officers, directors, employees, contractors, vendors, agents and other providers working for or providing services for Kings Harbor ("Associates").

The Code of Conduct is intended to provide general guidelines to assist Associates to understand and appreciate the manner in which Kings Harbor wishes to conduct business. It is the duty of every Associate to adhere to the principles set forth herein.

The Code of Conduct shall be distributed and available to all Associates. Associates are responsible for ensuring that their behavior and activities are consistent with the standards embodied in this Code of Conduct.

B. Compliance with Laws and Regulations

Kings Harbor and its Associates shall comply with all applicable federal, state and local laws, rules, regulations and standards ("laws and regulations"). Each individual must be aware of the legal requirements and restrictions applicable to his or her respective position and duties.

While the duty remains the responsibility of each individual, Kings Harbor shall implement programs necessary to foster further awareness of applicable laws and regulations and to monitor and promote compliance with such laws and regulations. Any questions about the legality or propriety of any actions undertaken by or on behalf of Kings Harbor should be referred immediately to an individual's supervisor, the Administrator, or the Compliance Officer.

C. Fraud and Abuse

Kings Harbor expects its Associates to refrain from any conduct that may violate applicable federal and state laws and regulations, with special emphasis on those related to fraud, waste, and abuse.

These laws generally prohibit: (1) the transfer of anything of value in order to induce the referral of patients or any government program business (i.e., Medicare, Medicaid and other federal or state health care programs); and (2) the making of false representations or the submission of false, fraudulent or misleading claims to any government entity or third party payor, including claims for services not rendered, claims which characterize the service differently than the service actually rendered, or claims which do not otherwise comply with applicable program or contractual requirements.

More specific guidance with respect to laws and regulations applicable to fraud and abuse can be found in Kings Harbor's Compliance Manual.

D. Professional and Ethical Standards

All Associates have a duty to promote Kings Harbor's goals to provide quality health care services that respond to the needs of our residents. The services provided must be reasonable and necessary to the care of each resident. Resident care shall be provided by appropriately qualified individuals and properly documented as required by law and regulation, payor requirements and professional standards.

Kings Harbor and its Associates shall conduct all activities in accordance with the highest ethical standards and in a manner which shall uphold Kings Harbor's reputation and standing in the community to which we serve.

E. Confidentiality and HIPAA Compliance

Kings Harbor and its Associates are in possession of, or have access to, a wide variety of confidential and sensitive information. Kings Harbor and its Associates shall maintain the confidentiality of patient medical records and personal information, as well as client information, by actively protecting and safeguarding such information in a manner designed to prevent its unauthorized use or disclosure. Kings Harbor and its Associates shall comply with applicable federal and state laws and regulation concerning confidentiality of health care records including, but not limited to, the Health Insurance Portability and Accountability Act of 1996 and the regulations promulgated thereunder, the Health Insurance Technology for Economic and Clinical Health Act, Title XIII of the American Recovery and Reinvestment Act of 2009, and the Omnibus Rule enacted in 2013 (collectively referred to as "HIPAA"). Any questions or concerns relating to the use or disclosure of information should be referred to the Compliance Officer or Privacy Officer.

F. Business Practices

Kings Harbor's business practices will be conducted honestly, with integrity, and in a manner that upholds Kings Harbor's reputation with residents, payors, vendors, competitors and the community. Kings Harbor expects its Associates to be loyal to Kings Harbor's interests. Associates should not use their positions to profit personally or to assist others in profiting in any way at the expense of Kings Harbor. Associates must refrain from activities that create conflicts of interest with Kings Harbor or give the appearance of impropriety.

Associates involved in business transactions on behalf of Kings Harbor shall not offer or pay, or solicit or receive any gifts, favors or other improper inducements in exchange for influence or assistance in a transaction or the referral of business. Associates are required to disclose any conflicts of interest or concerns about the propriety of specific arrangements, conduct, or activities to the Compliance Officer.

G. Employment Practices

Kings Harbor is committed to providing equal employment opportunities for all persons, without regard to race, color, creed, religion, sexual orientation, national origin, age, sex, marital status, handicap, or disability. Kings Harbor is committed to providing resident care and a workplace environment that emphasizes the dignity and respect of every individual. In that regard, violence, harassment, and/or any prohibited discrimination in any form or context will not be tolerated.

Kings Harbor is committed to providing a healthy and safe workplace. Kings Harbor and its Associates will comply with federal, state and local laws and regulations that promote the

protection of health and safety. Workplace injuries or any situation presenting a danger of injury should be reported immediately.

H. Reimbursement

Kings Harbor and its Associates are responsible for complying with the laws and regulations governing the submission of billing claims and related statements. A detailed description of the Federal False Claims Act, the Federal Program Fraud Civil Remedies Act, New York State civil and criminal laws pertaining to false claims and the whistleblower protections is contained herein.

All claims for reimbursement for services must be supported by adequate documentation, which justifies that the service is reasonable and necessary, provided by properly qualified persons, and coded correctly. Such documentation must conform to legal, professional, and ethical standards.

Claims for reimbursement must be truthful and accurate and conform to all applicable laws and regulations. Kings Harbor and its Associates are prohibited from knowingly presenting or causing to be presented claims for payment that are false, fictitious, fraudulent or otherwise not in compliance with applicable laws and regulations.

I. Deficit Reduction Act of 2005 ("DRA") Federal and New York State False Claims Acts and New York State Health Care Fraud Laws and Summary of Laws and Applicable Policies¹

Kings Harbor expects its employees, agents and contractors to refrain from conduct that may violate federal and state laws, rules and regulations relating to the provision of and payment for health care items and services. It is our ethical and legal obligation to ensure that all billing and claims reimbursement activities are based on materially accurate and complete information and that we only receive payment and reimbursement for which we are entitled. Our conduct must at all times be consistent with accepted and sound fiscal, business and medical practices. Clinical and medical personnel must provide services that meet professionally recognized standards of care and all personnel involved in coding, billing and claims submissions must maintain high ethical standards and must become familiar with all rules and laws applicable to such activities.

Federal False Claims Act:

The Federal Civil False Claims Act makes it illegal for any person to (i) knowingly present, or cause to be presented a false or fraudulent claim for payment or approval; (ii) knowingly make, use, or cause to be made or used, a false record or statement material to a false or fraudulent claim; (iii) conspire to commit a violation of any provision of this Act; or (iv) knowingly make, use, or cause to be made or used, a false record or statement material to an obligation to pay or transmit money or property to the government, or knowingly conceal or knowingly and improperly avoid or decrease an obligation to pay or transmit money or property to the government. "Knowingly" means that the person has actual knowledge of the information, acts in deliberate ignorance of the truth or falsity of the information, or acts in reckless disregard of the truth or falsity of the information and requires no proof of specific intent to defraud. Liability under the act is for a civil penalty of not less than \$5,500 and no more than \$11,000 plus three (3) times the amount of damages which the government sustains as a result of the fraudulent act. However, the court may assess a lesser amount not less than double the damages, under certain circumstances. To qualify for reduced damages, the billing company must report the false claim to the Government within 30 days after the date on which the billing company first obtained the information about the violation and before the commencement of any

criminal prosecution, civil action, or administrative action with respect to the false claim and the billing company did not have actual knowledge of the existence of an investigation into such violation. In addition, the billing company must fully cooperate with any Government investigation.

Federal Program Fraud Civil Remedies Act:

Under the Federal Program Fraud Civil Remedies Act, any person who makes, presents, or submits (or causes to be made, presented, or submitted) a claim that the person knows, or has reason to know, (i) is false, fictitious, or fraudulent; (ii) includes or is supported by any written statement which asserts a material fact which is false, fictitious, or fraudulent, or that omits a material fact (which the person has a duty to include and the statement is false, fictitious, or fraudulent as a result of such omission); or (iii) is for payment for the provision of property or services which the person has not provided as claimed may be subject to, in addition to any other remedy, a civil penalty of not more than \$5,500 for each claim or statement. The violator may also be subject to an assessment of two (2) times the amount of such claim. An additional penalty of up to \$5,500 may be imposed on any person who makes, presents, or submits (or causes to be made, presented, or submitted) a written statement that (i) the person knows, or has reason to know (a) asserts a material fact which is false, fictitious, or fraudulent, or (b) omits a material fact (which the person has a duty to include) and the statement is false, fictitious, or fraudulent as a result of such omission; and (ii) contains or is accompanied by an express certification or affirmation of the truthfulness and accuracy of the contents of the statement.

New York State False Claims Act:

The New York False Claims Act makes it illegal for any person to (i) knowingly present, or cause to be presented, to an officer, employee or agent of the State or a local government a false or fraudulent claim for payment or approval; (ii) knowingly make, use, or cause to be made or used, a false record or statement to get a false or fraudulent claim paid or approved by the State or a local government; and/or (iii) conspire to defraud the State or a local government by getting a false or fraudulent claim allowed or paid. "Knowingly" means that the person has actual knowledge of the claim or information, acts in deliberate ignorance of the truth or falsity of the claim or information, or acts in reckless disregard of the truth or falsity of the claim or information. The civil penalty for filing a false claim is \$6,000 to \$12,000 per claim and the recoverable damages are between two (2) and three (3) times the value of the amount falsely received. In addition, the false claim filer may have to pay the government's legal fees. However, the court may assess a lesser amount of not more than double the damages, under certain circumstances. To qualify for the "not more than double damages" provision, the provider must report the false claim to the Government within 30 days after the date on which the provider first obtained the information about the violation and before the commencement of any criminal prosecution, civil action, or administrative action with respect to the false claim. In addition, the provider must fully cooperate with any Government investigation.

New York State Social Services Law §§ 145 et seq. False Statements:

It is unlawful to knowingly obtain or attempt to obtain payment for items or services furnished under any Social Services programs, including Medicaid, by means of a false representation, statement, deliberate concealment or other fraudulent scheme or device. The State or local Social Services district may recover three (3) times the amount incorrectly paid, or in the case of nonmonetary false statements, three (3) times the amount of damages which sustained by the state or \$5,000, whichever is greater. In addition, the Department of Health may impose a civil penalty of up to \$2,000 per violation. If repeat violations occur within five (5) years, a penalty up to \$7,500 per violation may be imposed if they involve more serious

violations of Medicaid rules, billing for services not rendered or providing excess services. The State has the right to recover civil damages equal to three (3) times the amount by which any figure is falsely overstated,

Any person who submits false statements or deliberately conceals material information in order to receive public assistance, including Medicaid, is guilty of a misdemeanor.

New York State Social Services Law §366-b. Penalties for Fraudulent Practices:

Any person who, with intent to defraud, presents for allowance or payment any false or fraudulent claim for furnishing services or supplies, knowingly submits false information for the purpose of obtaining greater compensation than that to which he is legally entitled, or knowingly submits false information for the purpose of obtaining authorization for furnishing services or supplies under the medical assistance program, or who obtains or attempts to obtain, for himself or others, medical assistance by means of a false statement, concealment of material facts, impersonation or other fraudulent means is guilty of a Class A misdemeanor.

New York State Penal Law Article 155, Larceny:

The crime of larceny applies to a person who, with intent to deprive another of his property, obtains, takes or withholds the property by means of trick, embezzlement, false pretense, false promise, including a scheme to defraud, or other similar behavior. The crime of larceny has been applied to Medicaid fraud cases.

New York State Penal Law Article 175, False Written Statements:

There are four crimes in this Article that relate to filing false information or claims. Actions include falsifying business records, entering false information, omitting material information, altering an agency's business records, or providing a written instrument (including a claim for payment) knowing that it contains false information. Depending upon the action and the intent, a person may be guilty of a Class A misdemeanor or a Class E felony.

New York State Penal Law Article 176, Insurance Fraud:

This Article applies to claims for insurance payment, including Medicaid or other health insurance. The six crimes in this Article involve intentionally filing a false insurance claim. Under this article, a person may be guilty of a felony for false claims in excess of \$1,000. Four crimes in this Article relate to filing false information or claims and have been applied in Medicaid fraud prosecutions:

New York State Penal Law Article 177, Health Care Fraud:

This Article establishes the crime of Health Care Fraud. A person commits such a crime when, with the intent to defraud any publicly or privately funded health insurance or managed care plan, including Medicaid, he/she knowingly provides false information or omits material information for the purpose of requesting payment for a health care item or service and, as a result of the false information or omission, receives such a payment in an amount to which he/she is not entitled. Violators may be subject to fines, imprisonment, or both.

Federal and New York State Whistleblower Protection

The Federal and State False Claims Acts provides protection to *qui tam* relators who are discharged, demoted, suspended, threatened, harassed, or in any other manner discriminated against in the terms and conditions of their employment as a result of their furtherance of an action under the False Claims Act. Remedies include injunction to restrain continued discrimination, reinstatement with a comparable position as the *qui tam* relator would have had but for the discrimination, two times any back pay with interest, and compensation for any special damages sustained as a result of the discrimination, including litigation costs and reasonable attorneys' fees.

New York State Labor Law §740:

An employer may not take any retaliatory action against an employee if the employee discloses information about the employer's policies, practices or activities to a regulatory, law enforcement or other similar agency or public official. Protected disclosures are those that assert that the employer is in violation of a law that creates a substantial and specific danger to the public health and safety or which constitutes health care fraud under Penal Law §177 (knowingly filing, with the intent to defraud, a claim for payment that intentionally has false information or omissions). The employee's disclosure is protected only if the employee first brought up the matter with a supervisor and gave the employer a reasonable opportunity to correct the alleged violation. If an employer takes a retaliatory action against the employee, the employee may sue in state court for reinstatement to the same, or an equivalent position, any lost back wages and benefits and attorneys' fees. If the employer is a health provider and the court finds that the employer's retaliatory action was in bad faith, it may impose a civil penalty of \$10,000 on the employer.

New York State Labor Law §741:

A health care employer may not take any retaliatory action against an employee if the employee discloses certain information about the employer's policies, practices or activities to a regulatory, law enforcement or other similar agency or public official. Protected disclosures are those that assert that, in good faith, the employee believes constitute improper quality of patient care. The employee's disclosure is protected only if the employee first brought up the matter with a supervisor and gave the employer a reasonable opportunity to correct the alleged violation, unless the danger is imminent to the public or patient and the employee believes in good faith that reporting to a supervisor would not result in corrective action. If an employer takes a retaliatory action against the employee, the employee may sue in state court for reinstatement to the same, or an equivalent position, any lost back wages and benefits and attorneys' fees. If the employer is a health provider and the court finds that the employer's retaliatory action was in bad faith, it may impose a civil penalty of \$10,000 on the employer.

Detecting and Preventing Fraud, Waste and Abuse:

In accordance with the requirements of relevant false claims laws, and to further ensure the accuracy and appropriateness of claims submitted, Kings Harbor has adopted the following rules that its Associates must strictly follow:

- *Detect and prevent the filing of claims for services not rendered.* All documentation must be reviewed and checked for accuracy by clinical staff prior to submission. Furthermore, billing staff must review the completeness and check for inconsistencies in the documentation supporting the bill prior to submitting a claim;
- *Detect and prevent the filing of claims for services rendered that were not medically necessary.* Documentation submitted by the clinical departments must be consistent

with medical necessity requirements ("reasonable and necessary" in the context of Medicare). All clinical and billing staff shall communicate effectively to ensure that documentation is consistent;

- *Detect and prevent the submission of any claim that contains false information.* All claim forms must be reviewed for accuracy prior to presentation for payment;
- *Detect and prevent any claim for inadequate or substandard services.* Clinicians must review services rendered and supporting documentation to determine that the level of services provided is adequate to support a claim for payment.

The clinical and billing staff, in coordination with the Compliance Officer or other designated party, will conduct periodic reviews to ensure that documentation is accurate and supports the claims for reimbursement.

The facility has adopted policies and procedures for preventing and detecting fraud, waste and abuse of the federal health care programs, including Medicare and Medicaid. All employees, agents and contractors must comply with these policies. These policies and procedures are available for review upon request. To review these policies and procedures, contact the Compliance Officer. The following represents a summary of the relevant policies.

Policy: Designation and Responsibilities of the Compliance Officer

It is the policy of facility to ensure that it conducts itself in compliance with all applicable laws, rules, regulations and other directives of the federal, state and local governments, departments and agencies. In furtherance of this policy, the facility shall have at all times an individual designated as a Compliance Officer to oversee and monitor its Compliance Program.

Coordination and communication are the key functions of the Compliance Officer with regard to planning, implementing, and monitoring the facility's Compliance Program. The Compliance Officer shall develop and assist the facility putting appropriate compliance processes in place to implement the Compliance Program. Examples of these activities and processes include, but are not limited to, the following:

- serve as a trusted source of guidance for Associates with regard to compliance related matters;
- test the billing and claims reimbursement staff on their knowledge of applicable program requirements and claims and billing criteria;
- conduct or oversee unannounced audits of claims and billing information;
- assess contractual relationships with contractors, consultants and potential referral sources;
- determine whether individuals who previously have been reprimanded for compliance issues are now conforming to policies;
- develop, coordinate and participate in compliance educational and training programs; and
- coordinate internal compliance review and monitoring activities, including annual or periodic reviews and oversee any resulting corrective action.

Policy: Retention of Records

It is the policy of the facility that all employees, agents, contracted health professionals and vendors maintain and preserve all documents, including compliance, business and medical records, and secure them against loss, destruction, unauthorized access, unauthorized reproduction, corruption or damage. Compliance with regulations concerning document retention periods is required.

The primary components of the facility's record maintenance, access and retention policies and procedures include, but are not limited to, the following:

- Records will only be accessible by authorized personnel on a need-to-know basis or legally authorized individuals, and in strict conformance with applicable federal, state, and local laws and regulations, including those relating to privacy and confidentiality.
- Medical records may only be accessed by authorized individuals and personnel. Questions as to whether medical records should be released and/or distributed should be directed to the facility's Privacy Officer and/or the Administrator where appropriate.
- Records will be stored in a systemized manner that preserves confidentiality and takes into consideration environmental elements.
- Security of electronic records shall comply with HIPAA regulations.

Policy: Individuals Excluded from Federal and State Health Care Benefit Programs

It is the policy of the facility not to enter into employment, contractual or business arrangements, in any capacity, with individuals or entities that are barred or excluded from participating in federal or state health care benefit programs. This shall be accomplished through screening programs, including the review of the U.S. Office of Inspector General's (OIG) List of Excluded Individuals/Entities (LEIE) and other applicable data sources prior to hiring, engaging or otherwise transacting business with any person or entity, and periodically thereafter.

Policy: Conflicts of Interest

It is the policy of the facility that all personnel avoid any and all activities that conflict with their responsibilities and obligations to the facility. The policies and procedures relating to conflicts of interest include, but are not limited to, the following:

- Employees or agents must not have an interest in or serve as director, officer, manager or member of any entity in competition with the facility without permission.
- Any employee and agent who perform work or render services for any competitor of the facility or for any organization that does business with or seeks to do business with the facility outside of the normal course of his or her employment shall notify the Administrator.
- Business with any vendor, supplier, contractor, or agency, or any of their officers or employees that is not conducted on behalf of the facility is prohibited, unless previously authorized by the Administrator.
- Employees and agents shall not permit their names to be used in any fashion that would tend to indicate a business connection with any organization that does business with or seeks to do business with the facility without the prior approval of the Administrator.
- The facility shall not be represented by an employee or agent in any transaction in which he or she or an immediate family member has a personal financial interest.
- Confidential information should not be discussed with anyone outside of the facility. This confidential information includes, but is not limited to, personnel data, patient lists, clinical information, financial data, research data, strategic plans, potential mergers and acquisitions, marketing strategies, processes, techniques, computer software, any information with a copyright, financial results or other business dealings.
- Employees and agents shall not accept any gifts, favors, or things of value, including discounts, from prospective or current suppliers and/or contractors.
- Employees and agents shall not engage in any activities or outside interests that influence their ability to make objective decisions in the course of their job.

responsibilities.

- Potential conflicts of interest involving Associates or their immediate family members (spouse, parents, brothers, sisters, and children) are required to be reported to the Administrator using the facility's "Conflict of Interest Disclosure Statement" form.

Policy: Billing and Claims Reimbursement

It is the policy of the facility to comply with all relevant billing and claim reimbursement requirements. All personnel involved in coding, billing and claims submissions must maintain high ethical standards and must know and adhere to all requirements for the health care industry, including all rules and regulations pertaining to coding, billing, claims submission and reimbursement, including, among others, Medicare and Medicaid regulations. All billing personnel are expected to attend training and education sessions. Billing personnel will be regularly monitored to ensure that they are not engaging in any activity that may be fraudulent or abusive under the Medicare and Medicaid regulations.

Personnel are required to report promptly all known or suspected violations of billing policies to their immediate supervisor, Administrator, Compliance Officer or other designated party, in accordance with the facility's policy and procedures for internal reporting.

Policy: Compliance Training and Education

It is the policy of the facility as part of its continued commitment to compliance with legal requirements, to conduct mandatory annual compliance and policy education and training for its Associates.

Participation in a minimum of one (1) hour of basic compliance training and education annually is required. Individuals involved in specialty fields such as coding, claims development and billing will require additional compliance training and education addressing documentation, claims, billing, and fraud and abuse issues. Additional training attendance may be required as part of an employee performance improvement measure or action plan. Attendance at educational and training sessions is the responsibility of each individual and will be documented. In addition to periodic training and in-service programs, relevant new compliance information will be disseminated to affected personnel.

Policy: Employee Screening

It is the policy of the facility to ensure that its employees, agents and independent contractors are properly screened in accordance with facility procedures and in compliance with applicable laws and regulations prior to employment or engagement and periodically during their tenure with the facility. Offers of employment or engagement, as well as continued employment and engagement, shall be contingent upon satisfactory screening.

Policy: Monitoring and Auditing

It is the policy of the facility to ensure that the facility, its employees, contractors and agents conduct business and activities in compliance with all applicable laws, rules, regulations and other directives of the federal, state and local governments, departments and agencies. In this regard, and in furtherance of this policy, the facility shall conduct periodic audits designed to address relevant compliance issues. Internal or external auditors will conduct periodic audits, which will be overseen by the Compliance Officer.

Policy: Internal Reporting of Compliance Related Matters

It is the policy of the facility to maintain an internal reporting mechanism for all employees, agents and contractors to report actual or perceived violations of the facility's Code of Conduct, Compliance Program, policies and procedures and applicable laws and regulations.

Anyone with current knowledge of an event, occurrence, or activity that appears to violate applicable laws and regulations, the facility's Code of Conduct or any of its policies or procedures should promptly communicate the actual or perceived violation to their immediate supervisor, the Administrator, Compliance Officer or other designated party. If the individual reporting prefers not to report the matter to a supervisor or the Administrator, he/she should call the facility's Compliance Hotline. Callers to the hotline will remain anonymous.

Policy: No Retaliation

There will be no intimidation or retaliation taken against employees or agents who participate in the Compliance Program in good faith. Intimidation, retaliation or any form of reprisal based upon an employee's or agent's good faith reporting of potential unethical or illegal activity is strictly prohibited and will not be permitted or tolerated by Kings Harbor. Employees and agents are expected to report any possible instances of intimidation or retaliatory action immediately to the Administrator and/or Compliance Officer. Kings Harbor strives to promote integrity, support objectivity and foster trust in compliance with this Code of Conduct.

Policy: Investigations of Compliance Reports and Corrective Action

It is the policy of Kings Harbor to make reasonable inquiry into any report concerning activity that may be contrary to applicable laws and/or regulations. Upon receipt of a report that suggests that improper conduct has occurred, an investigation may be commenced under the direction of the Compliance Officer. Legal counsel may be sought at any time by the Compliance Officer to assist in any legal issues that may arise during the investigation. Legal counsel may be sought at any time by the Compliance Officer to assist in any legal aspects that may arise during the investigation. The investigative techniques used shall be implemented in order to facilitate the correction of any practices not in compliance with applicable laws and/or regulations and to promote, where necessary, the development and implementation of policies and procedures to ensure future compliance.

J. Administration and Application of this Code of Conduct

Kings Harbor expects that the Code of Conduct will be a part of the daily activities of all who provide services on behalf of the facility. The Code of Conduct is in addition to, and does not limit, specific policies and procedures of Kings Harbor. Associates must perform their duties in accordance with all such policies and procedures as well as laws and regulations.

Associates are responsible for promoting the standards set forth in this Code of Conduct and for reporting potential violations in accordance with the reporting procedures outlined in the Compliance Manual. All reports of unethical or illegal conduct will be investigated by persons designated by, and pursuant to procedures established by, Kings Harbor. All reports will be held in the strictest confidence possible, consistent with the need to investigate any allegation of wrongdoing.

It is an explicit violation of Kings Harbor's policy to intimidate or retaliate against an individual who participates in good faith in the compliance program, including reporting possible illegal or unethical conduct.

Failure to abide by the Code of Conduct and compliance standards of Kings Harbor, including failing to report suspected problems, participating in non-compliant behavior, or encouraging, directing, facilitating or permitting either actively or passively non-compliant behavior, will result in disciplinary action. In addition, facility personnel are expected to cooperate with compliance investigations and audits and assist in the resolution of compliance issues. Disciplinary action will be determined on a case-by-case basis and may, in Kings Harbor's discretion, range from a warning to termination. If Kings Harbor determines that a violation has included criminal violations of law or regulation, Kings Harbor will cooperate with law enforcement authorities in connection with the investigation and prosecution of the offender.

If you have any questions or concerns regarding the compliance program or the Code of Conduct, you can seek clarification from the Compliance Officer at any time.

How to Report a Violation of the Code

Associates should report any violation of the Code of Conduct to your immediate supervisor, the Administrator. If you prefer not to report such matter to a supervisor or the Administrator because you believe they may be involved in the actual or perceived violation, if you otherwise have a legitimate reason to be concerned about intimidation or retaliation, if your previous reports have not been acted upon, or for any other reason, you should contact Kings Harbor's Compliance Officer by telephone or in writing, or call the Compliance Hotline. The Compliance Officer's contact information and the Hotline number are listed below. While hotline calls may be made anonymously, supplying your name and contact information may assist in the investigation. Every reasonable effort will be used to maintain the confidentiality of the identity of any individual who reports possible violations. It is an explicit violation of Kings Harbor's policy to intimidate or retaliate against an individual who reports in good faith an actual or potential violation of applicable laws, rules, regulations, or the Code of Conduct.

Compliance Officer: David Berkowitz
Kings Harbor Multicare Center
2000 E. Gunhill Road, Bronx, New York 10469
Telephone: 718-320-0400
Fax: 718-320-0557

Compliance Hotline: 718-405-3691

Nothing in this Code of Conduct is intended to nor shall be construed as providing any additional employment or contract right to Associates or other persons.

Kings Harbor will attempt to communicate changes to the Code of Conduct prior to the implementation of such changes. However, Kings Harbor reserves the right to modify, amend, or alter the Code of Conduct and its policies and procedures without prior notice to any person.

¹ These policies are deemed to be incorporated into the facility's Employee Handbook, if applicable.