

MCH Board Policy Manual

2014

MACON CITIZENS HABILITIES, INC.
BOARD OF DIRECTORS POLICIES AND PROCEDURES MANUAL

MISSION STATEMENT

Macon Citizens Habilities, Inc. advocates for and protects the rights of individuals with intellectual and developmental disabilities. MCH provides comprehensive residential and community-based services.

INTRODUCTION

Macon Citizens Habilities, Inc. (MCH) provides services through 4 Intermediate Care Facilities for Individuals with Intellectual and Developmental Disabilities (ICF-IID) group homes, 2 Developmentally Disabled Adult (DDA) group homes, Alternative Family Living arrangement(s), and community-based services in a fiscally sound and responsible manner. An annual financial audit is conducted by an independent firm. Audit results are provided to the board of directors and to funding sources/stakeholders as required by contract. Financial consultation and direction are obtained from certified public accountants with experience in the business practices of private, non-profit organizations with a wide array of funding sources. MCH welcomes and solicits evaluations from regulatory and related parties and has an internal quality assurance program. MCH is CARF accredited.

MCH does not discriminate on the basis of sex, age, race, religion, national origin, sexual orientation, or disability with regard to employment or services and makes every effort to make reasonable accommodations if able to meet the intent of the job description and ability to do without financial hardship.

MCH provides services to persons with intellectual and developmental disabilities.

MCH promotes social and economic opportunities for people with intellectual and developmental disabilities both in the community and within the organization and encourages and trains staff and clients to access opportunities. Persons with disabilities are recruited to employment positions whenever possible. MCH maintains an open-door policy between clients and staff and encourages input from both those served and employed. Input is solicited during routine staffings, client meetings, staff meetings, networking, surveys, client participation on committees, from families, advocates, etc.

MCH has methodology in place to measure and manage outcomes. Such mechanisms include but are not limited to satisfaction surveys, quality assurance, program evaluation, and measurement and documentation of progress toward goals. Outcome measurement is documented and disseminated through quarterly and annual reports, newsletters, board minutes, goal plans, news releases, etc.

See Attachment 1 -- Organizational Charts

PHILOSOPHY

MCH provides comprehensive, integrated, and individualized services to persons with intellectual and developmental disabilities who may also have physical or mental disabilities. These services are designed to increase the individual's potential through training and experience, both in residential, community-based, and retirement settings. MCH provides these services through the establishment of functional and measurable goals which are applied within representative training situations. Each program operated by MCH complies with the respective federal and state standards and requirements of that program or funding source.

MCH is a dynamic entity and vital resource in Macon County and Jackson Counties and all of the western North Carolina community. MCH provides high quality essential services to persons with

intellectual and developmental disabilities, advocates for, and is committed to quality, person-centered services. MCH envisions meaningful activities and/or pre-vocational opportunities for all persons with developmental disabilities.

CORPORATE RESPONSIBILITY

Introduction

While the FCA applies to any false claim submitted to the United States government, the FCA has been actively used as a tool for combating Medicare and Medicaid billing fraud. In order to further combat health care fraud and abuse, Congress enacted the Deficit Reduction Act of 2005 (DRA). The DRA contains provisions to slow mandatory spending in Medicare and Medicaid and includes a provision that requires health care entities to address fraud and false claims within the Medicaid system. Section 6032, entitled "Employee Education About False Claims Recovery" requires entities receiving or making payments of more than \$5 million annually in Medicaid reimbursement to establish policies and disseminate information to employees about the False Claims Act and anti-fraud compliance.

Purpose

While MCH does not receive \$5 million dollars in Medicaid revenues, it does respect that Medicaid fraud and misuse and/or waste of Medicaid and other revenues is very serious and believes that its employees need to be educated and held responsible for appropriate use of revenues. Corporate responsibility refers to the way we carry out the values and principles that govern how we operate as an organization and behave as individuals. Corporate responsibility is how we ensure safe work operations, create a positive impact on our clients and personnel, impact the communities we work in, and build the trust and respect of our clients and stakeholders. Corporate responsibility is how we respect the environment and the statement we make as an organization about conservation and safeguarding the environment. Corporate responsibility eliminates waste, provides liability protection, reduces civil and criminal exposure, ensures advocacy to the persons we serve, enhances quality operation by identifying vague or biased practices, procedures or processes, and strengthens our reputation as a quality service provider with commitment to model ethical and corporately responsible practices.

Policy

Corporate responsibility is a process which focuses on and fosters an attitude of total compliance to regulations, standards, and the highest ethical codes of conduct, as well as sound fiscal management and conservation of the environment. MCH is committed to carrying out with dignity its mission statement, providing advocacy to the persons served in a fiscally responsible manner, and employing a methodology which is above reproach to ensure this commitment to excellence. MCH has a coordinated, organized approach to manage the complex laws and regulations which govern its services, as well as conditions of participation for state and Medicaid programs and independent accrediting bodies. MCH staff are committed to preventing and detecting any violations of these laws and regulations, while ensuring a high standard of individual and organizational legal and ethical business practices.

All MCH employees share a responsibility for ensuring that the relationships we have with our clients, families, colleagues, shareholders, contracts or associates are conducted with high standards of honesty, integrity, openness and professionalism. Our responsible conduct and public service to persons with intellectual and developmental disabilities over the past 25 years have provided a strong foundation for MCH's success. Being socially responsible goes beyond fulfilling legal obligations, however. It is a reflection of how we do business by demonstrating a commitment to the health and safety of our clients and the environment in which we operate. Our approach to corporate responsibility is, therefore, to remember our history and ensure that whatever program we work in, our standards and values do not waiver. Thus, based on our history and commitment, MCH ensures that residential clients live in clean, well-maintained homes and have the benefit of trained, nurturing staff who provide active

treatment at all times. These same principles apply to the community-based programs where clients receive a quality training experience from capable staff in a clean, safe environment. Families and guardians entrust MCH staff with their most precious possessions, and MCH staff must reciprocate by being trustworthy and conducting themselves with utmost integrity at all times.

Because MCH is a relatively small, private, not-for-profit organization, all employees are accountable for corporate responsibility. While each employee serves as a representative of the organization, the executive director, assistant director and program director are authorized by the board of directors to ensure corporate responsibility. The executive director may delegate some of these responsibilities to professional staff and require quarterly reporting of status. The executive director is responsible for at least quarterly reporting to the board of directors.

Corporate responsibility is enforced by the monitoring of the following policies and operations:

1. Policies:
 - (a) Corporate Compliance
 - (b) Code of Ethics
 - (c) Cultural competence
 - (d) Conflict of Interest
 - (e) Human Rights
 - (f) Abuse, Neglect, Corporal Punishment
 - (g) Business Associates
 - (h) Credentialing
 - (i) Personnel
 - (j) Information Management
 - (k) General Documentation
 - (l) Service Records
 - (m) Confidentiality
 - (n) Admissions and Discharge
 - (o) Document Retention
 - (p) Cash Management
 - (q) Purchasing
 - (r) Staff Training and Core Competencies
 - (s) Risk Management
 - (t) Conservation
 - (u) Research
 - (v) Client Grievance
 - (w) Security
 - (x) Medication
 - (y) Quality Assurance
 - (z) Conservation
2. Internal controls
3. Communication and reporting
4. Investigation
5. Disciplinary actions
6. Self-review

Procedures

1. Because the foundation of effective corporate responsibility is a network of communication, oversight, and reporting, existing managerial functions are integral to the overall plan, and current policies and procedures support and make up the plan. In other words, management is responsible for overseeing and enforcing the existing policies referenced above.

2. MCH has a solid written Code of Ethics policy based on its core values. These standards of conduct emphasize a high standard of individual and organizational ethical and legal business practices, consistent with the mission of the organization. This Code of Ethics is basic to corporate responsibility. The Code of Ethics is board approved, and each employee must acknowledge his/her commitment to this Code of Ethics at time of hire and at least annually thereafter. Documentation is in the employee record. The Code of Ethics is reviewed annually by the upper management team to determine if any changes are appropriate or necessary.
3. Effective training is also integral to corporate responsibility, and emphasis is given to ensuring that MCH employees clearly understand the Code of Ethics as well as the internal processes for reporting and investigating potential areas of concern.
4. MCH complies with federal, state and local laws and regulations. By focusing on education about and compliance with laws and regulations that impact MCH in risk-sensitive areas, MCH demonstrates corporate responsibility, as well as appropriate due diligence and a good faith effort to comply with these laws and regulations.
5. Contract affiliates are informed of requirements of corporate responsibility through the contracting process and are given copies of the Code of Ethics which they agree to uphold.
6. Both annual reviews of corporate compliance and risks contribute to being corporately responsible.
7. Current auditing policies, including an independent outside financial audit and quarterly audits by the compliance officer, provide a solid basis for assessment and monitoring. Review of changing laws and regulations are reflected in changes to organizational policies and procedures. The executive director and upper management team have the authority to develop and monitor policies to support any and all elements of compliance. High priority areas are assessed, and from those, it is determined whether existing policies, procedures or practices should be amended to ensure better compliance in the identified risk areas. Policy changes are noted by date in the Policies, Procedures, and Operations Manual.
8. All results of assessment, monitoring, and audit activity associated with corporate responsibility are reported directly to the board of directors.
9. In order to respond appropriately to and correct potential compliance problems, an investigation of any report or questionable practice will be conducted immediately and initiated at least by the next business day after the report. In conducting an investigation, judgment will be exercised and appropriate consideration consistent with the nature of the concern.
10. State-initiated, unannounced annual survey results provide feedback for corporate responsibility and provide measurement for compliance to regulations.
11. The executive director oversees the prompt and thorough investigation of any report of misconduct, non-compliance to standards, or illegal action. The executive director may delegate certain investigative tasks. Legal consultation may be obtained if necessary. It is the responsibility of the executive director to submit appropriate plans of correction or make other arrangements to bring programs into compliance. The executive director may delegate some of these responsibilities to other staff.
12. In the event that allegation is made about the executive director, the president of the board of directors will direct the investigation.
13. Each investigation includes the gathering and preservation of relevant documents and identification and interviewing of employees, former employees, and others who may be able to provide pertinent information.
14. Each investigation is carefully documented in a systematic manner. Such documentation shall include a report describing the disclosure, the investigation process, the conclusions reached, and the recommended corrective action, where such action is necessary.
15. When a potential violation of law is identified, legal counsel may be notified if not already involved in the investigation and assist with determining if MCH or any employee or other party involved committed a violation and help determine terms of any repayment, voluntary disclosure, or other appropriate corrective action. If a violation is determined, resolution of specific problems identified is refund of inappropriately paid claims or other actions as directed by regulatory agencies or payers. MCH will report corrective actions to the government on a voluntary disclosure basis.
16. There will be modification to practices and procedures as necessary and consistent enforcement to prevent recurrences.
17. Any disciplinary actions will be appropriately determined as required by disciplinary policies;

however, deliberate acts of fraud will result in termination.

18. MCH develops and conducts an annual self-review to identify areas of improvement. This self-review is coordinated by the upper management team and includes risk management, corporate compliance, review of conservation efforts, review of Code of Ethics, and review of Conflict of Interest.
19. Annual report of corporate responsibility will be made to the board of directors and summary will be included in the Annual Report.

See Attachment 2 -- Record of Code of Ethics and Corporate Responsibility Training

CONSERVATION

Purpose

Western North Carolina enjoys great natural beauty. MCH shares with the rest of Macon and Jackson Counties, North Carolina, and America a general responsibility to safeguard this beautiful environment for present and future generations to enjoy. To fulfill this responsibility and be corporately responsible, MCH must adopt conservation standards within the organization. For many years, our residential clients have participated in recycling and separated their paper, glass, plastic, and aluminum recyclables. All facilities recycle. The community-based saves and sells aluminum cans for recycling. Not only does this create jobs, it provides additional funds to purchase training materials for the community-based. In addition, used paper is recycled into cards and stationery and marketed which has created new jobs for clients. There are many other simple ways MCH employees and clients can join with other Americans to be more conservative and better stewards of our earth. MCH also has a new greenhouse endeavor started to create jobs and provide plants for local businesses. Conservation is corporate responsibility.

Policy

Energy efficiency and conservation help preserve our planet's rich natural resources and promote a healthy environment. Recycling and energy efficiency are 2 of the simplest ways to have a positive impact on the world in which we live. Recycling helps to reduce pollution caused by waste, reduces the need for raw materials, requires much less energy, and therefore helps to preserve natural resources. MCH staff and clients can observe these simple measures to preserve our very beautiful natural resources in western North Carolina. MCH staff are required to conserve our resources by following simple procedures.

Procedures

1. Do not overheat rooms. In the winter, set the thermostat to no higher than 70 degrees in daytime and 60 degrees at night.
2. Do not overcool rooms in the summer. Set the thermostat to 72 or higher.
3. Pull shades or curtains at night to keep heat in and cold out on cold evenings.
4. Do not waste water. Turn off the tap while brushing teeth and shaving.
5. Separate recyclables and take them to the recycling centers.
6. Separate aluminum cans for MCE clients to recycle.
7. Save used paper for MCE clients to recycle into cards, envelopes, etc.
8. Use washable napkins rather than paper napkins.
9. Don't use 2 paper towels when 1 is sufficient.
10. Clean or replace air filters as recommended.
11. Recycle printer cartridges.
12. If possible, replace light bulbs with compact fluorescent light or LCD bulbs.
13. Use less paper and, if possible, combine information on 1 sheet by using front/back.
14. When possible and when approved, use *green* chemicals for maintenance and cleaning.
15. Use reusable bags for shopping rather than taking the store's plastic bags.
16. Compost when possible.

BOARD MEMBER CODE OF ETHICS

Board members have an obligation to do more than just meet legal standards. Board members are expected to meet moral standards of conduct as well.

Board members must:

- Represent the interests of all people served by this organization and not favor special interests inside or outside of this nonprofit.
- Not use service on this board for own personal advantage nor for the advantage of friends or supporters.
- Keep confidential information confidential.
- Approach all board issues with an open mind, prepared to make the best decisions for everyone involved.
- Do nothing to violate the trust of those who elected me to the board or of those we serve.
- Focus efforts on the mission of the nonprofit and not on personal goals.
- Never exercise authority as a board member except when acting in a meeting with the full board or as delegated by the board.
- Embrace the points of the Employee Code of Ethics and set an example to employees.

BOARD OF DIRECTORS CONFLICT OF INTEREST POLICY

Purpose

The purpose of this policy is to ensure that the deliberations and decisions of the MCH Board are made in the best interests of the whole organization and to protect the interests of the organization when it enters into a transaction, contract, or arrangement that might benefit the private interest of a board member or officer.

Policy

The MCH Board will assure that their deliberations and decisions are made in the best interests of the whole organization and to protect the interests of the organization when it enters into any transaction, contract, or arrangement that might benefit the private interest of a Board member or officer. An interested member or officer may not use his or her position with respect to the MCH Board or confidential information relating to the organization in order to achieve a financial or other benefit for himself/herself or for a third person such as a family member. This policy is intended to supplement and does not replace any laws which govern conflicts of interest in nonprofit and charitable corporations.

In addition, because of the nature of MCH services, board members whose family members are recipients of services or employment should make decisions based on the best interest of organization and/or facility as a whole and not just for the personal gain of their special interest.

Procedures

1. Not less frequently than annually and usually at the annual meeting in February, the board shall require a statement from each member and officer which sets forth all business and/or other affiliations related in any way to the business, services, and activities of MCH. The statement may be reflected in Board minutes if the interested member is present at the meeting or may be by written statement and incorporated in the minutes.
2. No member shall vote on any matter if he or she has a personal, material, or direct financial interest that will be affected by the outcome of the vote. In the event of such an abstention, the reason shall be noted in the board minutes.
3. With respect to owning or being employed by a business or establishment with which MCH conducts business, a statement of position with the business should suffice. The Board should reflect in its minutes that it chooses to do business with the so named business(es). In respect to services or employment, no statement shall be necessary unless a situation arises which would be construed as a conflict of interest as determined by the full board.
4. An Interested member or interested officer must disclose the existence and nature of his or her material interest to the board prior to the consideration of any proposed transaction, contract, arrangement or employment.
5. After disclosure of material interest, the *disinterested* members of the board shall determine whether a conflict of interest exists. There should be no vote until the board has addressed the actual or possible conflict of interest.
6. Any matter which concerns a recipient of service or employment which appears to be a conflict of interest should be referred to the disinterested members of the board.
7. Board consideration will not be required where the interested member fully discloses to the board his or her interest and abstains from participation in the board's consideration of the proposed transaction, contract, or arrangement.
8. If a matter has been referred to the board, and it is determined that a conflict of interest does exist, the president of the board shall appoint a disinterested person or committee to investigate alternatives to the proposed transaction, contract, arrangement, or situation. After exercising due diligence, the board or committee shall determine whether MCH can enter into a more advantageous transaction, contract, or arrangement to avoid a conflict of interest.

9. If a more advantageous transaction, contract, or other arrangement is not practical or easily attainable under circumstances that would avoid a conflict of interest, the board shall determine by a majority vote of the disinterested members whether it is in MCH's best interest to enter into the transaction, contract, or arrangement in conformity with such determination.
10. If the board has reasonable cause to believe that a member or officer has failed to disclose an actual or possible conflict of interest, it shall inform the member or officer of the basis for such belief and afford the member or officer an opportunity to explain the alleged failure to disclose.
11. If, after hearing the response of the member or officer and conducting further investigation as may be warranted depending on the circumstances, the board determines that the member has in fact failed to disclose an actual or possible conflict of interest, it shall recommend appropriate disciplinary and corrective action.
12. Violation of this conflict of interest policy may constitute cause for removal or termination of a member or officer, or the termination of any contractual relationship that MCH may have with an interested person or other party.

BOARD MEMBER SELECTION PROCESS

When there is an opening or need for a new board member to comply with by-laws, board membership should make recommendations for possible board members who have the skills and knowledge to represent MCH in the community and discuss. When consensus has been achieved, the board president should contact that individual about serving on the board. If the person is not interested, if more than 1 name has been recommended, the board president may move to the next person on the list. If there is no other recommendation, the board president should take the matter back to the full board for discussion and more recommendations for board membership. Once an individual has accepted, the board must vote to accept the person for service on the board.

BOARD ATTENDANCE POLICY

Any member who misses 2 consecutive meetings (excused or unexcused) in a year will be contacted by the Board President and asked if he/she wants to continue to serve on the board. Attendance will be stressed. The President of the Board will report to the rest board for board decision on a case-by-case basis.

EXIT FROM BOARD

Exit from the board for a member in good standing should be by a letter of resignation to the president of the board since there are no term limits. Other exits may be due to board decision on a case-by-case basis such as non-attendance or violation of ethics policy, etc.

ACCESS TO EXTERNAL EXPERT ADVICE

While the board delegates doing most business to the executive leadership, the board also has full access to external expert advice including audit firm, Davidson, Holland, and Whitesell, Mark Knuckles and Associates, and the Van Winkle law firm. Executive leadership will supply any information necessary to access these advisors.

CORPORATE COMPLIANCE

Purpose

MCH recognizes and supports the need for a corporate compliance program and plan and understands that the federal government is very serious about eliminating healthcare fraud, waste, and abuse. As a result, the Sentencing Reform Act of 1984 (Title II of the Comprehensive Crime Control Act, 28 USC, 994) became effective in 1987 and created the US Sentencing Commission which has broad powers to establish sentencing policies and procedures with which federal judges must adhere when passing down sentences. This power also allows for uniformity in decisions from one jurisdiction to another. In 1991, the sentencing guidelines were expanded to the sentencing of organizations so that when any organization which receives public sector funds is found guilty of fraud, the organization is subject to the sentencing guidelines of the commission. The organization, its employees, and management can be subject to fines. Thus, MCH could be at risk if mishandling of funds or fraud occurred within the organization.

MCH is committed to conducting all activities in compliance with the rules, regulations and laws governing its services, and for this reason, this corporate compliance program has been implemented to comply with the regulations developed by the Federal Office of the Inspector General and to assist in maintaining and promoting a high standard of ethics. As a result, the purpose of the MCH Compliance Program is to ensure that all employees do the *right thing* in every aspect which includes:

- complying with federal, state, and insurance regulations
- completing all work according to written policy
- creating an environment where personal behavior reflects commitment to clients
- applying only the highest moral and ethical standards in all our interactions with others

Policy

MCH is dedicated to the delivery of services to persons with intellectual and developmental disabilities in an environment characterized by strict conformance to high standards of accountability for administration, business, and fiscal management. The leadership of MCH is committed to the prevention and detection of fraud, fiscal mismanagement, and misappropriation of funds. Thus, the development of a formal compliance program to ensure ongoing monitoring and conformance with all legal and regulatory requirements is prudent. Further, the organization is committed to the establishment, implementation, and maintenance of a corporate compliance program that emphasizes:

- prevention of wrongdoing, intentional or non-intentional
- immediate reporting and investigation of questionable activities and practices without consequences to the reporting party
- timely correction of any situation which puts the organization, its leadership, staff, funding sources, or clients at risk

MCH staff are trained to report any acts of wrongdoing or suspicions of wrongdoing to the compliance officer with no retaliation or reprisal for making such reports.

Failure to report wrongdoing may result in termination.

Reasonable efforts to protect the confidentiality of the reporting employee will be made, but MCH makes no claim that such confidentiality will be possible in all situations. All MCH employees are expected to exemplify the integrity and ethics of this organization and make a commitment to ethical and legal standards for:

- client care
- confidentiality

- billing practices
- conflicts of interest
- use of corporate property
- vendor relationships

Procedures

1. The compliance manager is responsible for the corporate compliance program and serves as the corporate compliance officer.
2. The compliance manager makes regular reports to the MCH Board of Directors on matters pertaining to corporate compliance.
3. The compliance manager chairs the corporate compliance team and serves as the primary contact on all corporate compliance issues.
4. The corporate compliance team is made up of the following:
 - compliance manager (corporate compliance officer)
 - executive director
 - assistant director
 - program director
 - HR manager
5. The executive director is responsible for developing and monitoring the corporate compliance plan. Monitoring is to include internal and external monitoring, auditing, investigating, and reporting processes and procedures.
6. The compliance manager makes an annual report to the executive director which summarizes all allegations, investigations, and/or complaints for the previous year which pertain to corporate compliance. The executive director and compliance manager is responsible for providing this report to the MCH board.
7. Three times per fiscal year (not the quarter of the annual financial audit), the compliance manager will test 20 checks for compliance from a random drawing of checks written that quarter.
8. Three times per year the compliance manager will test client funds by randomly drawing 5 receipts per facility and reviewing for compliance. Resident petty cash will be counted 1 time each quarter and reconciled. The date of the petty cash reconciliation is to be unannounced and at random.
9. The compliance manager monitors MCH policies, procedures, and standard operating practices for compliance with all regulatory requirements.
10. The compliance manager should monitor all Medicaid-funded services for validity of original signatures, dates, and billed service hours. Any discrepancies should be reported to the executive director immediately.
11. The compliance manager develops a report from each internal audit and makes the findings available to the executive director and to the board.
12. No employee shall be punished solely on the basis that he or she reported what was reasonably believed to be an act of wrongdoing or a violation of this program or the MCH code of ethics. However, an employee will be subject to disciplinary action if MCH reasonably concludes that the report of wrongdoing was knowingly fabricated by the employee or was knowingly distorted, exaggerated, or minimized either to injure someone else or to protect the reporting party or others.
13. An employee whose report of misconduct contains admissions of personal wrongdoing will not, however, be guaranteed protection from disciplinary action. In determining what, if any, disciplinary action may be taken against an employee, MCH will take into account an employee's own admission of wrongdoing, providing the employee's wrongdoing was not previously known or its discovery was not imminent, and that the admission was complete and truthful.
14. If an allegation of illegal or unethical practice is reported or discovered, an investigation by the program compliance team must be conducted and documented. The results of the investigation will determine the next course of action as to employee discipline, termination, or prosecution. In all cases, the board of directors must be notified.
15. If wrongdoing is substantiated which results in misuse of Medicaid monies, MCH will be responsible for reporting the wrongdoing to the appropriate entity.

BASIC BOARD POLICIES

Purpose

MCH was established to promote the welfare of persons with disabilities; to promote an understanding of the rights and needs of persons with disabilities; to perform activities and services in support of persons with disabilities; to locate and disseminate information regarding persons with disabilities and opportunities for their assistance. No substantial part of the activities of the corporation shall be devoted to attempting to influence legislation by propaganda or otherwise or participating or intervening in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. MCH promotes its purposes through service provision, educational programs, training directed toward persons with disabilities, parents and guardians, and the community.

Policies

1. The corporation shall be non-sectarian and nonpartisan.
2. The name of the corporation or the names of any members in their official capacities shall not be used in any connection with any partisan interest or for any purpose not appropriately related to promotion of the objects of the corporation.
3. The corporation may cooperate with other organizations and agencies concerned with the welfare of persons with disabilities, but persons representing the corporation in such matters shall make no commitments that bind the corporation except in matters of contracts which provide funds to perform services to persons with disabilities.
4. No substantial part of the activities of the corporation shall be devoted to attempting to influence legislation by propaganda or otherwise or participating or intervening in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office.
5. The purposes of the corporation are promoted through service provision, educational programs and training directed toward persons with disabilities, parents and guardians, and the community; and are developed through programs, conferences, committees, projects and seminars.
6. There shall be 11 members of the Board of Directors, consisting of the officers of the corporation and 8 other persons selected by a majority vote of the corporation at the time of the election of officers, to be elected in the same manner as officers are elected. Macon County Board of Commissioners may appoint a member at-large to represent the County.
7. There shall be no limit on the number of consecutive terms which may be served by the directors.
8. In the event of the death, resignation, retirement, removal or disqualification of a director during his elected term of office, his successor shall be elected to serve only until the expiration of the term of his predecessor. Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of a majority of the remaining directors.

DUTIES OF THE BOARD OF DIRECTORS

1. Provide supervision to the executive director of the corporation. The board president must conduct the executive director's annual performance evaluation.
2. Transact necessary business in the intervals between meetings of the corporation and such other business as may be referred to it by the corporation.
3. Create standing committees, as needed.
4. Approve the plans of work of any standing committees.
5. Approve a budget for each fiscal year.
6. Approve purchases over \$7500.
7. Hire or name the executive director.
8. Conduct an annual evaluation of its performance as a board.
9. Conduct an annual self-evaluation.
10. Determine compensation and benefits for the executive director.
11. Attend and participate in all meetings. Attendance should be reflected in the board minutes.
12. Orient new board members to the organization.
13. Review by-laws at least annually.
14. Review corporate performance at least quarterly as reported by the executive director.
15. Review the annual report which is submitted to the board and to stakeholders.
16. Be available to stakeholders as needed.
17. Review code of ethics and conflict of interest policies at least annually.
18. Disclose any conflict of interest or perceived conflict of interest.
19. Review policies and procedures at least annually.
20. Attend all board meetings. Two unexcused absences will result in being asked to step down from the board position. Giving notice of absence prior to the scheduled board meeting will result in an excused absence. The board president will notify any board member who has 2 unexcused absences within a year of removal from the board.
21. A quorum or at least 6 persons must be present to conduct board business.
22. Continuing education from leadership at quarterly meeting and via email or mail outs/newsletters. Each newsletter contains some training/education and enrichment articles.

See Attachment 3 -- By- Laws of Macon Citizens Habilities, Inc.

See Attachment 4 – Board Member Orientation Manual

See Attachment 5 -- Annual Board Evaluation

See Attachment 6 – Individual Board Evaluation

See Attachment 7 – End of Board Meeting Evaluation of Meeting

ACCESSIBILITY

Purpose

MCH acknowledges that there have always been barriers to services and accessibility for persons with intellectual and developmental disabilities and physical disabilities and strives to remove these barriers. MCH promotes total accessibility to all facilities as well as opportunities for enrichment and continuously tries to improve the architectural accessibility of its facilities, to improve accessibility in the community, and encourages all staff and clients to participate in such efforts. MCH does not discriminate on the basis of sex, age, race, religion, or handicap with regard to employment or services and makes every effort to make reasonable accommodations and to employ as well as serve persons with disabilities.

Policy

1. MCH provides residential and community-based services to persons who have intellectual and developmental disabilities and may have other physical or mental disabilities. These services enable persons with intellectual and developmental disabilities to reach their maximum potential through related training, work, or other life experiences. Services are delivered in a residential or community-based environment designed to duplicate typical home, work, and retirement environments.
2. MCH does not discriminate and considers persons with disabilities in hiring without regard to the individual's age, sex, national origin, religion or the nature of disability if the individual is otherwise qualified for the position and can perform the essential functions contained in the job description.
3. All staff and clients are encouraged to be involved in community efforts which promote social and economic opportunities for persons with intellectual and developmental disabilities. These activities may include but are not limited to church activities, recreation programs, fraternal, civic, and service organizations.
4. MCH board and staff advocate for clients at all times, both on and off the job.
5. MCH makes every effort to provide facilities and premises accessible to persons with disabilities and meet the intent of the Americans with Disabilities Act. Barriers are identified and eliminated immediately, if possible, or written plans of correction to eliminate all identified barriers as affordable or otherwise feasible are implemented. Accessibility is monitored by the health and safety committee and upper management, including the compliance officer. Any identified barriers must be reported immediately to administration with a recommended plan of correction. Barriers are eliminated as recommended in keeping with financial impact and affordability.
6. Barriers may be identified through architecture, attitudes, environment, finances, employment, communication, transportation, community integration, or any other obstacle which creates a hardship or hinders service to persons with intellectual and developmental disabilities. Barriers may be identified both within the MCH organization and its facilities and the community at large.
7. The MCH Board of Directors reviews, monitors, and visits facilities to ensure accessibility. Board participation and awareness is reflected in meeting minutes.

Procedures

1. Architectural and environmental barriers are routinely monitored and identified by the safety committee. This committee makes recommendations to MCH administration to eliminate any identified barrier(s) on an on-going basis.
2. Barriers may also be identified by any MCH staff or board member including the executive director, HR manager, and program director, as well as any stakeholder who recognizes and reports an obstacle to services.
3. When barriers are identified, recommendations are made to correct, and a plan of correction is formalized.
4. An ongoing list of identified barriers which cannot be corrected is maintained with explanation as to why the barrier cannot be corrected or eliminated and any future plans to correct the barrier.

5. Routine documented inspections of policies, facilities, and practices must be conducted in respect to the ADA at least annually.
6. The board of directors must review the accessibility policy. Such review is reflected in board minutes.
7. MCH does not discriminate in hiring practices. Prospective employees are given a job description and job analysis with each application.
8. Clients are involved in the community and are provided transportation and assistance as necessary.
9. While MCH cannot correct all community barriers, MCH staff and board can assume responsibility for educating the community to the needs of persons with intellectual and developmental disabilities. Barriers may be physical such as architecture or include the environment and attitudes.

See Attachment 8 – Checklist to Identify Barriers to Accessibility

CONFIDENTIALITY

Policy

1. The client record is the property of Macon Citizens Habilities, Inc. and shall be maintained to serve the client, the caretakers, and MCH in accordance with legal requirements.
2. The client has the right to have information relating to his/her care treated as confidential and privileged.
3. MCH shall make known to all employees, clients, parents/guardian, volunteers, and any other individuals who have access to client information the privileged nature of such information.
4. Only staff of the residential facility in which the client resides, professional staff responsible for the client, and MCE staff if the client is in the community-based should be privy to client information. Staff should only view information for the clients they are responsible for.
5. Board members are privy to client information only as necessary for board functions or decision-making.

Procedures

1. MCH shall provide instruction to personnel on current North Carolina Confidentiality regulations and general statutes. These are maintained at the administrative office and are reflected in these policies.
2. Individuals shall signify an understanding of the rules governing client confidentiality by signing a statement of compliance. This statement shall include:
 - (a) full and legible signature of the individual and his/her title in full
 - (b) name of agency
 - (c) agreement to hold information confidential
 - (d) acknowledgment of civil penalties for improper disclosure
 - (e) date of signature
3. Staff must refresh training at least annually. Refresher training is documented in the personnel file.

See Attachment 9 -- Non-disclosure and Confidentiality Agreement

4. A current, signed Non-disclosure and Confidentiality Agreement shall be maintained in the employee file. All personnel must receive instructions regarding confidentiality and update a Non-disclosure and Confidentiality Agreement annually.
5. MCH:
 - (a) provides a secure place with controlled access for the storage of client record, indexes, and other materials containing confidential client information with locked environments in each facility.
 - (b) identifies the persons responsible for overseeing the storage area(s) and maintaining and filing client records and delegates this to management and professional staff.
 - (c) identifies which employees are authorized to check client records in and out of the storage area per job description.
 - (d) ensures any employee who checks a client record out of the storage area of the responsibility for the security of the record until it is returned and ensures the employee must sign out and transport the record in locked vehicle. Sign out sheets should be maintained in each facility and monitored by the program compliance specialist.
 - (e) ensures that records are transported directly to the administration office in a locked vehicle and are returned in a timely manner. Records should be stored in a locked environment in the administration office when not in use.
 - (f) ensures that original client records are not to be removed from MCH facilities except in the following instances (other than transporting from facility to administration for review):

- (1) subpoena
 - (2) specific program needs which requires the written authorization of the executive director
 - (3) for the purpose of concurrent review or clinical care evaluation studies
- (g) any information released from MCH in response to requests for information is adequate, in acceptable format, and is released in accordance with these policies and procedures.
 - (h) client information may be released upon obtaining a completed Consent for Release of Client Information form containing the original signature of the client and/or parent/legal guardian. Only the following persons may sign the consent form:
 - (1) the client
 - (2) legal guardian if the client is adjudicated incompetent
 - (3) agent with legal power of attorney

See Attachment 10 -- Consent for Release of Client Information

- 6. Before a client signs a consent form, he/she must be informed of:
 - (b) the contents of the record to be released
 - (c) a definite need for the information
 - (d) the fact that he/she can give or withhold consent
 - (e) regulations protecting the confidentiality of the information being released
- 7. All letters, treatment summaries, and other information sent out in response to requests of information should be typed.
- 8. Information being released must be stamped with the following statement:

Sensitive information

If client's request to review contents is granted, such review must be in the presence of qualified clinician. Redisclosure without consent is prohibited by law.

- 9. The information being released should be sent out under a cover letter and typed on the facility's letterhead.
- 10. The executive director at his/her discretion may require:
 - (a) that all information sent out be submitted to him/her for approval or
 - (b) may sign or co-sign all cover letters accompanying responses to requests for information
- 11. The following items are then maintained in the client record:
 - (a) the signed consent form or a signed progress note documenting the disclosure of information if no signed consent form was obtained
 - (b) a copy of the cover letter
 - (c) a copy of the materials released
- 12. Releasing information without a signed consent must occur in the following situations:
 - (a) upon request from a treatment facility, defined as a hospital or institution operated by the State of North Carolina for the purpose of treating mental illness, mental retardation, or substance abuse and any area mental health program operated in conjunction with the State of North Carolina
 - (b) special counsel representing respondents in commitment hearings, special counsel to the court, and counsel representing the interest of the state in commitment hearings
- 13. Releasing information without a signed consent form can occur only if the person responsible for the client's care determines that the release of such information is necessary to meet the service needs

of the client or to comply with state or federal statutes or regulations. Such disclosure must be documented in a progress note. Examples of such situations are below:

- (a) information may be released to a facility or individual that is providing emergency medical services, but only to the extent necessary to meet the emergency
 - (b) information may be released if there is imminent danger of the client's inflicting serious bodily injury upon another person
 - (c) there is justified, documented need for a clinical, financial, or administrative audit and each person performing such an audit signs an Assurance of Confidentiality
 - (d) in response to a court order or subpoena
14. Whenever client information is released without a signed consent, the fact of such disclosure must be documented in a progress note in the record and must include:
- 15.
- (a) name of the recipient of information
 - (b) extent of information disclosed
 - (c) specific reasons for disclosure
 - (d) date of the disclosure
 - (e) signature of the responsible staff
16. Disclosure of information via telephone must include a call-back to verify the validity of the request and the identity of the requesting party.
17. Any information which is released must be entered on the Record of Information Released/Disclosed Log.

See Attachment 11– Record of Information Released/Disclosed

EQUAL EMPLOYMENT OPPORTUNITY

MCH maintains a strong policy of equal employment opportunity for all employees and applicants for employment. We hire, train, promote, and compensate employees on the basis of personal competence and potential for advancement without regard for race, color, religion, sex, national origin, age over 40, marital status, disability or citizenship, as well as other classifications protected by applicable state or local laws.

Equal employment opportunity applies to all aspects of employment with MCH including recruiting, hiring, training, transfer, promotion, job benefits, pay, dismissal, educational assistance, and social and recreational activities.

OPEN DOOR POLICY

Employees are encouraged to share their concerns, seek information, provide input, and resolve problems/issues through their immediate supervisors, and as appropriate, consult with any member of management toward those ends. Managers and supervisors are expected to listen to employee concerns, to encourage their input, and to seek resolution to their problems/issues.

MCH is an AT-WILL employer. At-will means employees are free to leave MCH employment at any time, with or without notice, and for any reason. Employees who have questions about the nature of their employment or the meaning of at-will policy should contact the executive director, assistant director, or human resource manager.

EMPLOYEE APPEALS AND GRIEVANCE

MCH provides an employee appeal procedure as a means for employees to resolve their work place concerns with management. All regular and temporary employees of MCH may file a grievance under this section. In order to qualify for processing under this section, an appeal must be filed no later than 30 calendar days after the date on which the aggrieved condition commenced.

A grievance is an alleged misapplication of MCH personnel policies. This procedure represents intent to offer a dispute resolution mechanism to MCH employees. Any failure by MCH to follow exactly this procedure shall not subject MCH to a breach of contract claim. MCH is an AT WILL employer. The MCH Board may revise, modify, or suspend the grievance policy at any time.

Procedures

1. An employee may present an appeal to his/her immediate supervisor for discussion. The supervisor has 5 regular working days to respond.
2. If the supervisor fails to respond within 5 working days or if the employee finds the response unsatisfactory, the appeal may be put in writing, clearly specifying the policy allegedly misapplied, and the relief requested. The appeal should be submitted to the HR manager within 5 regular working days from the time the first step answer was due or was given.
3. The HR manager should respond in writing within 5 working days of receipt, and if the HR manager fails to respond within this time, or if the employee finds the response unsatisfactory, or in cases where the HR manager is the immediate supervisor, the employee may submit an appeal to the executive director.
4. Upon receipt of a written appeal, the executive director will inform the board chair of the appeal.
5. The employee shall receive an answer from the executive director no later than 15 working days from receipt of the written grievance or be advised as to the conditions which prevent an answer within 15 working days and informed as to when an answer may be expected.
6. If the discussion between the executive director and the employee is not satisfactory to the employee, the employee may request in writing that the MCH Board consider the matter. The request to the Board must be within 2 working days of the answer from the executive director.
7. The executive director shall provide the board with all pertinent information.

8. The MCH Board will review the facts with the executive director and seek any other sources of information or consultations necessary. At this step, arrangements will be made for the employee to review his/her case with the MCH Board if the employee so desires.
9. The employee must present to the board the grievance personally and without assistance of representation other than a currently employed co-worker. Grievances shall be heard only in executive session at the next regularly scheduled meeting.
10. The president will notify the employee of the decision and prepare a memorandum explaining the board's action for the personnel file.

RISK MANAGEMENT AND ASSESSMENT

Purpose

Risk is inherent in all administrative and business activities including MCH business and activities, and every employee of MCH continuously manages risk. Formal and systematic approaches to managing risk are regarded as good management practice, and MCH has developed a strategic and formal approach to risk management in order to improve decision-making, enhance outcomes, and enhance accountability. The aim of this policy is not to eliminate risk but to manage the risks involved in all activities, to maximize opportunities, and minimize adversity. Effective risk management requires strategic focus, balance between the cost of managing risk and the anticipated benefits, and contingency planning. Risk management also provides a method to set priorities when there are competing demands on limited resources.

The MCH risk management program:

1. identifies any loss exposures
2. analyzes and evaluates any loss exposures
3. identifies a strategy (including techniques and/or actions) to be taken to counter any potential losses or identified exposures
4. implements the most effective strategy/plan to reduce risk for the organization
5. provides ongoing monitoring of any actions taken to reduce risk
6. reports results of actions taken to reduce risks
7. includes the results of risk reduction activities in performance improvement activities
8. makes contingency plans for adversity
9. provides employee training in managing risks

Policy

Risk is defined as the chance of something happening that will have an impact on MCH services and is measured in terms of consequences and likelihood. The program compliance specialist is responsible for ensuring that an annual risk management assessment is conducted by the upper management team and making a report of the findings of that assessment to the executive director and to the board. Risk assessment is conducted at the conclusion of the fiscal year and no later than August 15. Information will be used in long-range planning as part of program planning efforts, financial efforts and resource planning efforts and will be summarized in the information management report.

Procedures

1. At least annually and usually at the conclusion of the fiscal year, the program compliance specialist should lead the upper management and professional team to complete the Risk Management Assessment form in order to identify any risks to MCH.

See Attachment 12 – Annual Risk Management Assessment Form

2. Using information from the Risk Management Assessment, annual reports of Client and Staff Incident Reports, personnel reports, staff training curricula, pertinent outside audits, official surveys, satisfaction surveys, outcomes management report, complaints, insurance contracts, etc., the program compliance specialist will make a consolidated report on risk management to the executive director and to the board of directors.

See Attachment 13 – Annual Risk Management Report

3. Under the leadership of the program compliance specialist, the upper management team should develop a long and short-term plan of correction and/or summarize any identified problems which are not financially or physically feasible at the time of the finding.

HIPAA

The purpose of this policy is to establish guidelines and protocols that must be followed by MCH staff and board regarding the uses and disclosures of Protected Health Information (PHI) and client confidentiality. This policy also provides MCH staff with a standard procedure for keeping health information on a need-to-know basis and maintaining the confidentiality of each client's or employee's medical history. This is in addition to and does not replace confidentiality or rights policy contained in other MCH Policies, Procedures, and Operations.

Privacy Officer

The office manager is designated as the privacy officer.

Policy

All employees, clients and/or legally responsible persons should receive a Notice of Privacy Practices that explains the individual's rights and MCH's legal duties regarding Protected Health Information. This notice provides the individual with a clear definition of disclosures made by MCH.

MCH staff may use and disclose Protected Health Information for treatment, payment and Health Care Operations (TPO) without written authorization from employees, clients and/or legally responsible persons.

It is permissible to disclose PHI to business associates where MCH has obtained signed business associate contracts that require the business associate to safeguard the Protected Health Information.

It is permissible to disclose PHI to another physician or healthcare provider that is providing treatment to a client.

For uses and disclosures that are not for treatment, payment, or healthcare operations a signed authorization to disclose PHI must be on file.

MCH staff shall be granted access to Protected Health Information (PHI) whether written, electronic or verbal in nature in accordance with HIPAA (Health Insurance Portability and Accountability Act) and other state and federal laws. Such access shall be limited to the minimum necessary amount of PHI the employee or workforce member needs to know in order to accomplish the job or task. Communications between staff which involve PHI shall also be considered confidential and should not take place in public areas. If it is necessary to conduct such conversations in public areas, reasonable steps shall be taken to assure the confidentiality of the PHI.

Procedure

When using or disclosing Protected Health Information, MCH makes reasonable efforts to limit Protected Health Information to the minimum necessary to accomplish the intended purpose of the use, disclosure, or request.

MCH may disclose to a family member, other relative, a close personal friend of the individual, or any other person identified by the client or legally responsible person, the PHI directly relevant to such person's involvement with the client's care or payment related to the client's health care.

MCH may use or disclose PHI to notify or to assist in the notification of a family member, a personal representative of the client, or another person responsible for the care of the client of the client's location, general condition, or death.

MCH can also use and disclose PHI in these circumstances for identifying or locating the client's family members, personal representative, or other persons responsible for the care of the client.

If the client and/or legally responsible person is present or otherwise available prior to a use or disclosure and has the capacity to make health care decisions, MCH may use or disclose the PHI if they:

- obtain the client and/or legally responsible person's agreement
- provide the client and/or legally responsible person with the opportunity to object to the disclosure, and the individual does not express an objection; or
- reasonably infer from the circumstances, based on the exercise of professional judgment that the client and/or legally responsible person does not object to such disclosure.

If the employee, client and/or legally responsible person is not present or the opportunity to agree or object to the use or disclosure cannot practicably be provided because of the client's incapacity or an emergency circumstance, MCH may, in exercise of professional judgment, determine whether the disclosure is in the best interests of the individual and, if so, disclose only the PHI that is directly relevant to the person's involvement with the individual's health care.

MCH may use professional judgment and experience with common practice to make reasonable inferences for the client's best interest in allowing a person to act on behalf of the individual to pick up filled prescriptions, medical supplies, X rays, or other similar forms of PHI. MCH staff are expected to carry out these activities in providing supports to residential clients as indicated in job descriptions.

Access to PHI within MCH is granted on a need-to-know basis per job description. Certain job responsibilities require access to more detailed information than others. It is the responsibility of staff to maintain the confidentiality of this information and not share it with others who do not need such information to carry out their job responsibilities. The specific level of access to health information will be identified and documented in the job description. Access to an entire medical record is not allowed unless justification for use of the entire medical record is specifically identified and documented in the job description.

Disclosures of health information to clients who are the subject of the health information do not need to be restricted to minimum necessary. In addition, disclosures authorized by clients or legally responsible persons are exempt from the minimum necessary requirements.

For all other requests, the executive director will determine what information is reasonably necessary for disclosure on a case-by-case basis.

Client or employee PHI should never be removed from MCH's facility without specific authorization or following the procedures for checking out records found in the general policies and procedures.

If PHI in any form is lost or stolen, the executive director or designee should be notified immediately but no later than 24 hours after the loss is discovered in order to initiate the mitigation process.

MCH staff shall be informed of their obligations with respect to PHI by mandatory participation in HIPAA Privacy Training as required by the Health Insurance Portability and Accountability Act (HIPAA).

MCH staff who have knowledge of PHI shall be required to agree to the protection of such PHI. All staff shall sign a confidentiality agreement. A copy of the signed confidentiality agreement shall be maintained in the personnel file.

All visitors to MCH facilities will be required to sign a nondisclosure and confidentiality agreement.

Miscellaneous

Other HIPAA policies are available in the MCH Personnel Policies, Procedures, and Operations Manual.

Health Insurance Portability and Accountability Act (HIPAA) Health Information Technology for Economic and Clinical Health Act (HITECH)

The Health Insurance Portability and Accountability Act of 1996 (HIPAA) regulates health care providers (CEs) that electronically maintain or transmit PHI in connection with a covered transaction. HIPAA requires each CE to maintain reasonable and appropriate administrative, technical and physical safeguards for privacy and security. Entities or individuals who contract to perform services for a CE with access to protected health information, Bas, are also required to comply with the HIPAA privacy and security standards.

MCH is subject to the HIPAA regulations as a covered entity since it bills Medicaid directly. Certain BAs are also CE's. MCH is required to identify its units that meet the CE definition, ensure CE compliance with safeguard and implementation specifications, and enforcement of CE and BA compliance with the HIPAA regulations. MCH designates a HIPAA Security and Privacy Officer to provide leadership for compliance.

Policy

Information designated as confidential or highly confidential shall be protected from unauthorized access and disclosure, both intentional and unintentional, by all reasonable means and acceptable business practices.

1. Purpose

Information designated as confidential or highly confidential must be protected so that people and computer processes not properly authorized to access or use the information are kept from it. These protections enable this organization to maintain the privacy of our clients and plan members, our employees, and internal business matters. These protections also preserve data integrity and availability by guarding against improper or unauthorized alteration, as well as loss, of confidential and highly confidential data.

2. Scope

This policy applies to our confidential and highly confidential information (hereinafter referred to as confidential) such as Protected Health Information (PHI), as defined by the Health Insurance Portability and Accountability Act of 1996, and other information designated by this organization or by law as confidential or Highly confidential. It applies to such information in any form (written, electronic, oral). It applies to our workforce and to third parties granted access to our PHI and other confidential information.

3. General Rules

Confidential information shall be protected according to the following general rules. Refer to specific policies and procedures for additional details.

- When feasible for responding to a request or providing access to data, non-confidential data will be provided instead of confidential data. For example, de-identified data will be provided instead of personally identifiable data. However, whenever confidential data is required (for example, for client care, payment for services, or regulatory reporting), it will be provided. These rules are not intended to interfere with performance of one's duties for this organization or with the fulfillment of this organization's legal and regulatory obligations.
- Access to confidential data is restricted to those with a business need to know, as defined by organization policy and procedure, who have approval in writing. Unauthorized access to confidential information is a violation of organization policy.
- Written authorization will be kept on file for the duration of the individual's access plus three months, at a minimum, and as long as required by this organization's retention policy.

- Access and disclosure will be limited to the minimum necessary information to perform an individual's work or to satisfy a third-party request, given reasonable technical or other limitations. When access is electronic, access also will be limited to the minimum level of functionality (for example, read-only access vs. update) required for the individual's work. The minimum-necessary principle will never be invoked to interfere with patient care or a patient's right to access his/her own information.
- Access to electronic confidential information will be granted through a unique user ID and a form of authentication meeting organization standards (for example, a password of the required minimum length and composition). Users may not share their unique user ID and authentication with anyone else, and users are required by policy to protect their ID and authentication from accidental disclosure or use by anyone else. If and when multifactor authentication is required by organization standards, users must comply.
- Physical and electronic access to confidential information will be halted promptly when anyone (workforce member or third party) with access no longer needs it for this organization's business purposes. This applies to job changes as well as to terminations. When the organization believes there is heightened information security risk associated with an individual, termination of access will be processed immediately upon notification.
- Access granted to a database or a record room shall not be construed as permitting access to records contained in the database or record room that are not required for the individual's work.
- Access granted to electronic systems containing confidential information will be monitored and audited when and as technically feasible for the protection of the data and the organization's assets. Use of those systems acknowledges that activity will be monitored.
- Confidential information in any form will be physically protected through reasonable measures (for example, locks on devices, locked storage rooms, private conversations).
- Confidential information in any form will be destroyed prior to disposal or as part of the disposal process (for example, paper cross-cut shredding). Confidential information will continue to be protected while awaiting disposal. When destruction is handled by a third party, the organization will obtain certification of the destruction. Confidential information will be removed from all computers and magnetic media used for organization business, regardless of device or media ownership, prior to reuse and prior to an individual's termination. Disposal and reuse will follow organization procedures.
- Confidential information backup, transport, transmission, storage, and other handling processes will follow specific policies and procedures on these topics.
- Disclosure of confidential information, in any form, for other than this organization's purposes, is prohibited, including following termination of an individual's business relationship with the organization. In special cases, written authorization for a particular disclosure may be granted by the CEO or designee.
- All MCH staff are required to attend annual security training in their responsibilities for protecting confidential information and to sign the Security and Privacy Acknowledgement. MCH staff will have access to all information security and privacy policies and procedures needed to perform their jobs in a secure manner.

5. Monitoring and Enforcement

The Information Security Officer is responsible for monitoring and enforcement of this policy, with the assistance of the Privacy Officer. The role of an information security officer is to protect and monitor any and all company information from being removed, accessed or manipulated from those outside of the company. However, management and individuals share responsibility for understanding and following this policy and for reporting suspected and actual breaches of this policy. Specifically, managers are responsible for monitoring staff behavior in terms of information security and privacy, as well as

ensuring that wherever confidential information is accessible, all individuals are either authorized for access to that information or they are supervised.

6. Penalties

See Sanctions for Privacy and Security Violations policy. Note that sanctions are not limited to employees, nor are they limited to immediate termination of employment. Violations can lead to revocation of professional license and to civil and criminal legal action.

7. References

See Glossary of Terms for definitions of PHI, workforce, and confidential data

8. Approval

Upper management team/board of directors

9. Review Cycle

Annual

Criminal penalties for wrongful disclosure of individually identifiable health information by an individual, knowingly and in violation of HIPAA/HITECH by:

- 1. Using or causing to be used a unique health identifier OR
- 2. Obtaining identifiable health information OR
- 3. Disclosing identifiable health information to another person

Offense	Fines/and or imprisonment
Knowing misuse	Up to \$50,000 and/or up to one year imprisonment
Knowing misuse under false pretenses	Up to \$100,000 and/or up to five years imprisonment
Knowing misuse with intent to sell, transfer, or use individually identifiable health information for commercial advantage, personal gain, or malicious harm	Up to \$250,000 and/or up to ten years imprisonment

See Attachment 14 -- HITECH Act Breach Notification Checklist
See Attachment 15 – Working Off-Site Security Agreement

EXECUTIVE DIRECTOR COMPENSATION

Compensation

The executive director is compensated with a base salary per year, payable in installments according to the regular MCH payroll schedule and the same as for full-time employees.

The base salary may be adjusted at the discretion of the board of directors. However, regular raises will occur as responsibilities are added *or* as annual or other raises for all employees occur.

This method was established when the executive director was employed and has been in effect since 1988. Current base salary is available from the human resources manager or finance director.

Benefits

- 1. Paid holidays shall be the same as for other full-time employees.
- 2. Paid time off shall accrue at the same rate as for other full-time employees.

3. The executive director is entitled to the same Medical and Group Life Insurance plan as other full-time employees.
4. The executive director is entitled to participate in any pension or profit sharing plan or other type of plan adopted by MCH for the benefit of its employees.
5. The executive director is shall be entitled to reimbursement for all reasonable expenses, including travel and entertainment, incurred by the executive in the performance of executive's duties according to MCH policy.

BOARD MEMBER ORIENTATION

Purpose

MCH board members have accepted a very important role. What is done as a board member will have great impact on our nonprofit organization for years to come.

Policy

1. Each new board member is provided with a comprehensive orientation when elected to the board which includes information about each of the following areas:
 - (a) Board Policy Manual
 - (b) Board Member Orientation Manual
 - (c) Organizational chart
 - (d) Articles of Incorporation
 - (e) By laws
 - (f) Newsletters
 - (g) Informational Brochure
 - (h) MCH History
2. Orientation may be done with another board member, the executive director, or both.