CORPORATE COMPLIANCE PLAN

PESACH TIKVAH – HOPE DEVELOPMENT INC.

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PESACH TIKVAH HOPE DEVELOPMENT, INC.

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I. The Purpose of the Compliance Plan and Program.

Pesach Tikvah Hope Development, Inc. (the "Agency") has adopted a Corporate Compliance Program (the "Compliance Program" or "Program") so as to conduct itself with a high level of business and professional ethics and to promote the Agency's compliance with all applicable laws and regulations. Our Compliance Program is described in this Corporate Compliance Plan ("Compliance Plan" or "Plan")[1]. This Plan provides guidance to all persons who are affected by the Agency's Compliance Risk Areas (as defined in Section IX herein), including the Agency's employees, contractors, and Board members[2] on how to conduct themselves when working for our Agency. The goals of our Compliance Program are to:

- Prevent fraud, abuse and other improper conduct by creating a culture of compliance within the Agency;
- Detect any misconduct that may occur at an early stage before it creates a substantial risk of civil or criminal liability for the Agency; and
- Respond swiftly to compliance problems through appropriate disciplinary and corrective action.

All Agency employees, contractors, and Board members, have a personal obligation to assist in making the Program successful. Employees, contractors, and Board members are expected to: (1) familiarize themselves with this Plan; (2) review and understand the key compliance policies and procedures governing their particular functions and responsibilities; (3) report any fraud, waste, abuse, or other improper conduct by using the methods described in this Plan; (4) cooperate in any Agency audits and investigations; and (5) carry out their responsibilities in a manner that demonstrates a commitment to honesty, integrity and compliance with the law.

[1] "Corporate Compliance Plan," "Compliance Plan," or "Plan" refers to this document that provides a high-level overview of the structure and components of the Agency's compliance initiatives and activities that, when taken as a whole and operationalized, comprises the Agency's "Compliance Program".

[2] "Employees, contractors, and Board members" includes the Agency's employees, Executive Director, senior administrators, managers, volunteers, interns, contractors, agents, subcontractors, independent contractors, corporate officers, and Board members who are affected by the Agency's Compliance Risk Areas, as defined in Section IX herein. For purposes of the Agency's Compliance Program, "contractors" includes contractors, agents, subcontractors, and independent contractors who are affected by the Agency's Compliance Risk Areas. Contractors are required to comply with the Agency's Compliance Program to the extent that the contractor is affected by the Agency's Compliance Risk Areas, and only within the scope of the contractor's contracted authority and affected Compliance Risk Areas.

The Plan and Program are periodically reviewed to address new compliance challenges and maximize the use of the Agency's resources, and to determine whether:

- The Compliance Plan, Compliance Program, and Code of Conduct have been implemented;
- Employees, contractors, and Board members are following the policies, procedures, and Code of Conduct;
- The policies, procedures, and Code of Conduct are effective; and
- Any updates are required.

Employees, contractors, and board members and are encouraged to provide input on how the Program might be improved. Additional information on the Agency's annual Compliance Program review can be found in the Agency's Auditing and Monitoring Policy.

II. The Elements of the Program.

The Compliance Program is designed based on compliance guidance provided by federal and state governmental entities.[3] The key elements of the Program, which are discussed in greater detail in the sections referenced below, are as follows:

- General Responsibilities (Section III);
- Code of Conduct and Key Policies and Procedures (Section IV);
- Compliance Oversight (Section V);
- Compliance Training (Section VI);
- Reporting Compliance Problems and Prohibition on Retaliation (Section VII);
- Disciplinary Measures (Section VIII);
- Risk Identification and Internal Audits and Reviews (Section IX);

[3] Guidance includes information from the U.S. Department of Health and Human Services' Office of Inspector General ("OIG") and the New York State Office of the Medicaid Inspector General ("OMIG"), as well as the requirements imposed on health care providers under Section 363-d of the New York Social Services Law and Part 521-1 of Title 18 of the New York State Codes, Rules and Regulations.

- Internal Investigations and Government Audits and Investigations (Section X);
- Corrective Action (Section XI);
- Non-Retaliation and Non-Intimidation (Section XII); and
- Laws Regarding the Prevention of Fraud, Waste and Abuse (Section XIII).

III. General Responsibilities.

The Agency recognizes that operating in an ethical and legal manner is not only an obligation of the Agency, but is an obligation of each individual providing administrative, clinical, programmatic, and business services on its behalf. The following compliance-related responsibilities apply to employees, contractors, and Board members respectively:

A. Responsibilities of Employees.

1. Duty to Know Applicable Requirements.

Employees are obligated to know the following information, to the extent it is applicable to the employee's responsibilities: (a) Medicaid and other payer requirements; (b) the prohibitions against fraud, waste, and abuse; (c) the Agency's Compliance Risk Areas; and (d) the benefits and elements of our Compliance Program.

In order to acquire and maintain the requisite knowledge, employees, including the Compliance Officer and senior management, are obligated to attend orientation and annual training related to their job responsibilities regarding the areas listed above. The time, place, manner and duration of such training shall be determined by the Compliance Officer.

2. Duty to Comply with Applicable Requirements.

Employees are obligated to comply with the applicable Medicaid and other payer requirements and internal policies and procedures, and to avoid violating the prohibitions against fraud, waste, and abuse.

3. Duty to Report.

Employees are obligated to report instances of possible fraud, waste, abuse and other improper conduct that they know of or reasonably suspect to one of the following:

(a) The Agency Compliance Hotline (718-298-3443) (anonymously or otherwise);

(b) Dropping a written report in the Agency's Compliance Drop Box located in the kitchen area at 365 Willoughby Avenue, 4th Floor, Brooklyn, New York between the hours of 9:00 a.m. to 5:00 p.m.;

(c) The Agency's Compliance Officer, Shaindy Strulovitch, at (718) 8756900 ext. 1136 or compliance@pesachtikvah.org;

(d) The Agency's Compliance Officer, Shaindy Strulovitch, in writing by mail to Attn: Compliance Officer, Pesach Tikvah Hope Development, Inc., 365 Willoughby Avenue, 4th Floor, Brooklyn, New York 11205 (anonymously or otherwise);

(e) The employee's Supervisor or any Supervisor; or

(f) Any member of the Compliance Committee.

Employees are encouraged to first report their concerns directly to Agency to allow the Agency the opportunity to quickly address potential concerns.

Employees shall cooperate in internal and external audits or investigations regarding possible fraud, waste, abuse, or other noncompliance.

4. Duty to Respond.

Employees are obligated to respond appropriately to reports of possible fraud, waste, abuse, or other noncompliance that are reported to them by other employees, contractors, and Board members. Such response should include following the procedure set forth in Sections X and XI relating to investigating and responding to the possible noncompliance.

5. Duty to Promote Organizational Compliance.

Employees shall promote, among other employees and contractors, a commitment to compliance with Medicaid and other payer requirements, and the prohibitions against fraud, waste, and abuse. Employees shall cooperate with and assist the Compliance Officer in the performance of their responsibilities.

B. Responsibilities of Contractors.

1. Duty to Comply.

Contractors have the compliance-related duties which are described herein.

Contractors shall, upon request, furnish the Agency with information, or with permission to obtain information in order to conduct a compliance background/exclusion check of such contractor.

2. Duty to Know Applicable Requirements.

Contractors shall know, and use their best efforts to keep informed on significant changes in: (a) Medicaid and other payer requirements; (b) the prohibitions against fraud, waste, and abuse; (c) the Agency's Compliance Risk Areas, and (d) the benefits and elements of the Agency's Compliance Program.

3. Duty to Comply with Applicable Requirements.

Contractors shall comply with the applicable Medicaid and other payer requirements, and avoid violating the prohibitions against fraud, waste, and abuse.

4. Duty to Document.

Contractors who provide billable services are obligated to create appropriate documentation of such services meaning documentation that is:

(a) Accurate; legible; timely; and complete (identifies the individual receiving the service, the individual providing the service, the care/services/supplies provided, the date and time, and any other required information);

(b) Signed by the individual receiving the services or the individual's representative, where required; and

(c) Signed by the individual providing the care/services.

5. Duty to Report.

Contractors shall report instances of possible fraud, abuse and other improper conduct that they know or reasonably suspect within the Agency to either:

(a) The Agency's Compliance Hotline (718-298-3443) (anonymously or otherwise);

(b) Dropping a written report in the Agency's Compliance Drop Box located in the kitchen area at 365 Willoughby Avenue, 4th Floor, Brooklyn, New York between the hours of 9:00 a.m. to 5:00p.m.;

(c) The Agency's Compliance Officer, Shaindy Strulovitch, at compliance@pesachtikvah.org or (718) 875-6900 ext. 1136;

(d) The Agency's Compliance Officer, Shaindy Strulovitch, in writing by mail to Attn: Compliance Officer, Pesach Tikvah Hope Development, Inc., 365 Willoughby Avenue, 4th Floor, Brooklyn, New York 11205 (anonymously or otherwise); or

(e) Any member of the Compliance Committee.

C. Responsibilities of Board Members.

The Board members, through a duly adopted Board resolution, have assumed the compliance-related responsibilities as described below.

1. Duty to Comply.

Board members, in the course of exercising their duties as Board members, shall comply with applicable Medicaid and other payer requirements, and avoid violating the prohibitions against fraud, waste, and abuse.

All Board members shall annually review and adhere to the Agency Code of Conduct.

2. Duty to Promote Organizational Compliance.

(a) In General.

Board members shall strive to promote, throughout the Agency and among its employees and contractors, a commitment to compliance with Medicaid and other payer requirements, and an awareness of the prohibitions against fraud, waste, and abuse.

(b) Duty to Oversee Organizational Compliance.

Board members shall assume, among their other responsibilities, the responsibility to oversee the development, implementation, operation and evaluation of the Agency's Compliance Program. The Board shall periodically and timely receive updates and reports from the Compliance Officer on compliance-related initiatives and activity.

(c) Oversight of Compliance Officer.

Board members shall exercise oversight to ensure that the Compliance Officer is performing their responsibilities with respect to compliance.

3. Duty to Attend Board Educational Programs.

To enable Board members to meet their compliance-related responsibilities, Board members shall periodically attend educational programs, including upon appointment and annually, concerning: (a) applicable key Medicaid and other payer requirements; (b) the prohibitions against fraud, waste, and abuse; (c) the Agency's Compliance Risk Areas; and (d) the benefits and elements of the Agency's Compliance Program. The time, place, manner and amount of such programs shall be determined by the Compliance Officer.

4. Duty to Respond.

Board members are obligated to respond appropriately to reports or other indications of possible fraud, waste, abuse, or other improper conduct within the Agency that are actually observed or made known to them. Such response should include ensuring that the Agency follows the procedures set forth in Sections X and XI relating to investigating and appropriately responding to reports of fraud, waste, abuse or other noncompliance.

Board Members are obligated to cooperate in any internal or external audits or investigations by duly authorized internal or external auditors or investigators, regarding possible fraud, waste, abuse, or other noncompliance.

IV. Code of Conduct and Key Policies and Procedures.

A. Code of Conduct.

The Agency is committed to conducting all of its activities and business with honesty and integrity. This Code of Conduct sets forth the basic principles that guide Agency decisions and actions. The Code of Conduct is not intended to address every potential compliance issue that may arise in the course of the Agency's business. All employees, contractors, and Board members are expected to familiarize themselves with the Code of Conduct and should rely on the standards contained in the Code in carrying out their duties.

1. Compliance With Applicable Laws.

It is the duty of Agency employees, contractors, and Board members to uphold all applicable laws and regulations. All Agency employees, contractors, and Board members must be aware of the legal requirements and restrictions applicable to their respective positions and duties. The Agency shall implement programs necessary to further awareness of, and to monitor and promote compliance with laws and regulations. Questions about the legality or propriety of any actions undertaken by or on behalf of the Agency should be referred immediately to the Agency's Compliance Officer for clarification.

2. Conduct Affairs in Accordance With the High Ethical Standards.

Agency employees, contractors, and Board members shall conduct all activities in accordance with high ethical standards of the community and their respective professions at all times and in a manner which upholds the reputation and standing of the Agency. Employees, contractors, and Board members shall not make false or misleading statements to any client, person or entity doing business with the Agency.

3. Conflicts of Interest.

The Agency is dedicated to the provision of health care and human services to individuals in need. All employees, contractors, and Board members must faithfully conduct their duties in their assigned roles solely for the purpose, benefit, and interest of the Agency and those whom it serves. All employees and Board members have a duty to avoid conflicts with the interests of the Agency and may not use their positions and affiliations with the Agency for personal benefit. Employees and Board members must consider and avoid not only actual conflicts but also the appearance of conflicts of interest.

4. High Standards for All Aspects of Care.

All employees, contractors, and Board members of the Agency must support the Agency's mission to provide services of high quality which respond to the needs of those served and their families. The care provided must be reasonable and necessary to the care of each individual and appropriate to the situation, and such care must be provided by properly qualified individuals. All such care must be properly documented as required by law and regulation, payer requirements and professional standards.

5. Provide Equal Opportunity and Respect the Dignity of All Clients.

The Agency is committed to providing services for persons, without regard to age, race, color, ethnicity, religion, gender, gender identity, gender expression, sexual orientation, and source of payment. We are dedicated to maintaining an environment which respects the dignity of each individual in our community. Discrimination in any form or context will not be tolerated.

6. Confidentiality.

Agency employees, contractors and Board members have access to a variety of sensitive and proprietary information, the confidentiality of which must be protected. All such persons must adhere to the appropriate laws, regulations, policies, and procedures to ensure that confidential information is properly maintained and that inappropriate or unauthorized release

is prevented. Agency employees and contractors shall create and keep records and documentation which conform to legal, professional, and ethical standards.

7. Integrity with Each Payer Source.

The Agency's employees and contractors shall ensure that all requests for payment for all services are reasonable, necessary and appropriate; issued by properly qualified persons; and billed in the correct amount with appropriate supportive documentation.

8. Honesty and Integrity.

All business practices of the Agency must be conducted with honesty and integrity and in a manner that promotes a positive and professional reputation with clients, payers, vendors, regulatory agencies, and other providers.

It is the duty of each Agency employee, contractor, and Board member to uphold the standards set forth in the Code of Conduct and to report violations by following the reporting procedures established by the Program. Board members, executives, and supervisors of the Agency have a special duty to adhere to the principles and enforce the standards set forth in the Code of Conduct; to support employees in their adherence to the Code of Conduct; and to recognize, detect, and report violations.

It is a violation of the Code of Conduct to take any action in retaliation against or to intimidate anyone who reports, in good faith, suspected violations of the Code of Conduct or other Agency policies and procedures.

B. Key Policies and Procedures.

While the Code of Conduct establishes broad principles to promote ethical behavior, the Agency also recognizes that the development and distribution of comprehensive policies and procedures promoting ethical conduct are essential components of an Effective Compliance Program.[4] These policies and procedures must clearly articulate responsibilities and provide employees, Board members, and contractors with sufficient guidance and direction in fulfilling

[4] As used in this Compliance Plan, "Effective Compliance Program" means a Compliance Program adopted and implemented by the Agency that, at a minimum, satisfies applicable regulatory requirements (18 NYCRR Part 521-1) and that is designed to be compatible with the Agency's characteristics (*i.e.*, size, complexity, resources, and culture), which means that it is: (1) is well-integrated into the Agency's operations and supported by the highest levels of the Agency, including the Executive Director, senior management, and the Board; (2) promotes adherence to the Agency's legal and ethical obligations; and (3) is reasonably designed and implemented to prevent, detect, and correct non-compliance with Medicaid Program requirements, including fraud, waste, and abuse most likely to occur for the Agency's Compliance Risk Areas and Organizational Experience, as defined herein.

those responsibilities. The Agency has developed several policies and procedures in support of its Compliance Program including but not limited to:[5]

1. Duty to Report Policy;

2. Non-Retaliation and Non-Intimidation Policy;

3. Compliance Training Policy;

4. Compliance Investigations Policy;

5. Disciplinary Policy;

6. Vendor Relations Policy;

7. Auditing and Monitoring Policy;

8. Employee and Contractor Screening Policy;

9. Fraud Prevention Policy;

10. Written Policies and Procedures Policy;

11. Conflict of Interest Policy;

12. Whistleblower Policy; and

13. Compliance Committee Charter.

All employees, Board members, and contractors are required to review and carry out their duties in accordance with the policies and procedures applicable to their functions and responsibilities.

V. Compliance Officer and Compliance Committee.

A. Compliance Officer.

The Compliance Officer is the employee of the Agency responsible for overseeing the implementation and modification of the Program, and for the day-to-day operation of the

[5] Additional information on the Agency's written policies and procedures, including information pertaining to drafting, revising, reviewing, and approving these policies and procedures, can be found in the Agency's Written Policies and Procedures Policy.

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

1. Supervising (including overseeing and monitoring) the adoption, implementation, maintenance, and effectiveness of the Compliance Plan and Compliance Program, and evaluating their effectiveness;

2. Reviewing and updating the Compliance Plan, Code of Conduct and compliance policies and procedures to incorporate changes based on the Agency's Organizational Experience[6] and to promptly incorporate changes to federal and state laws, rules, regulations, policies, and standards, and developing new compliance policies as needed;

3. Overseeing operation of the Compliance Hotline and email box;

4. Evaluating, investigating, and responding to compliance-related questions, concerns and complaints, and investigating and independently acting on matters related to the Compliance Program, including designing and coordinating internal investigations and documenting, reporting, coordinating, and pursuing any resulting corrective action with all internal departments, contractors, and the State;

5. Ensuring proper reporting of violations to duly authorized enforcement agencies as appropriate or required;

6. Working with the Director of Human Resources and others as appropriate to develop the compliance training program described in Section VI below;

7. Establishing and maintaining open lines of communication with programs and departments, including the Billing Department, to ensure effective and efficient compliance policies and procedures;

8. Responding to government audits and investigations and other inquiries;

[6] As used in this Compliance Plan, "Organizational Experience" means the Agency's: (1) knowledge, skill, practice, and understanding in operating its Compliance Program; (2) identification of any issues or risk areas in the course of its internal monitoring and auditing activities; (3) experience, knowledge, skill, practice, and understanding of its participation in the Medicaid Program and the results of any audits, investigations, or reviews it has been the subject of; or (4) awareness of any issues it should have reasonably become aware of for its categories of service.

9. Assisting with and ensuring the completion of the annual certification, as required, on OMIG's website;

10. Developing—including drafting, implementing, and updating, no less frequently than annually or, as otherwise necessary, to conform to changes in Federal and State laws, rules, regulations, policies, and standards—an annual work plan, including internal audits, with the assistance of the Compliance Committee. The work plan shall outline the Agency's proposed strategy for meeting the requirements set out in the compliance regulations (18 NYCRR § 521-1) for the coming year, with a specific emphasis on written policies and procedures, training and education, auditing and monitoring, and responding to compliance issues;

11. Reporting directly, on a regular basis, but no less frequently than quarterly, to the Agency's Board, Executive Director, and Compliance Committee on the progress of adopting, implementing, and maintaining the Compliance Program;

12. Assisting the Agency in establishing methods to improve the Agency's efficiency, qualify of services, and reducing the Agency's vulnerability to fraud, waste, and abuse; and

13. Evaluating the effectiveness of and strengthening the Program.

The Compliance Officer reports directly to, and is accountable to, the Executive Director or another senior manager designated by the Executive Director for reporting purposes. The Agency will ensure that the Compliance Officer is allocated sufficient staff and resources to satisfactorily perform their responsibilities for the day-to-day operation of the Compliance Program based on the Agency's Compliance Risk Areas (as defined in Section IX herein) and Organizational Experience, and that the Compliance Officer and appropriate personnel have access to all records, documents, information, facilities, and employees, contractors, and Board members that are relevant to carrying out their Compliance Program responsibilities.

The Compliance Officer will report directly to the Board of Directors, Executive Director, and Compliance Committee on the progress of adopting, implementing, and maintaining the Program on a regular basis, and no less frequently than quarterly. In addition, the Compliance Officer shall prepare a written report to the Board annually describing the compliance efforts undertaken during the preceding year and identifying any changes necessary to improve the Compliance Program. In the event of suspected or actual improper conduct on the part of the

Executive Director, the Compliance Officer is required to report such conduct directly to the Board of Directors.

B. Compliance Committee.

The Agency has a Compliance Committee which is responsible for coordinating with the Compliance Officer to ensure that the Agency is conducting its business in an ethical and responsible manner, consistent with its Compliance Program. The Compliance Committee's duties and responsibilities are outlined in the Agency's Compliance Committee Charter.

The Compliance Committee is comprised of, at minimum, a member of senior management and the Compliance Officer. The Compliance Officer may appoint additional members to the Compliance Committee with varying backgrounds and experience to ensure that the Committee has the expertise to handle the full range of clinical, administrative, financial and operational issues relevant to the Agency. The additional members appointed to the Compliance Committee shall, at a minimum, be senior managers.

The Compliance Committee's functions include, but are not limited to, the following:

1. Receiving regular reports from the Compliance Officer and providing them with guidance regarding the operation of the Program;

2. Approving the annual work plan carried out under the Program;

3. Approving the compliance training program provided to all employees, contractors, and Board members;

4. Reviewing all investigations of suspected fraud or abuse and any corrective action taken as a result of such investigations;

5. Overseeing the exclusion screening process for employees, contractors and Board members;

6. Recommending and approving any changes to the Compliance Plan, Compliance Program and compliance policies;

7. Coordinating with the Compliance Officer to ensure that the written Compliance Program policies and procedures, and Code of Conduct are current, accurate, and complete, and that the required training topics are timely completed;

8. Coordinating with the Compliance Officer to ensure communication and cooperation by employees, contractors, and Board members on compliance related issues, internal or external audits, or any other function or activity required by the compliance regulations (18 NYCRR Part 521-1);

9. Advocating for the allocation of sufficient funding, resources, and staff for the Compliance Officer to fully perform their responsibilities;

10. Ensuring that the Agency has effective systems and processes in place to identify Compliance Program risks, overpayments, and other issues, and effective policies and procedures for correcting and reporting such issues; and

11. Advocating for the adoption and implementation of required modifications to the Compliance Program.

The Compliance Committee is chaired by the Compliance Officer. The Compliance Committee meets at least quarterly. The duties, responsibilities, and members of the Compliance Committee, as set out in the Compliance Committee Charter, are reviewed at least annually. The Compliance Committee reports directly to, and is accountable to, the Agency's Executive Director and Board.

C. Board of Directors.

The Board of Directors has ultimate authority for the governance of the Agency, including oversight of the Agency's compliance. The Board will receive periodic reports on the operation of the Program directly from the Compliance Officer. The Compliance Officer has the right to bring matters directly to the Board at any time.

VI. Compliance Training.

Every employee, including the Compliance Officer and senior management, must attend the basic compliance training session offered by the Agency within 30 days of the commencement of employment and a refresher training session at least annually thereafter. Training will be scheduled by the Director of Human Resources as part of their responsibility to oversee general orientation for new employees. The basic compliance training session shall cover the contents of the Code of Conduct and the key training elements set out in the Agency's Compliance Training Policy.

Employees may also be required to participate in supplemental compliance training sessions recommended by the Compliance Officer in consultation with the program directors. Supplemental training is designed to focus on the specific compliance issues associated with an employee's functions, and will be in addition to the orientation and annual compliance training and education provided to all employees, Board members, and contractors.

Board members must attend a compliance training session within 30 days of the commencement of their term and a refresher training session at least annually thereafter. Board members must acknowledge in writing that they have received training, understand the Code of Conduct and will fulfill their obligations under the Compliance Plan.

Contractors (including subcontractors, agents, and independent contractors) who are subject to the Agency's Compliance Program (*i.e.*, those contractors affected by the Agency's Compliance Risk Areas) must participate in compliance training either prior to contracting with the Agency or within 30 days of contracting with the Agency, and at least annually thereafter. Such training may consist of providing the contractor with the Agency's Compliance Plan and Compliance Program policies and procedures for self-study, and affording the contractor the opportunity to ask questions and receive responses about the Compliance Plan and Compliance Program. The Agency shall maintain a dated distribution letter and require contractors to complete an acknowledgement evidencing that compliance training and education occurred.

All individuals and entities required to receive training must be afforded an opportunity to ask questions and receive responses to any questions they have in order for training to be considered complete. All training and education will be provided in a form and format that is accessible and understandable to all employees, contractors, and Board members, consistent with Federal and State language and other access laws, rules, or policies. Additional information on compliance training can be found in the Agency's Compliance Training Policy.

VII. Reporting Compliance Problems.

A. Reporting Options.

In accordance with its Duty to Report Policy, the Agency maintains open lines of communication for the reporting of suspected improper activity. Employees, contractors, and Board members shall promptly report any such activity of which they become aware in any one of the following ways:

1. Notifying a Supervisor;

2. Notifying the Compliance Officer, Shaindy Strulovitch, who has an open-door policy and can be reached at (718) 875-6900 ext. 1136 or compliance@pesachtikvah.org;

3. Notifying any member of the Compliance Committee or Board;

4. Filing a report through the Compliance Hotline at (718-298-3443) (anonymously or otherwise);

5. Dropping a written report in the Agency's Compliance Drop Box located in the kitchen area at 365 Willoughby Avenue, 4th Floor, Brooklyn, New York between the hours of 9:00 a.m. to 5:00p.m.; or

6. Notifying the Agency's Compliance Officer, Shaindy Strulovitch, in writing by mail to Attn: Compliance Officer, Pesach Tikvah Hope Development, Inc., 365 Willoughby Avenue, 4th Floor, Brooklyn, New York 11205 (anonymously or otherwise).

These lines of communication to the Compliance Officer will be publicized by the Agency, and will be made available to all employees, contractors, Board members, and service recipients who are Medicaid Program beneficiaries. Employees, contractors, and Board members may also use these reporting methods to ask compliance-related questions and communicate directly with the Agency's Compliance Officer.

B. Compliance Hotline.

The Compliance Hotline may be accessed by dialing (718) 298-3443. To encourage full and frank reporting of suspected fraud, waste, abuse or other noncompliant conduct, the Agency gives employees, contractors, and Board members the option of filing complaints through the Compliance Hotline anonymously and confidentially. The Compliance Officer is responsible for reviewing all Compliance Hotline reports, assessing whether they warrant further investigation and ensuring that any compliance problems are identified and corrected.

Employees should understand that the Compliance Hotline is designed solely for the good-faith reporting of fraud, waste, abuse and other compliance problems; it is not intended for complaints relating to the terms and conditions of an employee's employment. Any such complaints should be directed to the employee's Supervisor.

C. Confidentiality.

If an employee, contractor, Board member, or Medicaid Program beneficiary service recipient requests that their report be confidential, the information provided by the individual will be treated as confidential to the extent feasible and permitted by applicable laws. However, individuals are encouraged to identify themselves when making compliance-related reports so that an investigation can be conducted with a full factual background. In general, the Agency will keep all reports confidential to the greatest extent possible, whether or not confidentiality is requested.

The Agency will ensure that the confidentiality of persons reporting compliance issues is maintained unless the matter is subject to a disciplinary proceeding, referred to, or under investigation by the New York State Attorney General's Medicaid Fraud Control Unit ("MFCU"), OMIG, or law enforcement, or disclosure is required during a legal proceeding. All persons reporting compliance issues—including employees, Board members, contractors, and service recipients who are Medicaid Program beneficiaries—will be protected from non-intimidation and non-retaliation pursuant to the Agency's Non-Retaliation and Non-Intimidation Policy.

VIII. Disciplinary Measures.

The Agency shall have disciplinary policies in effect to address violations of its compliance standards and to encourage good faith participation in the Program, including the Disciplinary Policy. The Agency's disciplinary standards are enforced fairly and consistently, and the same disciplinary actions apply to all levels of personnel. Employees, contractors, and Board members are required to report compliance issues as outlined in the Compliance Plan and are required to assist in the resolution of compliance issues as applicable, including assisting in investigations.

Employees, contractors, and Board members who: (1) engage in, encourage, direct, facilitate or permit non-compliant behavior; (2) fail to report suspected non-compliant behavior; or (3) violate the Agency's Code of Conduct or other Agency policy designed to detect or prevent non-compliant behavior are subject to disciplinary action in accordance with the Agency's disciplinary policies. The Compliance Officer will be responsible for determining the appropriate sanctions, in accordance with the Agency's standard employment policies, taking into account the special considerations of this Plan. This determination may also be made by the Director of Human Resources, in consultation with the Compliance Officer.

Contractor sanctions shall range from written admonition, financial penalties (if applicable), and in the most extreme cases, termination of the contractor's relationship with the Agency. The Compliance Officer shall make a recommendation to the Executive Director with respect to such sanctions.

Board Member sanctions can range from written admonition to, in the most extreme cases, removal from the Board of Directors, in accordance with the bylaws, policies, laws and/or regulations. The Compliance Officer shall make a recommendation to the Board of Directors with respect to such sanctions.

The Compliance Officer will ensure that the written policies and procedures for taking disciplinary actions are published and disseminated to all employees, contractors, and Board members, and are incorporated into the Agency's training plan, as set forth in its Compliance Training Policy.

IX. Risk Identification and Internal Compliance Audits.

The Agency obtains most of its revenue from government programs, including the Medicaid Program, for services provided to individuals and families. The submission of accurate bills to government payers is one of the Agency's key legal obligations. The Agency seeks to identify compliance issues at an early stage before they develop into significant legal problems by establishing a system of internal auditing of the Agency's operations and for routine monitoring, identification, and evaluation of Compliance Risk Areas. Additional information on risk identification and internal auditing can be found in the Agency's Auditing and Monitoring Policy.

A. Identification of Key Compliance Risk Areas.

One way to proactively address potential compliance issues is by identifying key risks. For the Agency, these Compliance Risk Areas include, but are not limited to, the following[7]:

1. Billing for individuals not actually served by the Agency;

2. Billing for services rendered to individuals that are not appropriately, accurately, thoroughly, and timely documented in the Agency's records;

3. Billing the same service twice;

4. Billing at a rate in excess of the rate permitted under the applicable program;

[7] These Compliance Risk Areas are connected to the risk areas set out in applicable regulation (*see* 18 NYCRR § 521-1.3(d)) and include: (1) billings; (2) payments; (3) ordered services; (4) medical necessity; (5) quality of care; (6) governance; (7) mandatory reporting; (8) credentialing; (9) contractor, subcontractor, agent, or independent contractor oversight; and (10) other risk areas that are or should reasonably be identified by the Agency through its Organizational Experience.

5. Billing for services that are knowingly also being billed to the government by another health care or human service provider;

6. Failing to properly coordinate an individual's benefits among Medicare, Medicaid, and other third party payors;

7. Providing medically unnecessary services;

8. Failing to properly credential licensed health care professionals;

9. Employing an excluded individual or company or billing for services provided by an excluded individual or company;

10. Failing to properly oversee contractors, subcontractors, agents, and independent contractors; and

11. Ensuring compliance with applicable mandatory reporting obligations.

Additional Compliance Risk Areas can be identified by reviewing the findings of external audits performed by governmental agencies, payors, and credentialing bodies. Compliance Risk Areas may also be identified by an annual review of the OIG and OMIG' annual work plans and other resources from those offices, as well as other regulatory agencies.

B. Performance of Internal Audits and Compliance Reviews.

The performance of internal audits is a critical function of an Effective Compliance Program. The Compliance Officer, in conjunction with program directors, will develop audit tools and procedures for carrying out internal audits and routine monitoring, and develop a schedule of internal audits for the upcoming year. The audit schedule for the upcoming year will be approved by the Compliance Committee. The audits will cover aspects of the Agency's operations that pose a heightened risk of non-compliance and will focus on the Agency's Compliance Risk Areas. Ongoing audits will be performed by internal or external auditors who have expertise in State and Federal Medicaid Program requirements and applicable laws, rules, and regulations, or who have expertise in the subject area of the audit. The Agency will also review the effectiveness of its Compliance Program on at least an annual basis, and this review will include a determination as to whether any revision or corrective action is required.

The Compliance Officer will, whenever feasible, seek to have the audits carried out by Agency employees who are not otherwise involved in the subject matter of the audit and who meet the requirements set out above. The Compliance Officer, with the approval of the Executive Director, may contract with outside companies to perform certain auditing functions.

However, the Compliance Officer will oversee the services provided by outside companies. If the Compliance Officer determines it is in the best interests of the Agency to keep the contents and/or findings of an audit confidential, the Compliance Office shall arrange for legal counsel to conduct and/or supervise the audit under the attorney-client and/or attorney work product privileges. A written report shall be prepared summarizing the design, implementation, and results of each audit, and recommending any appropriate corrective action.

The Compliance Officer shall present the audit reports to the Compliance Committee, Executive Director and any appropriate program directors. The Compliance Officer shall work with the appropriate program director to implement any corrective action and said program director shall report to the Compliance Officer when implementation is completed. The Compliance Officer shall update the Compliance Committee on the status of all internal audits and corrective action.

All employees, Board members, and contractors are required to participate in and cooperate with internal and external audits as requested by the Compliance Officer. This includes assisting in the production of documents, explaining program operations or rules to auditors and implementing any corrective action plans. Additional information on the performance of internal audits and compliance reviews can be found in the Agency's Auditing and Monitoring Policy.

X. Internal Investigations and Government Audits and Investigations.

A. Internal Investigations.

All reports of fraud, waste, abuse, or other improper conduct, whether made through the Compliance Hotline or otherwise, as well as any potential compliance problems identified in the course of internal auditing and monitoring, shall be promptly reviewed and evaluated by the Compliance Officer. The Compliance Officer determines, in consultation with other Agency personnel and legal counsel as necessary, whether the report warrants an internal investigation. If warranted, the Compliance Officer will promptly coordinate the investigation and oversee any outside advisors, if any. If the Compliance Officer determines it is in the best interests of the Agency to keep the contents and/or findings of the investigation confidential under the attorney-client and/or attorney work product privileges, the Compliance Office shall arrange for legal counsel to conduct and/or supervise the investigation.

In accordance with the Agency's Compliance Investigations Policy, employees, Board members, and contractors are required to cooperate fully in all audits and investigations. Any employee who fails to provide such cooperation will be subject to termination of employment. Any Board member who fails to provide such cooperation will be subject to sanctions as set forth

in the Agency's Bylaws and policies. Any contractor who fails to provide such cooperation will be subject to termination of contract or the relationship, as appropriate.

Investigations shall consist of a combination of interviews and document reviews. The investigation of the compliance issue will be documented, including any alleged violations, a description of the investigative process, and copies of interview notes and any other documents essential for demonstrating that a thorough investigation of the issue was completed. Any disciplinary action taken and the corrective action implemented will also be documented.

All investigations will conclude with written report of findings and recommendations for corrective action to fix the problem and prevent future occurrence. The written report may be subject to the attorney-client and/or attorney work product privileges. The Compliance Officer shall present the written reports to the Compliance Committee and Executive Director. The Compliance Officer will oversee the corrective action to ensure it is completed. The Compliance Officer shall update the Compliance Committee on the status of all internal investigations and corrective action.

The Compliance Officer shall work with the Executive Director and outside advisors to determine whether the conduct that is the subject of the investigation should be disclosed to governmental agencies or payors. If the Compliance Officer credibly believes or credible evidence is identified that a State or Federal law, rule, or regulation has been violated, the Agency will promptly report the violation to the appropriate governmental entity. The Compliance Officer shall receive copies of any reports submitted to governmental entities.

B. Government Audits and Investigations.

In accordance with the Agency's Compliance Investigations, employees, contractors, and Board members are required to cooperate fully in all government audits and investigations. If contacted by governmental investigators or auditors, all employees, contractors, and Board members are expected to request the following information: (1) the name, agency affiliations, business telephone number and address of all investigators or auditors; (2) the reason for the contact; and (3) if the contact is in person, the investigators' or auditors' business cards. Employees, contractors, and Board members shall direct the investigators or auditors to the Compliance Officer, or in their absence, the Executive Director. If neither are available, the employee, contractor, or Board member shall contact the Compliance Officer's or Executive Director's administrative staff person who shall contact the Agency's legal counsel.

Employees, contractors, and Board members may receive subpoenas and other written or verbal requests for documents from government agencies. Subpoenas that are outside the normal course of the Agency's business and written or verbal requests for documents from

government agencies must immediately be forwarded to the Compliance Officer or in their absence, their administrative staff person. The staff person shall contact the Agency's legal counsel. The Compliance Officer, in conjunction with the program director and/or Agency's legal counsel will coordinate the production of documents with the government agency. It is the Agency's policy to respond only to written requests for documents, and to cooperate with all appropriate written requests for documents from government agencies.

Employees, contractors, and Board members are strictly prohibited from altering, removing, destroying, or otherwise making inaccessible any paper or electronic documents, records or information relating to the subject matter of any government subpoena, information request or search warrant during the course of an audit or investigation. This prohibition shall override any record destruction that would otherwise be carried out under the Agency's ordinary record retention policies. Employees, contractors, and Board members are also barred from directing or encouraging another person to alter, remove, destroy, or otherwise making inaccessible any such paper or electronic documents, records or information.

If an employee, contractor, or Board member receives a request from a government official to provide an interview in the course of a government audit or investigation, the individual should immediately contact the Compliance Officer. The Compliance Officer will, as appropriate, seek advice from legal counsel. If the request is deemed to be appropriate, either the Compliance Officer or the legal counsel will coordinate and schedule all interview requests with the relevant government agency.

Employees, contractors, and Board members are required to reasonably cooperate with government officials and be truthful and complete in their communications. Although individuals have the right not to incriminate themselves, any failure by an employee to provide cooperation or follow the requirements set forth in this Compliance Plan will be subject to disciplinary action including termination of employment. Any Board member who fails to provide such cooperation will be subject to sanctions as set forth in the Agency's Bylaws, policies, laws and regulations. Any contractor who fails to provide such cooperation will be subject to termination of its contract.

XI. Corrective Action.

The Agency is committed to taking prompt and thorough corrective action to address any fraud, waste, abuse or other improper conduct identified through internal audits, investigations, reports by employees or other means. The Compliance Officer is independently responsible for reviewing and approving all corrective action plans, and may consult with the Executive Director regarding corrective action plans, as appropriate. However, the Compliance Officer is authorized to recommend corrective action directly to the Board of Directors if the Compliance Officer

believes, in good faith, that the Executive Director is not promptly acting upon such a recommendation. In cases involving clear fraud or illegality, the Compliance Officer also has the authority to order interim measures, such as a suspension of billing, while a recommendation of corrective action is pending.

Corrective action may include, but not be limited to, any of the following steps:

1. Modifying the Agency's existing policies, procedures or business practices;

2. Providing additional training or other guidance to employees, contractors, or Board members;

3. Seeking interpretive guidance of applicable laws and regulations from government agencies and/or legal counsel;

4. Disciplining employees or terminating contractors and sanctioning Board members;

5. Notifying appropriate authorities of criminal activity by employees, contractors, Board members or others;

6. Reporting and returning overpayments or other funds to which the Agency is not entitled to the appropriate government agency or payor; and/or

7. Self-disclosing fraud or other illegality through established state and federal self-disclosure protocols, including to MFCU, OMIG, OIG, the U.S. Department of Justice, or another agency, as appropriate.

XII. Non-Retaliation and Non-Intimidation.

In accordance with the Agency's Non-Retaliation and Non-Intimidation Policy, the Agency prohibits intimidation and retaliation for good faith participation in the Compliance Program, including for reporting or threatening to report potential issues, investigating issues as directed by the Compliance Officer, self-evaluations, audits, remedial actions, and reporting to appropriate officials as provided in sections 740 and 741 of the New York State Labor Law. No employee, contractor, Board member, or service recipient who is a Medicaid Program beneficiary who files a report of suspected fraud, waste, abuse or other improper activity in good faith will be subject to retaliation or intimidation by the Agency in any form.

With respect to employees, prohibited retaliation and intimidation includes, but is not limited to, terminating, suspending, demoting, failing to consider for promotion, harassing,

reducing the compensation of any employee, or adversely changing working conditions due to the employee's intended or actual filing of a report. Employees, contractors, and Board members should immediately report any perceived retaliation or intimidation to the Compliance Officer. However, if an employee has participated in a violation of law or an Agency policy, the Agency has the right to take appropriate action against them. While the Agency requires its employees to report such concerns directly to the Agency, certain laws provide that individuals may also bring their concerns to the government. These laws are set out more fully in the Agency's Non-Retaliation and Non-Intimidation Policy.

XIII. Conflicts of Interest Policies.

The Agency seeks to protect its interests when it is considering a transaction with a Board member, employee, key person or officer that might also benefit the personal interests of those individuals. Board members and officers owe a fiduciary duty of loyalty to the Agency and must disclose any actual or potential conflicts of interest to the Agency promptly upon learning of such conflict. The Agency's Conflict of Interest Policy describes such conflicts and disclosure of conflicts in detail.

XIV. Laws Regarding the Prevention of Fraud, Waste and Abuse.

The following is a basic overview of the laws regarding the prevention of fraud, waste, and abuse. Additional, more detailed information on these laws can be found in the Agency's Fraud Prevention Policy.

A. Federal Laws.

Civil and Criminal False Claims Act: Under the federal Civil False Claims Act, any person who knowingly and/or willfully submits a false or fraudulent claim for payment to the federal government may be subject to civil penalties, including monetary penalties, treble damages, exclusion from participation in the Medicare and Medicaid Programs, and fines of up to three times the government's loss plus up to $11,000 per claim filed (*i.e.*, each instance of an item or service billed to a government health care program). The civil False Claims Act also contains a whistleblower provision that permits private citizens ("relators") to file suits on behalf of the government ("*qui tam* suits") against those who have defrauded the government and the relator, if successful, may receive a portion of the government's recovery. Federal law also establishes criminal liability against individuals or entities that knowingly submit, or cause to be submitted, a false or fraudulent claim for payment to the federal government. Criminal False Claims Act liability can result in imprisonment of up to five years and/or substantial fines.

Anti-Kickback Statute: The federal Anti-Kickback Statute is a criminal law that prohibits the knowing and willful payment of "remuneration" to induce or reward patient referrals or the generation of business involving any item or service that is payable by a federal health care program. An individual or entity that is found to have violated the Anti-Kickback Statute may be subject to criminal penalties and administrative sanctions including fines, imprisonment, and exclusion from participation in federal health care programs, including the Medicaid and Medicare Programs. Safe harbors protect certain payment and business practices from criminal and civil prosecution that could otherwise implicate the Anti-Kickback Statute. To be protected by a safe harbor, the arrangement must fit squarely within the safe harbor and must satisfy all of its requirements.

Physician Self-Referral Law ("Stark Law"): The federal Physician Self-Referral Law, commonly referred to as the "Stark Law," prohibits physicians[8] from referring patients to receive "designated health services"[9] payable by Medicare or Medicaid from entities with which the physician or an immediate family member has a financial relationship, unless the ownership or compensation arrangement is structured to fit within a regulatory exception. Penalties for physicians who violate the Stark Law include fines, civil penalties, repayment of Medicare and/or Medicaid reimbursement, and exclusion from participation in the federal health care programs.

Civil Monetary Penalties Law: The federal Civil Monetary Penalties Law authorizes OIG to seek civil monetary and other penalties against individuals and entities for a wide variety of conduct, including presenting a claim that a person knows or should know is for an item or service that was not provided as claimed or is false or fraudulent, presenting a claim that the person knows or should know is for an item or service that is not payable, or making false statements or misrepresentations on applications or contracts to participate in federal health care programs, among others. Violations of the False Claims Act, Anti-Kickback Statute, and Stark Law implicate the Civil Monetary Penalties Law and can lead to civil monetary and other penalties.

[8] Physicians include medical doctors, doctors of osteopathy, psychologists, oral surgeons, dentists, podiatrists, optometrists, and chiropractors.

[9] Designated health services are any of the following services, other than those provided as emergency physician services furnished outside of the United States, that are payable in whole or in part by the Medicare Program: (1) clinical laboratory services; (2) physical therapy, occupational therapy, and outpatient speech-language pathology services; (3) radiology and certain other imaging services; (4) radiation therapy services and supplies; (5) durable medical equipment and supplies; (6) parenteral and enteral nutrients, equipment, and supplies; (7) prosthetics, orthotics, and prosthetic devices and supplies; (8) home health services; (9) outpatient prescription drugs; and (10) inpatient and outpatient hospital services. *See* 42 CFR § 411.351.

B. State Laws.

New York State has laws that are similar to the federal laws set out above. These laws include the New York State False Claims Act, False Statements Law, Anti-Kickback Law, Self-Referral Prohibition Law, Health Care and Insurance Fraud Penal Law, and anti-fee-splitting law, among others. Individuals may be entitled to bring an action under the New York State False Claims Act and share in a percentage of any recovery. However, if the *qui tam* action has no merit or is for the purpose of harassing the person or entity, the individual may have to pay the person or entity for its legal fees and costs in defending the suit.

C. Whistleblower Protections.

Federal Whistleblower Protection: The civil False Claims Act provides protection to 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 reinstatement with comparable seniority as the relator would have had but for the discrimination, two times the amount of any back pay, interest on any back pay, and compensation for any special damages sustained as a result of the discrimination, including litigation costs and reasonable attorneys' fees. However, if the *qui tam* action has no merit or is for the purpose of harassing the person or entity, the individual may have to pay the person or entity for its legal fees and costs in defending the suit.

New York State Whistleblower Protection: The New York State False Claims Act provides protection to an employee of any private or public employer who is discharged, demoted, suspended, threatened, harassed, or otherwise discriminated against in the terms and conditions of employment by their employer because of lawful acts taken by the employee in furtherance of an action under the New York State False Claims Act. Remedies can include reinstatement to the same position or an equivalent position, two times back pay, reinstatement of full fringe benefits and seniority rights, and compensation for any special damages sustained, including litigation costs and reasonable attorneys' fees.

New York State Labor Laws: Employees are protected from retaliation or intimidation by an employer if the employee discloses or threatens to disclose an activity, policy, or practice of the employer that the employee reasonably believes is in violation of any law, rule, or regulation or reasonably believes poses a substantial and specific danger to the public health or safety, to a supervisor or public body. Employees are also protected from retaliation or intimidation by an employer if the employee provides information to, or testifies before, any public body conducting an investigation, hearing, or inquiry into any such activity, policy, or practice, or who objects to, or refuses to participate in, any such activity, policy, or practice. The employee's disclosure or

threat of disclosure is only protected if the employee has made a good faith effort to notify the employer by bringing the activity, policy, or practice to the attention of a supervisor and has afforded the employer a reasonable opportunity to correct the activity, policy, or practice.

XIV. Summary.

In summary, the Agency has adopted this Compliance Plan with the goal of carrying out all of its activities in accordance with law and high ethical standards. The effectiveness of the overall Compliance Program depends on the active participation of all employees, contractors and Board members in preventing, detecting, and appropriately responding to fraud, abuse, or other misconduct. Working together, we can make the Agency a model of excellence and integrity in our community.

Revised & Adopted: April 11, 2023; _____, 2023

DISCIPLINARY POLICY

PURPOSE

The purpose of this policy is to describe disciplinary policies for Pesach Tikvah Hope Development, Inc. (the "Agency") which are implemented and enforced to encourage good faith participation in the Agency's Corporate Compliance Program.

APPLICABILITY

This policy applies to all Agency employees, Board members, and contractors.[1]

POLICY

The Agency has a zero tolerance policy for illegal or unethical conduct in, or affecting, the Agency's business by employees, Board members, and contractors. The Agency is also committed to ensuring that its Compliance Program, Code of Conduct, and policies, procedures and protocols (collectively, the "Compliance Standards") are adhered to by all employees, Board members, and contractors. To demonstrate such commitment, it is the policy of the Agency to fairly and consistently enforce the Compliance Standards by imposing appropriate disciplinary action. Therefore, the Agency will take disciplinary action against individuals and entities that violate the Compliance Standards or otherwise engage, or aid, in the furtherance of unethical or unlawful activities. The Agency will discipline employees, Board members, and contractors for: (1) failing to report suspected compliance problems; (2) participating in non-compliant behavior, including violating the Agency's Compliance Standards or an Agency policy designed to detect or prevent fraud, waste, abuse, or improper or unethical conduct; or (3) encouraging, directing, facilitating or permitting non-compliant behavior.

A. Discipline for Noncompliance

Non-compliance and violations of the Compliance Standards or other program or reimbursement requirements can take the form of a failure to act as well as a bad act. Therefore,

[1] "Employees, contractors, and Board members" includes the Agency's employees, Executive Director, senior administrators, managers, volunteers, interns, contractors, agents, subcontractors, independent contractors, corporate officers, and Board members who are affected by the Agency's Compliance Risk Areas. "Compliance Risk Areas" are those areas of operation affected by the Agency's Compliance Program, as set forth in Section IX of the Agency's Compliance Plan. For purposes of the Agency's Compliance Program, "contractors" includes contractors, agents, subcontractors, and independent contractors who are affected by the Agency's Compliance Risk Areas. Contractors are required to comply with the Agency's Compliance Program to the extent that the contractor is affected by the Agency's Compliance Risk Areas, and only within the scope of the contractor's contracted authority and affected Compliance Risk Areas.

a failure to engage in a required act, such as failing to report suspected compliance problems, can lead to the same consequences as engaging in an improper act.

B. Discipline for Not Reporting

Employees, Board members, and contractors who fail to detect or report violations may be subject to discipline.

C. Protocols for Disciplinary Actions

As a general guide, the Agency seeks to accomplish enforcement and discipline in a manner that should ensure that compliance violations result in reasonably fair, consistent and appropriate sanctions. Disciplinary policies shall be fairly, consistently, and firmly enforced, and the Agency will utilize the same disciplinary standards when enforcing violations of its Compliance Standards with all levels of personnel. Intentional and reckless behavior will be subject to more significant disciplinary actions and sanctions. At the same time, the Agency also seeks to keep its procedures flexible enough to take into account mitigating or aggravating factors. All disciplinary action is documented to the personnel file/contractor file, as well as in the Agency's compliance files.

Disciplinary actions include, but are not limited to, the following, as the Agency deems appropriate:

- compliance or other training(s)
- warning (verbal or written);
- reprimand (written), that describes the unacceptable conduct or performance and specifies necessary improvements;
- probation;
- demotion;
- job reassignment;
- immediate suspension (with or without pay), including, but not limited to, those cases where the conduct poses an immediate threat to individuals served by the Agency, operations, or property;
- termination of contractor agreement (provided such termination is consistent with the terms of the relevant agreement);

- removal from Board of Directors, in accordance with the terms of the Bylaws;
- reporting; and/or
- restitution.

When deciding upon the appropriate discipline, the Agency will generally consider whether the individual or entity voluntarily reported the issue and/or fully cooperated in any investigation and other mitigating or aggravating circumstances. However, at all times, the Agency reserves and retains discretion to select the appropriate disciplinary action, and sequence of action (if any), from these alternatives, as well as others. All disciplinary actions and sanctions will conform with any collective bargaining agreements, when applicable.

Any sanctions related to employee non-compliant behavior or practices addressed under the Compliance Program will be carried out by the Compliance Officer or the Director of Human Resources in consultation with the Compliance Officer. Board member sanctions can range from written admonition to, in the most extreme cases, removal as a Board member, but only in accordance with the Bylaws, policies, laws and/or regulations. The Compliance Officer shall make a recommendation to the Board of Directors with respect to such sanctions. Contractor sanctions shall range from written admonition, financial penalties (if applicable), and in the most extreme cases, termination of the contractor's relationship with the Agency. The Compliance Officer shall make a recommendation to the Executive Director or Board of Directors with respect to such sanctions.

D. Publication of Disciplinary Mechanisms

The Compliance Officer is responsible for publicizing and disseminating on a regular basis the consequences of violating the Agency's Compliance Standards to all employees, Board members, and contractors. The methods of publicizing and disseminating may include, but are not limited to, the following:

- Training and education;
- E-mail notifications;
- Meetings with staff, contractors or Board members;
- Implementing written policies and procedures;
- Incorporating compliance as an element of an individual's job description or contract.

In publicizing and disseminating the Agency's position on the enforcement of its Compliance Standards, the Compliance Officer will emphasize that all violations, including the failure to report the misconduct of others when required, will be viewed as serious infraction, and that discipline up to and including termination of employment or contractual relationship may be imposed as a result of any finding of violation.

In addition to publicizing and disseminating the consequences of violating the Agency's Compliance Standards, the provisions of this Policy will be incorporated into the Agency's Compliance Program training and education. *See also Compliance Training Policy*.

Supervisors and the Board of Directors will be made aware that they may be subject to discipline for the negligent or deliberate failure to detect violations of the Agency's Compliance Standards that occur within their areas of responsibility. If a Supervisor or the Board of Directors contributes to or perpetrates misconduct, the Agency will take appropriate disciplinary action that is commensurate with the seriousness of the violation at issue and considering all the relevant circumstances (including mitigating or aggravating factors).

Adopted: September ___, 2020

Revised & Adopted: April 11, 2023; _____, 2023

CONFLICT OF INTEREST POLICY

OF

PESACH TIKVAH HOPE DEVELOPMENT, INC.

ARTICLE I
PURPOSE

1.1 Purpose. The purpose of this Conflict of Interest Policy ("Policy") is to protect the interest of **PESACH TIKVAH HOPE DEVELOPMENT, INC.** (the "Corporation") when it is contemplating entering into a transaction or arrangement that might: (a) result in a Conflict of Interest; (b) result in a Related Party Transaction; (c) result in a possible Excess Benefit Transaction; or (d) otherwise benefit the private interest of a director, officer or Key Person of the Corporation. This Policy is intended to assist the Corporation's directors, officers and Key Persons act in the best interest of the Corporation and comply with applicable laws. This Policy is also intended to supplement, but not replace, any applicable state and federal laws governing conflicts of interest applicable to not-for-profit and charitable organizations.

ARTICLE II
DEFINITIONS

2.1 Definitions. As used in this Policy, the following capitalized terms shall have the meanings ascribed to such terms in this **Article II**:

(a) "Affiliate" means, with respect to the Corporation, any entity controlled by, or in control of, the Corporation.

(b) "Conflict of Interest" means, as determined by the Governing Body hereunder: (A) possessing any Financial Interest or personal interest, direct or indirect; (B) participating in any business, transaction or professional activity which is in substantial conflict with any director's, officer's or Key Person's duties to the Corporation; or (C) incurring any obligation of any nature which is in substantial conflict with any director's, officer's or Key Person's duties to the Corporation. Circumstances which may suggest that a Conflict of Interest exists include, without limitation, the following:

(i) a director, officer or Key Person participates in a decision in which such person may be unable to remain impartial in choosing between the interests of the Corporation and such person's Financial Interests or personal interests or those of a Related Party;

(ii) a director, officer or Key Person has access to confidential information of the Corporation which could be used for personal benefit or gain or for the personal benefit or gain of a Related Party; or

(iii) a director, officer or Key Person receives a financial or other benefit from an Excess Benefit Transaction.

(c) "Excess Benefit Transaction" means a transaction in which an economic benefit

is provided by the Corporation, directly or indirectly, to or for the use of an entity or individual, and the value of the economic benefit provided by the Corporation exceeds the value of the consideration (including the performance of services) received by the Corporation.

(d) "Financial Interest" means having, whether through a business, an investment or a Related Party, a direct or indirect:

(i) ownership or investment interest in any entity with which the Corporation has a transaction or arrangement;

(ii) compensation arrangement with the Corporation or with any entity or individual with which the Corporation has a transaction or arrangement; or

(iii) potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Corporation is negotiating a transaction or arrangement.

As used in this **Section 2.1(d)**, "compensation" includes direct and indirect remuneration, as well as gifts or favors that are not insubstantial. A Financial Interest is not necessarily a Conflict of Interest. Under **Section 3.2** hereof, a person who has a Financial Interest may have a Conflict of Interest only if the Governing Body decides that a Conflict of Interest exists.

(e) "Governing Body" means the Audit Committee of the Corporation or, if there shall be no Audit Committee at such time, the Board of Directors of the Corporation.

(f) "Interested Person" means any director, officer, Key Person or member of a committee with Board-delegated powers who has a direct or indirect Financial Interest.

(g) "Key Person" means any person, other than a director or officer, whether or not an employee of the Corporation, who: (i) has responsibilities, or exercises powers or influence over the Corporation as a whole similar to the responsibilities, powers, or influence of directors and officers; (ii) manages the Corporation or a segment of the Corporation that represents a substantial portion of the activities, assets, income or expenses of the Corporation; or (iii) alone or with others controls or determines a substantial portion of the Corporation's capital expenditures or operating budget.

(h) "Related Party" means: (i) any director, officer or Key Person of the Corporation or any Affiliate of the Corporation; (ii) any Relative of any individual described in clause (i) of this subsection **(h)**; or (iii) any entity in which any individual described in clauses (i) and (ii) of this subsection **(h)** has a thirty-five percent (35%) or greater ownership or beneficial interest or, in the case of a partnership or professional corporation, a direct or indirect ownership interest in excess of five percent (5%).

(i) "Related Party Transaction" means any transaction, agreement or any other arrangement in which a Related Party has a Financial Interest and in which the Corporation or any Affiliate of the Corporation is a participant, except that a transaction shall not be a Related

Party Transaction if: (i) the transaction or the Related Party's Financial Interest in the transaction is *de minimis*; (ii) the transaction would not customarily be reviewed by the board or boards of similar organizations in the ordinary course of business and is available to others on the same or similar terms; or (iii) the transaction constitutes a benefit provided to a Related Party solely as a member of a class of the beneficiaries that the Corporation intends to benefit as part of the accomplishment of its mission which benefit is available to all similarly situated members of the same class on the same terms.

(j) "Relative" means, with respect to any individual: (i) his or her spouse or domestic partner as defined in Section 2994-A of the New York Public Health Law; (ii) his or her ancestors, brothers and sisters (whether whole or half-blood), children (whether natural or adopted), grandchildren and great-grandchildren; or (iii) the spouse or domestic partner of his or her brothers, sisters, children, grandchildren and great-grandchildren.

ARTICLE III
PROCEDURES

3.1 Procedure for Disclosing a Conflict of Interest. In connection with any actual or potential Conflict of Interest, an Interested Person shall immediately disclose to the Governing Body the existence of such Conflict of Interest and all material facts relating thereto.

3.2 Determining Whether a Conflict of Interest Exists.

(a) After disclosure of the actual or potential Conflict of Interest and all material facts, and after any discussion with the Interested Person, such Interested Person shall leave, and not participate in, the Governing Body's meeting while the determination of a Conflict of Interest is discussed, deliberated and voted upon. Any director who is present at such meeting but not present at the time of a vote due to a Conflict of Interest shall be determined to be present at the time of the vote.

(b) The remaining directors of the Governing Body shall determine, by a majority vote of such disinterested persons, whether a Conflict of Interest exists. An Interested Person is prohibited from making any attempt to influence improperly the deliberation or voting on the matter giving rise to the Conflict of Interest.

3.3 Procedures for Addressing and Documenting a Conflict of Interest.

(a) An Interested Person may make a presentation at the Governing Body's meeting, but, after the presentation, such Interested Person shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible Conflict of Interest.

(b) The chair of the Governing Body shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

(c) After exercising due diligence, the Governing Body shall determine whether the

Corporation can obtain, with reasonable efforts, a more advantageous transaction or arrangement from a person or entity that would not give rise to a Conflict of Interest.

(d) If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a Conflict of Interest, the Governing Body shall determine, by a majority vote of the disinterested directors of the Governing Body, whether the transaction or arrangement is in the Corporation's best interest, for its own benefit and whether it is fair and reasonable. In conformity with the above determination, the Governing Body shall make its decision as to whether to enter into the transaction or arrangement.

(e) Upon making its final determination, the Governing Body shall document the existence and resolution of the Conflict of Interest in the Corporation's records and in accordance with **Article IV** of this Policy.

3.4 Procedures for Disclosing, Addressing and Documenting a Related Party Transaction.

(a) Any director, officer or Key Person who has an interest in a Related Party Transaction shall immediately disclose in good faith to the Governing Body the material facts concerning such interest.

(b) The Corporation shall not enter into any Related Party Transaction unless the transaction is determined by the Governing Body to be fair, reasonable and in the Corporation's best interest at the time of such determination.

(c) With respect to any Related Party Transaction involving the Corporation and in which a Related Party which has a substantial Financial Interest, the Governing Body shall: (i) prior to entering into the transaction, consider alternative transactions to the extent available; (ii) approve the transaction by not less than a majority vote of the directors of the Governing Body present at the meeting; and (iii) contemporaneously document in writing the basis for the Governing Body's approval, including its consideration of any alternative transactions.

(d) No Related Party may participate in deliberations or voting related to a Related Party Transaction; provided, however, that the Governing Body may request that the Related Party present information as background or answer questions concerning the Related Party Transaction at the meeting of the Governing Body prior to the commencement of deliberations or voting relating thereto. Any director who is present at a meeting of the Governing Body but not present at the time of a vote due to a Related Party Transaction shall be determined to be present at the time of the vote.

3.5 Violations of this Policy.

(a) If the Governing Body has reasonable cause to believe a director, officer, Key Person or member of a committee with Board-delegated powers has failed to disclose an actual or possible Conflict of Interest or Related Party Transaction, it shall inform such person of the basis for such belief and shall afford such person an opportunity to explain the alleged failure to

disclose.

(b) If, after hearing such person's response and after making further investigation as warranted by the circumstances, the Governing Body determines that such person has failed to disclose an actual or possible Conflict of Interest or Related Party Transaction, it or the appropriate level of management shall take appropriate disciplinary and corrective action.

ARTICLE IV
RECORDS OF PROCEEDINGS

4.1 Minutes. The minutes of the Governing Body shall contain:

(a) The names of the persons who disclosed or otherwise were found to have a Financial Interest in connection with an actual or possible Conflict of Interest, the nature of the Financial Interest, any action taken to determine whether a Conflict of Interest was present, the Governing Body's decision as to whether a Conflict of Interest in fact existed, and any resolution of the Conflict of Interest by the Governing Body.

(b) The names of the persons who were present for discussions, deliberations and votes relating to the transaction or arrangement, the content of the discussion and deliberation, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

(c) If the Governing Body votes to approve a Conflict of Interest, the basis on which the Governing Body made that decision, to include a statement as to why considered alternatives were rejected.

ARTICLE V
COMPENSATION

5.1 Compensation. No director or officer who may benefit from compensation, directly or indirectly, from the Corporation for services rendered may be present at or otherwise participate in any Board or committee deliberation or vote concerning such person's compensation. Notwithstanding the foregoing, the Board or authorized committee is permitted to request that a person who may benefit from such compensation present information as background or answer questions at a committee or Board meeting prior to the commencement of deliberations or voting relating thereto. Nothing herein shall be construed to prohibit a director from deliberating or voting concerning compensation for service on the Board that is to be made available or provided to all directors of the Corporation on the same or substantially similar terms.

ARTICLE VI
ANNUAL STATEMENTS

6.1 Annual Statement. Each director (and, in the discretion of the Governing Body, any officer, Key Person or member of a committee with Board-delegated powers) shall,

prior to his or her initial election or appointment and thereafter annually, complete, sign and a submit to the secretary of the Corporation or other designated compliance officer a written statement:

(a) Affirming such person:

(i) has received a copy of this Policy;
(ii) has read and understands this Policy;
(iii) has agreed to comply with this Policy; and
(iv) understands that the Corporation is charitable and, in order to maintain its federal tax exemption, it must engage primarily in activities which accomplish one or more of its tax-exempt purposes; and

(b) Identifying, to the best of such person's knowledge, any entity of which such person is an officer, director, trustee, member, owner (either as a sole proprietor or a partner), or employee and with which the Corporation has a relationship, and any transaction in which the Corporation is a participant and in which such person might have a conflicting interest.

6.2 Completed Statements. The secretary of the Corporation or other designated compliance officer shall provide a copy of all completed statements to the chair of the Governing Body.

ARTICLE VII
PERIODIC REVIEWS

7.1 Periodic Reviews. To assist the Corporation to operate in a manner consistent with its charitable purposes and not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

(a) Whether compensation arrangements and benefits are reasonable, based on competent survey information and the result of arm's length bargaining; and

(b) Whether partnerships, joint ventures and arrangements concerning the management of the Corporation conform to the Corporation's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an Excess Benefit Transaction.

7.2 Use of Outside Experts. When conducting the periodic reviews as provided for in **Article VII**, the Corporation may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Board of its responsibility for ensuring periodic reviews are conducted.

Fraud Prevention Policy
(For Contractors and Agents)

Pesach Tikvah-Hope Development, Inc. ("Pesach Tikvah") is committed to preventing, detecting, and correcting any fraud, waste, abuse or improper conduct in Medicare, Medicaid, and other health care programs. Pesach Tikvah has adopted a Compliance Program designed to ensure compliance with all applicable laws, rules, regulations, policies, and standards by its employees, Board members, contractors, and agents.

As part of our Compliance Program, we are providing contractors and agents with detailed information regarding: 1) how to report compliance concerns to Pesach Tikvah; and 2) the federal and state fraud and abuse laws. Any questions regarding our Compliance Program or this Policy may be addressed to our Compliance Officer.

POLICY

If you believe fraud, waste, abuse, or other improper conduct has occurred, you should:

a. Call and leave a voicemail on Pesach Tikvah's Compliance Hotline at 718-298-3443 (anonymously or otherwise);

b. Drop a written report in Pesach Tikvah's Compliance Drop Box located in the kitchen area at 365 Willoughby Ave., 4th Floor, Brooklyn, NY 11205 between the hours of 9:00 a.m. to 5:00 p.m.;

c. Contact the Corporate Compliance Officer, Shaindy Strulovitch, at compliance@pesachtikvah.org or 718-875-6900 ext. 1136;

d. Write to the Corporate Compliance Officer, Shaindy Strulovitch, by mail to Attn: Corporate Compliance Officer, Pesach Tikvah Hope Development, Inc., 365 Willoughby Ave., 4th Floor, Brooklyn, NY 11205 (anonymously or otherwise); and/or

e. Contact any Officer at Pesach Tikvah.

You are required to first report your concerns directly to Pesach Tikvah to allow Pesach Tikvah the opportunity to quickly address any potential concerns. If you report a concern in good faith, you will be protected against retaliation and intimidation. Pesach Tikvah will investigate credible allegations of fraud, waste, abuse or other improper conduct. Certain laws allow individuals to also bring their concerns to the government. If you have participated in a violation of law or a Pesach Tikvah policy, you are not protected against retaliation and intimidation and Pesach

Tikvah has the right to take appropriate action against you and/or your company, including termination of the relationship.

LAWS REGARDING THE PREVENTION OF FRAUD, WASTE, AND ABUSE

A. Federal Laws.

1. False Claims Act (31 USC §§ 3729 – 3733; 18 USC § 287).

Under the Federal Civil False Claims Act, any person who knowingly and/or willfully submits a false or fraudulent claim for payment to the Federal government may be subject to civil penalties, including monetary penalties, treble damages, exclusion from participation in the Medicare and Medicaid Programs, and fines of up to three times the government's loss plus up to $11,000 per claim filed (*i.e.*, each instance of an item or service billed to a government health care program). Examples of prohibited conduct include billing for services not rendered, upcoding claims, double billing, misrepresenting services that were rendered, falsely certifying that services were medically necessary, making false statements to the government, failing to comply with conditions of payment, and failing to refund overpayments made by a Federal health care program. Notably, no specific intent to defraud the government is required, as "knowing" is defined to include not only actual knowledge but also instances in which the person acted in deliberate ignorance or reckless disregard of the truth or falsity of the information. The civil False Claims Act also contains a whistleblower provision that permits private citizens ("relators") to file suits on behalf of the government ("*qui tam* suits") against those who have defrauded the government and the relator, if successful, may receive a portion of the government's recovery.

Federal law also establishes criminal liability against individuals or entities that knowingly submit, or cause to be submitted, a false or fraudulent claim for payment to the Federal government. Criminal False Claims Act liability can result in imprisonment of up to five years and/or substantial fines.

2. Administrative Remedies for False Claims (31 USC §§ 3801 – 3812).

Federal law allows for administrative recoveries by Federal agencies related to false claims. The laws penalize 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:

a. Is false, fictitious, or fraudulent;

b. Includes or is supported by any written statement which asserts a material fact which is false, fictitious, or fraudulent;

c. Includes or is supported by any written statement that omits a material fact, is false, fictitious, or fraudulent as a result of such omission, and is a statement in which the person making, presenting, or submitting such statement has a duty to include such material fact; or

d. Is for payment for the provision of property or services which the person has not provided as claimed.

The Federal agency receiving the false claim may impose a penalty of up to $5,000 for each claim, as well as an assessment of up to twice the amount of the claim in violation of the False Claims Act. In these instances, the determination of whether a claim is false and the imposition of fines and penalties is made by the Federal administrative agency, rather than by a court. Moreover, in contrast to the False Claims Act, a violation of these laws occurs when a false claim is submitted, rather than when it is paid.

3. Anti-Kickback Statute (42 USC § 1320a-7b(b)).

The Federal Anti-Kickback Statute is a criminal law that prohibits the knowing and willful payment of "remuneration" to induce or reward patient referrals or the generation of business involving any item or service that is payable by a Federal health care program. Remuneration includes kickbacks, bribes, and rebates paid director or indirectly, overtly or covertly, in cash or in kind (*i.e.*, anything of value), and items or services includes drugs, supplies, or health care services provided to Medicare or Medicaid patients. The Statute covers both the payers and recipients of kickbacks. No intent to violate the Statute is required, and the Statute has been interpreted to cover any arrangement where one purpose of the remuneration was to obtain money for the referral of services or to induce further referrals.

An individual or entity that is found to have violated the Anti-Kickback Statute may be subject to criminal penalties and administrative sanctions including fines, imprisonment, and exclusion from participation in Federal health care programs, including the Medicaid and Medicare Programs. Safe harbors protect certain payment and business practices from criminal and civil prosecution that could otherwise implicate the Anti-Kickback Statute. To be protected by a safe harbor, the arrangement must fit squarely within the safe harbor and must satisfy all of its requirements.

4. Physician Self-Referral Law (42 USC § 1395nn).

The Federal Physician Self-Referral Law, commonly referred to as the "Stark Law," prohibits physicians—including medical doctors, doctors of osteopathy, psychologists, oral surgeons, dentists, podiatrists, optometrists, and chiropractors—from referring patients to receive

"designated health services" payable by Medicare or Medicaid from entities with which the physician or an immediate family member has a financial relationship, unless the ownership or compensation arrangement is structured to fit within a regulatory exception.

Financial relationships include both ownership/investment interests and compensation arrangements, and "designated health services" are any of the following services, other than those provided as emergency physician services furnished outside of the United States, that are payable in whole or in part by the Medicare Program:

a. Clinical laboratory services;

b. Physical therapy, occupational therapy, and outpatient speech-language pathology services;

c. Radiology and certain other imaging services;

d. Radiation therapy services and supplies;

e. Durable medical equipment and supplies;

f. Parenteral and enteral nutrients, equipment, and supplies;

g. Prosthetics, orthotics, and prosthetic devices and supplies;

h. Home health services;

i. Outpatient prescription drugs; and

j. Inpatient and outpatient hospital services.

The Stark Law is a strict liability statute, and therefore, proof of specific intent to violate the law is not required. The Law also prohibits the submission, or causing the submission, of claims in violation of the law's restrictions on referrals. Penalties for physicians who violate the Stark Law include fines, civil penalties, repayment of Medicare and/or Medicaid reimbursement, and exclusion from participation in the Federal health care programs.

5. Exclusion Statute (42 USC § 1320a-7).

The Federal Exclusion Statute requires the U.S. Department of Health and Human Services' Office of Inspector General ("HHS-OIG") to exclude individuals and entities convicted of certain types of criminal offenses from participation in all Federal health care programs (including the Medicare

and Medicaid Programs), and gives HHS-OIG the discretion to exclude individuals and entities on several other grounds. The following types of criminal offenses require exclusion:

a. Medicare or Medicaid fraud, as well as any other offenses related to the delivery of items or services under Medicare or Medicaid;

b. Patient abuse or neglect;

c. Felony convictions for other health-care-related fraud, theft, or other financial misconduct; and

d. Felony convictions for unlawful manufacture, distribution, prescription, or dispensing of controlled substances.

Physicians who are excluded from participation in Federal health care programs are barred from receiving payment from programs such as Medicaid and Medicare for items or services furnished, ordered, or prescribed. Additionally, individuals and entities providing health care services may not employ or contract with excluded individuals or entities in any capacity or setting in which Federal health care programs may reimburse for the items or services furnished by those employees or contractors. Employing or contracting with an excluded individual or entity may result in civil monetary penalties and an obligation to repay any amounts paid by a Federal health care program attributable to the excluded individual or entity's services.

6. Civil Monetary Penalties Law (42 USC § 1320a-7a).

The Federal Civil Monetary Penalties Law authorizes HHS-OIG to seek civil monetary and other penalties against individuals and entities for a wide variety of conduct, including presenting a claim that a person knows or should know is for an item or service that was not provided as claimed or is false or fraudulent, presenting a claim that the person knows or should know is for an item or service that is not payable, or making false statements or misrepresentations on applications or contracts to participate in Federal health care programs, among others. Violations of the False Claims Act, Anti-Kickback Statute, and Stark Law implicate the Civil Monetary Penalties Law and can lead to civil monetary and other penalties.

The amount of the penalties and assessments that HHS-OIG is authorized to seek under the Civil Monetary Penalties Law differs depending on the type of violation at issue. Specifically, the Civil Monetary Penalties Law authorizes penalties in the amount of $100,000 for each act in violation of the Anti-Kickback Statute, in addition to any other penalty that may be prescribed by law. Regulations also permit HHS-OIG to impose a penalty up to $50,000 for each offer, payment, solicitation or receipt of remuneration, and violations of the Anti-Kickback Statute can result in

assessments of up to three times the total amount of the remuneration offered, paid, solicited, or received. Remuneration under the Civil Monetary Penalties Law includes waivers of coinsurance and deductible amounts (including partial waivers), and transfers of items or services for free or for amounts other than fair market value. In addition to civil monetary penalties, persons or entities may also be excluded from participation in Federal health care programs, fines, treble damages, denial of payment, and repayment of amounts improperly paid.

B. New York State Laws.

1. New York State False Claims Act (N.Y. State Finance Law §§ 187 – 194).

The New York State False Claims Act closely tracks the Federal False Claims Act, and imposes penalties and fines on individuals and entities that file false or fraudulent claims for payment from any State or local government, including health care programs such as the Medicaid Program. Specifically, the Act penalizes any person or entity who, among other conduct:

a. Knowingly presents, or causes to be presented, to any employee, officer, or agent of the State or a local government a false or fraudulent claim for payment or approval, or conspires to do the same;

b. Knowingly makes, uses, or causes to be made or used, a false record or statement material to a false or fraudulent claim, or conspires to do the same;

c. Conspires to defraud the State or a local government by getting a false or fraudulent claim allowed or paid; or

d. Knowingly makes, uses, or causes to be made or used a false record or statement to conceal, avoid, or decrease an obligation to pay or transmit money or property to the State or a local government.

The penalty for filing a false claim is $6,000 to $12,000 per claim and the recoverable damages are between two and three times the value of the amount falsely received. In addition, the person or entity that filed the false claim may have to pay the government's legal fees, including the costs of a civil action brought to recover any penalties or damages and attorneys' fees. The New York State False Claims Act also allows private individuals ("relators") to bring an action on behalf of the State or local government ("*qui tam* suits"). If the lawsuit results in a recovery or settlement, the relator may share in a percentage of the proceeds.

2. New York Social Services Law § 145.

Under Section 145 of the New York Social Services Law, any person who makes false statements or representations, deliberately conceals any material fact, impersonates another, or through another fraudulent device obtains, or attempts to obtain, or aids or abets any person to obtain, public assistance or care to which the person is not entitled, including Medicaid Program benefits, is guilty of a misdemeanor. However, if the act constitutes a violation of a provision of the New York Penal Law, the person will be punished in accordance with the penalties fixed by the applicable law.

3. New York Social Service Law § 145-b.

Section 145-b of the New York Social Services Law makes it unlawful to knowingly make a false statement or representation, to deliberately conceal any material fact, or to engage in any other fraudulent scheme or device to obtain or attempt to obtain public funds, including Medicaid Program funds. In instances where a violation of this law occurs, the local Social Services District or the State may recover civil damages equal to three times the amount by which any figure is falsely overstated. In the case of non-monetary false statements, the local Social Services District or State may recover three times the damages sustained by the government due to the violation or $5,000, whichever is greater. The Department of Health may also impose a civil penalty of up to $2,000 per violation, and if repeat violations occur within five years, a penalty of up to $7,500 per violation may be imposed if the conduct involves more serious violations of Medicaid rules, billing for services not rendered, or providing excessive services.

4. New York Social Services Law § 145-c.

Under Section 145-c of the New York Social Services Law, any person who applies for or receives public assistance, including Medicaid, by intentionally making a false or misleading statement, or intending to do so, the needs of the person or their family are not taken into account for various periods of time based on the offense committed. Specifically, the person's or their family's needs will not be taken into account for six months on the first offense, 12 months on the second offense or a single offense that resulting in the wrongful receipt of benefits in an amount of between $1,000 and $3,900, 18 months on the third offense or upon an offense that results in the wrongful receipt of benefits in an amount in excess of $3,900, and five years for any subsequent occasion of any such offense. These sanctions are in addition to any sanctions which may be provided for by law with respect to the offenses involved.

5. New York Social Services Law § 366-b.

Under Section 366-b of the Social Services Law, any person who obtains or attempts to obtain, for themselves 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. Additionally, any person who, with intent to defraud, presents for payment a false or fraudulent claim for furnishing services, knowingly submits false information to obtain greater Medicaid compensation, or knowingly submits false information in order to obtain authorization to provide items or services is guilty of a Class A misdemeanor. Finally, if an act also constitutes a violation of a provision under the New York Penal Law, the person committing the act will be punished in accordance with the penalties fixed by such law.

6. New York Penal Law Article 155.

Article 155 of the New York Penal Law establishes the crime of Larceny, which occurs when a person, with intent to deprive another of their property, obtains, takes, or withholds the property by means of trick, embezzlement, false pretense, false promise, a scheme to defraud, or other similar behavior. The four crimes of Larceny have been applied to Medicaid fraud cases. These crimes include:

a. Penal Law § 155.30, Grand Larceny in the Fourth Degree, which involves property valued over $1,000, and is a Class E felony;

b. Penal Law § 155.35, Grand Larceny in the Third Degree, which involves property valued over $3,000, and is a Class D felony;

c. Penal Law § 155.40, Grand Larceny in the Second Degree, which involves property valued over $50,000, and is a Class C felony; and

d. Penal Law § 155.42, Grand Larceny in the First Degree, which involves property valued over $1 million, and is a Class B felony.

7. New York Penal Law Article 175.

The four crimes in Article 175 of the New York Penal Law, Offenses Involving False Written Statements, relate to filing false information or claims and have been applied in Medicaid fraud prosecutions. These crimes include:

a. Penal Law § 175.05, Falsifying Business Records, which involves entering false information, omitting material information, or altering an enterprise's business records with the intent to defraud, and is a Class A misdemeanor;

b. Penal Law § 175.10, Falsifying Business Records in the First Degree, which includes the elements of Penal Law § 175.05 and the intent to commit another crime or conceal its commission, and is a Class E felony;

c. Penal Law § 175.30, Offering a False Instrument for Filings in the Second Degree, involves presenting a written instrument (including a claim for payment) to a public office knowing that it contains false information, and is a Class A misdemeanor; and

d. Penal Law § 175.35, Offering a False Instrument for Filing in the First Degree, which includes the elements of Penal Law § 175.30 and an intent to defraud the State or a political subdivision, and is a Class E Felony.

8. New York Penal Law Article 176.

Article 176 of the New York Penal Law, Insurance Fraud, applies to claims for insurance payment, including Medicaid or other health insurance, and contains six crimes. The crimes include:

a. Penal Law § 176.10, Insurance Fraud in the Fifth Degree, which involves intentionally filing a health insurance claim knowing that it is false, and is a Class A misdemeanor;

b. Penal Law § 176.15, Insurance fraud in the Fourth Degree, which involves filing a false insurance claim for over $1,000, and is a Class E felony;

c. Penal Law § 176.20, Insurance Fraud in the Third Degree, which involves filing a false insurance claim for over $3,000, and is a Class D felony;

d. Penal Law § 176.25, Insurance Fraud in the Second Degree, which involves filing a false insurance claim for over $50,000, and is a Class C felony; and

e. Penal Law § 176.30, Insurance Fraud in the First Degree, which involves filing a false insurance claim for over $1 million, and is a Class B felony;

f. Penal Law § 176.35, Aggravated Insurance Fraud, which involves committing insurance fraud more than once, and is a Class D felony.

9. New York Penal Law Article 177.

Article 177 of the New York Penal Law establishes the crime of Health Care Fraud, and applies to claims for health insurance payment, including claims submitted to the Medicaid Program and

other health plans, including non-government plans, and contains five crimes. The crimes include:

a. Penal Law § 177.05, Health Care Fraud in the Fifth Degree, involves knowingly filing, with intent to defraud, a claim for payment that intentionally has false information or omissions, and is a Class A misdemeanor;

b. Penal Law § 177.10, Health Care Fraud in the Fourth Degree, involves filing false claims and annually receiving over $3,000 in the aggregate, and is a Class E felony;

c. Penal Law § 177.15, Health Care Fraud in the Third Degree, involves filing false claims and annually receiving over $10,000 in the aggregate, and is a Class D felony;

d. Penal Law § 177.20, Health Care Fraud in the Second Degree, involves filing false claims and annually receiving over $50,000 in the aggregate, and is a Class C felony; and

e. Penal Law § 177.25, Health Care Fraud in the First Degree, involves filing false claims and annually receiving over $1 million in the aggregate, and is a Class B felony.

C. Whistleblower Protections.

1. Federal False Claims Act (31 USC §§ 3730(h)).

The civil False Claims Act provides protection to 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 reinstatement with comparable seniority as the relator would have had but for the discrimination, two times the amount of any back pay, interest on any back pay, and compensation for any special damages sustained as a result of the discrimination, including litigation costs and reasonable attorneys' fees. However, if the *qui tam* action has no merit or is for the purpose of harassing the person or entity, the individual may have to pay the person or entity for its legal fees and costs in defending the suit.

2. New York State False Claims Act (N.Y. State Finance Law § 191).

The New York State False Claims Act provides protection to an employee of any private or public employer who is discharged, demoted, suspended, threatened, harassed, or otherwise discriminated against in the terms and conditions of employment by their employer because of

lawful acts taken by the employee in furtherance of an action under the New York State False Claims Act. Remedies can include reinstatement to the same position or an equivalent position, two times back pay, reinstatement of full fringe benefits and seniority rights, and compensation for any special damages sustained, including litigation costs and reasonable attorneys' fees.

3. New York Labor Law § 740.

An employer may not take any retaliatory action against an employee (including former employees) if the employee discloses, or threatens to disclose, information about the employer's policies, practices, or activities to a regulatory, law enforcement, or another similar agency or public official. Protected disclosures include disclosures of an activity, policy, or practice of the employer that the employee reasonably believes are in violation of law, rule, or regulation, or that the employee reasonably believes pose a substantial and specific danger to the public health or safety. The employee's disclosure is protected only if the employee first raised the matter with a supervisor and gave the employer a reasonable opportunity to correct the alleged violation. However, employer notification is not required where:

a. There is an imminent and serious danger to the public health or safety;

b. The employee reasonably believes that reporting to the supervisor would result in destruction of evidence or other concealment of the activity, policy, or practice;

c. The activity, policy or practice could reasonably be expected to lead to endangering the welfare of a minor;

d. The employee reasonably believes that reporting to the supervisor would result in physical harm to the employee or any other person; or

e. The employee reasonably believes that the supervisor is already aware of the activity, policy, or practice and will not correct it.

Employees are also protected from retaliatory action if the employee objects to, or refuses to participate in, any activity that is in violation of law, rule, or regulation or that the employee reasonably believes poses a substantial and specific danger to the public health or safety. Additionally, employees are protected when the employee provides information to, or testifies before, any public body conducting an investigation, hearing, or inquiry into an employer's activity, policy, or practice. If an employer takes retaliatory action against the employee, the employee may sue in State court for reinstatement to the same position held before the retaliatory action, or to an equivalent position, any back wages and benefits, and attorneys' fees,

among other remedies. If the employer's violation was willful, malicious, or wanton, punitive damages may be imposed.

4. New York State Labor Law § 741.

A health care employer may not take any retaliatory action against a health care employee if the health care employee discloses, or threatens to disclose, certain information about the health care employer's policies, practices, or activities to a regulatory, law enforcement, or other similar agency or public official, to a news media outlet, or to a social media forum available to the public at large. Under the law, a "health care employee" is any person who performs health care services for, and under the control and director of, any public or private employer that provides health care services for wages or other remuneration.

Protected disclosures include disclosures of an activity, policy, or practice of the health care employer that the health care employee, in good faith, reasonably believes constitute improper quality of patient care or improper quality of workplace safety. Health care employees are also protected from retaliatory action if the health care employee objects to, or refuses to participate in, any activity, policy, or practice of the health care employer that the health care employee, in good faith, reasonably believes constitutes improper quality of patient care or improper quality of workplace safety.

The health care employee's disclosure is protected only if the health care employee first raised the matter with a supervisor and gave the health care employer a reasonable opportunity to correct the activity, policy, or practice. However, employer notification is not required where the improper quality of patient care or workplace safety presents an imminent threat to public health or safety, to the health of a specific patient, or to the health of a specific health care employee and the health care employee reasonably believes, in good faith, that reporting to a supervisor would not result in corrective action.

If a health care employer takes retaliatory action against the health care employee, the health care employee may sue in State court for reinstatement to the same position held before the retaliatory action, or to an equivalent position, any back wages and benefits, and attorneys' fees, among other remedies. If the health care employer's violation was willful, malicious, or wanton, punitive damages may be imposed.

Revised & Adopted: April 11, 2023; _____, 2023

DUTY TO REPORT POLICY

PURPOSE

Pesach Tikvah Hope Development, Inc. (the "Agency") intends to adhere to all laws and regulations that apply to its operations. The purpose of this policy is to support the Agency's goal of legal compliance by establishing effective lines of communication for reporting all suspected matters of non-compliance.

APPLICABILITY

This policy applies to all Agency employees, Board members, and contractors.[1]

POLICY

1. Any person who is aware of or suspects that a policy, practice, or activity of the Agency is in violation of federal or state laws, rules, regulations, policies, or standards, or the Agency's Compliance Plan, Compliance Program, policies, procedures, or Code of Conduct, or, who is aware of or suspects wrongful conduct on the part of the Agency or by an employee, Board member, or contractor (a "Compliance Issue") is obligated to report to the Compliance Officer, Compliance Committee member, the Agency's Compliance Hotline, or in the case of an employee, the employee's Supervisor.

2. Anyone who files a complaint concerning a Compliance Issue must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation ("Protected Disclosure").

3. Any person who knowingly or with reckless disregard for the truth gives false information or knowingly makes a false report of wrongful conduct or a subsequent false report of retaliation will be subject to disciplinary action, up to and including termination of their

[1] "Employees, contractors, and Board members" includes the Agency's employees, Executive Director, senior administrators, managers, volunteers, interns, contractors, agents, subcontractors, independent contractors, corporate officers, and Board members who are affected by the Agency's Compliance Risk Areas. "Compliance Risk Areas" are those areas of operation affected by the Agency's Compliance Program, as set forth in Section IX of the Agency's Compliance Plan. For purposes of the Agency's Compliance Program, "contractors" includes contractors, agents, subcontractors, and independent contractors who are affected by the Agency's Compliance Risk Areas. Contractors are required to comply with the Agency's Compliance Program to the extent that the contractor is affected by the Agency's Compliance Risk Areas, and only within the scope of the contractor's contracted authority and affected Compliance Risk Areas.

relationship with the Agency. Allegations made in good faith that are not substantiated are not subject to corrective action.

4. No person (including Medicaid Program beneficiaries who receive services from the Agency) who makes a Protected Disclosure will suffer intimidation, retaliation, or adverse employment consequences. Any person who retaliates against or intimidates any individual who makes a Protected Disclosure is subject to discipline up to and including termination. The Agency's *Non-Retaliation and Non-Intimidation Policy* is intended to encourage and enable Medicaid Program beneficiaries who receive services from the Agency, employees, Board members, and contractors to raise concerns within the Agency prior to seeking resolution outside the Agency.

5. Protected Disclosures may be made on a confidential basis by the complainant or may be submitted anonymously through the Agency's Compliance Hotline or by mailing an anonymous letter to the Compliance Officer. Protected Disclosures and investigatory records will be kept confidential, regardless of whether confidentiality is requested, unless the matter is subject to a disciplinary proceeding, referred to or under investigation by the New York State Attorney General's Medicaid Fraud Control Unit ("MFCU"), the New York State Office of the Medicaid Inspector General ("OMIG"), or law enforcement, or the disclosure is required during a legal proceeding.

6. If the complainant identifies themselves, the complainant will be promptly contacted to acknowledge receipt of the reported violation or suspected violation for alleged criminal or environmental violations. All reports will be promptly and thoroughly investigated and appropriate corrective action will be taken if warranted by the investigation.

PROCEDURE

When an employee, Board member, or contractor in the course of their job or role first becomes aware of an activity that might have consequences to the Agency, the individual must report the information directly to any of the following:

- The Agency's anonymous Compliance Hotline at 718-298-3443;
- Dropping a written report in the Agency's Compliance Drop Box located in the kitchen area at 365 Willoughby Ave., 4th Floor, Brooklyn NY 11205 between the hours of 9:00 a.m. to 5:00 p.m.;s
- The Compliance Officer, Shaindy Strulovitch, at (718) 875-6900 ext. 1136 or compliance@pesachtikvah.org;

- The Compliance Officer, Shaindy Strulovitch, in writing by mail to Attn: Compliance Officer, Pesach Tikvah Hope Development, Inc., 365 Willoughby Ave., 4th Floor, Brooklyn NY 11205 (anonymously or otherwise);

- A Compliance Committee member; or

- If an employee, the employee's Supervisor.

Any employees, Board members, or contractors who are aware of such activities and who do not fully disclose this to one or more of the above-named parties may be subject to the same disciplinary action as those who are involved in the non-compliance.

The Compliance Officer will be responsible for initiating all further investigation of reported Compliance Issues. Reports will be kept confidential, regardless of whether confidentiality is requested or the report is made anonymously, unless the matter is subject to a disciplinary proceeding, referred to or under investigation by MFCU, OMIG, or law enforcement, or the disclosure is required during a legal proceeding. Reporters, including Medicaid Program beneficiaries who receive services from the Agency, will be protected under the Agency's *Non-Retaliation and Non-Intimidation Policy*. All matters shall be reviewed and adequately addressed in a timely manner.

Employees, Board members, and contractors are required to conduct business on behalf of the Agency in such a manner as to not conflict with the interests of the Agency.

The Agency maintains open lines of communication for the reporting of suspected improper activity, and maintains a method for anonymously reporting Compliance Issues directly to its Compliance Officer. The Agency strictly forbids any reprisals, intimidation, or retaliation against any individual (including service recipients who are Medicaid Program beneficiaries) for reporting, in good faith, an actual or possible compliance issue. Employees, Board members, and contractors must immediately report any perceived retaliation or intimidation to the Compliance Officer. *See also Non-Retaliation and Non-Intimidation Policy*.

The Agency publicizes its lines of communication to the Compliance Officer and ensures that these lines of communication are available to service recipients who are Medicaid Program beneficiaries, employees, Board members, and contractors. The Agency makes information regarding its Compliance Program and Code of Conduct, including its lines of communication for reporting Compliance Issues, available on its website.

Adopted: September ___, 2020

Revised & Adopted: April 11, 2023; _____, 2023

WHISTLEBLOWER POLICY
OF
PESACH TIKVAH-HOPE DEVELOPMENT, INC.

Pesach Tikvah-Hope Development, Inc. (the "Corporation") requires its directors, officers, employees, volunteers, and contractors to observe the highest standards of business and personal ethics in the conduct of their duties and responsibilities. The purpose of this Whistleblower Policy ("Policy") is to ensure that the Corporation has a governance and accountability structure that supports its mission, to encourage and enable directors, officers, employees, and volunteers of the Corporation to raise serious concerns about the occurrence of illegal, fraudulent, improper, or unethical actions within the Corporation before turning to outside parties for resolution, and to protect those individuals who report such suspected improper conduct from retaliation.

Notwithstanding anything contained herein, this Policy is not an employment contract and does not modify the employment relationship, if any, between the Corporation and any of its directors, officers, employees, or volunteers, nor does it change the at-will status of any employee of the Corporation. Nothing contained in this Policy provides any director, officer, employee, or volunteer of the Corporation with any additional rights or causes of action not otherwise available under applicable law. This Policy applies to any matter which is related to the Corporation's business and does not relate to private acts of an individual not connected to the business of the Corporation.

It is intended that this Policy comply with the provisions of Section 715-B of the New York State Not-for-Profit Corporation Law, as added by the Non-Profit Revitalization Act of 2013, as amended, and Sections 740 and 741 of the New York State Labor Law, and shall be interpreted and construed accordingly. Additionally, the rights and protections set forth in this Policy are in addition to, and not in abrogation of, the protections provided by Section 191 of the New York State Finance Law or any applicable Federal law, including, but not limited to, the False Claims Act (31 U.S.C. § 3730(h)).

ARTICLE I

REPORTING RESPONSIBILITIES

1.1 Reporting Responsibilities. All directors, officers, employees, and volunteers of the Corporation have a responsibility to report any action or suspected action taken by the Corporation itself, by its leadership, or by others on the Corporation's behalf, that is illegal, fraudulent, unethical, improper, or violates any adopted policy of the Corporation ("Violations").

1.2 Reporting in Good Faith. Anyone reporting a Violation must act in good faith, without malice to the Corporation or any individual, and have reasonable grounds for believing that the information shared in the report indicates that a Violation has occurred. A person who makes a report does not have to prove that a Violation has occurred. However, any report which the reporter has made maliciously or any report which the reporter has good reason to believe is false will be viewed as a serious disciplinary offense.

ARTICLE II
NO RETALIATION

2.1 No Retaliation. No person who in good faith reports a Violation or who in good faith cooperates in the investigation of a Violation shall suffer intimidation, harassment, discrimination, or other retaliation or, in the case of an employee, adverse employment consequence. Any individual within the Corporation who retaliates against another individual who has reported a Violation in good faith or who, in good faith, has cooperated in the investigation of a Violation shall be subject to discipline, including, without limitation, termination of employment or volunteer status.

2.2 Reporting of Retaliation. If you believe that an individual who has made a good faith report of a Violation or who has in good faith cooperated in the investigation of a Violation is suffering intimidation, harassment, discrimination, or other retaliation or, in the case of an employee, adverse employment consequence, please contact the Corporation's Corporate Compliance Officer.

ARTICLE III
PROCEDURES FOR REPORTING VIOLATIONS

3.1 Reporting Procedure. All directors, officers, employees, and volunteers should report their concerns relating to a Violation to any person within the Corporation who can properly address those concerns. In most cases, the direct supervisor of an employee or volunteer is the person best suited to address a concern. However, if the employee or volunteer is not comfortable speaking with their supervisor or if they are not satisfied with their supervisor's response, the employee should report the Violation to the Corporate Compliance Officer, to any member of the Board of Directors of the Corporation (the "Board"), or to anyone in management they feel comfortable approaching. Any person other than an employee or volunteer should report any Violation directly to the Corporate Compliance Officer of the Corporation.

3.2 Identity; Confidentiality. The Corporation encourages anyone reporting a Violation to identify themselves when making a report in order to facilitate the investigation of

the Violation. However, reports addressed to an individual within the Corporation may be submitted on a confidential basis and reports may be submitted to the Corporate Compliance Officer anonymously by submitting them directly, without providing an identity or return address, to the Corporate Compliance Officer using the contact information set forth in **Section 5.2** below.

3.3 Report Content. The report of any Violation may be made in person, by telephone, or by mail, electronic mail, or other written communication. Such report should contain sufficient information to permit adequate investigation. At a minimum, the following information should be provided:

(a) A description of the nature of the improper activity, with sufficient detail to permit an initial investigation;

(b) The name(s) of the individual(s) and/or department(s) engaging in the activity or with knowledge of the activity;

(c) The approximate or actual date(s) the activity took place; and

(d) An explanation of any steps taken internally with the Corporation's management to report or resolve the complaint.

ARTICLE IV
COMPLIANCE AND ADMINISTRATION

4.1 Notification of Violation; Acknowledgement. Every supervisor, manager, director, and other representative of the Corporation is required to notify the Corporate Compliance Officer of every report of a Violation. The Corporate Compliance Officer will notify the sender and acknowledge receipt of a report of Violation within seven (7) business days, but only to the extent the sender's identity is disclosed or a return address is provided.

4.2 Investigation; Correction.

(a) The Corporate Compliance Officer is responsible for promptly investigating all reported Violations and for causing appropriate corrective action to be taken if warranted by the investigation. The Corporate Compliance Officer shall conduct an investigation into the reported Violation. Such investigation shall be conducted as confidentially as possible under the circumstances, consistent with the need to conduct an adequate investigation, to comply with all applicable laws, and if appropriate, to cooperate with law enforcement authorities.

(b) The Corporate Compliance Officer shall review the policies and procedures of the Corporation, and make note of the alleged Violation.

(c) The Corporate Compliance Officer shall assess, in the most confidential manner possible, the concerns of the director, officer, employee, or volunteer who reported the alleged Violation, as well as those of other directors, officers, employees, or volunteers who may have an understanding of, or be complicit in, the alleged Violation, in order to form an informative opinion on the matter and determine potential recommendations for resolution.

(d) The Corporate Compliance Officer may utilize the Corporation's general counsel, as needed, during an investigation of a reported Violation.

(e) The Corporate Compliance Officer will prepare and submit a written report on the reported Violation of the Whistleblower Policy to the Board, together with recommendations as to resolution and a timeline for implementation of recommended actions.

(f) Upon receipt of the written report from the Corporate Compliance Officer, the Board will consider the matter and render binding determinations as to resolution, up to and including, the suspension or removal of any director, officer, employee, or volunteer found to have engaged in the reported Violation.

4.3 Administration.

(a) The Corporate Compliance Officer shall administer this Policy and shall report directly to the Board of the Corporation; provided, however, that directors who are employees may not participate in any Board deliberations or voting relating to administration of this Policy.

(b) Any person who is the subject of a whistleblower complaint shall not be present at or participate in Board deliberations or vote on the matter relating to such complaint; provided, however, that the Board may request that the person who is subject to the complaint present information as background or answer questions at the Board meeting prior to the commencement of deliberations or voting relating thereto.

(c) The Board is responsible for addressing all reported concerns or complaints of Violations of the Whistleblower Policy relating to corporate accounting practices, internal controls, or auditing. Accordingly, the Corporate Compliance Officer must immediately notify the Governing Body of any such concern or complaint. In addition, if the Corporate Compliance Officer deems it appropriate, the Corporate Compliance Officer may advise the Chairperson of the Board of any other reported Violations.

4.4 Annual Reporting. The Corporate Compliance Officer has direct access to the Board and is required to report to the Board at least annually on compliance activity.

4.5 Documentation. The Board shall assure that all reported Violations and investigations are properly documented, including minutes of any meeting of the Board where the matter was discussed.

ARTICLE V
NEW YORK STATE LABOR LAW PROTECTIONS

5.1 Protections Under New York State Labor Law § 740.

(a) Definitions. For purposes of this **Section 5.1**, the following terms shall have the following meanings:

(i) "Employee" shall mean an individual who performs services for and under the control and direction of the Corporation for wages or other remuneration, including former employees, or natural persons employed as independent contractors to carry out work in furtherance of the Corporation's business enterprise who are not themselves employers.

(ii) "Law, Rule, or Regulation" shall mean any duly enacted Federal, State, or local statute or ordinance or executive order, any rule or regulation promulgated pursuant to such statute, ordinance, or executive order, or any judicial or administrative decision, ruling, or order.

(iii) "Public Body" shall mean:

A. The United States Congress, any State legislature, or any elected local governmental body, or any member or employee thereof;

B. Any Federal, State, or local court, or any member or employee thereof, or any grand or petit jury;

C. Any Federal, State, or local regulatory, administrative, or public agency or authority, or instrumentality thereof;

D. Any Federal, State, or local law enforcement agency, prosecutorial office, or police or peace officer;

E. Any Federal, State, or local department of an executive branch of government; or

F. Any division, board, bureau, office, committee, or commission of any of the public bodies described in subparagraphs (a)(iii)(A) – (E) of this **Section 5.1**.

(iv) "Retaliatory Action" shall mean an adverse action taken by the Corporation to discharge, threaten, penalize, or discriminate against any Employee exercising the Employee's rights under this **Section 5.1**. Retaliatory Action shall include:

A. Adverse employment actions or threats of the same against an Employee regarding conditions of employment (including, but not limited to, discharge, suspension, or demotion);

B. Actions or threats of the same that would adversely impact a former Employee's current or future employment; or

C. Contacting, or threatening to contact, United States immigration authorities or otherwise reporting or threatening to report to a Federal, State, or local agency an Employee's suspected citizenship or immigration status or the suspected citizenship or immigration status of an Employee's family or household member, as defined in New York Social Services Law § 459-a.

(v) "Supervisor" shall mean any individual within the Corporation's organization who has the authority to direct and control the work performance of the affected Employee or who has managerial authority to take corrective action regarding a violation of Law, Rule, or Regulation of which the Employee complains.

(b) Prohibition Against Retaliatory Action. The Corporation shall not take any Retaliatory Action against an Employee, whether or not within the scope of the Employee's job duties, because such Employee does any of the following:

(i) Discloses, or threatens to disclose, to a Supervisor or Public Body an activity, policy, or practice of the Corporation that the Employee reasonably believes is in violation of Law, Rule, or Regulation, or that the Employee reasonably believes poses a substantial and specific danger to the public health or safety;

(ii) Provides information to, or testifies before, any Public Body conducting an investigation, hearing, or inquiry into any such activity, policy, or practice by the Corporation; or

(iii) Objects to, or refuses to participate in, any such activity, policy, or practice.

(c) Notification to the Corporation. The protection against Retaliatory Action set out in **Section 5.1(b)** pertaining to disclosure to a public body shall only apply to an Employee who makes such disclosure after making a good faith effort to notify the Corporation by bringing the activity, policy, or practice to the attention of a Supervisor and has afforded the Corporation a reasonable opportunity to correct the activity, policy, or practice. However, notification to the Corporation shall not be required when the circumstances set out in Section 740 of the New York State Labor Law have been met.

(d) Existing Rights. Nothing in this **Section 5.1** shall be deemed to diminish the rights, privileges, or remedies of any Employee under any other Law, Rule, or Regulation or under any collective bargaining agreement or employment contract.

5.2 Protections Under New York State Labor Law § 741.

(a) Definitions. For purposes of this **Section 5.2**, the following terms shall have the following meanings:

(i) "Agent" shall mean any individual, partnership, association, corporation, or group of persons acting on behalf of the Corporation.

(ii) "Employee" shall mean any person who performs health care services for, and under the control and direction of the Corporation, for wages or other remuneration.

(iii) "Improper Quality of Patient Care" shall mean, with respect to patient care, any practice, procedure, action, or failure to act of the Corporation in violation of any law, rule, regulation, or declaratory ruling adopted pursuant to law. Violations considered to be Improper Quality of Patient Care are those violations which may present a substantial and specific danger to public health or safety or a significant threat to the health of a specific patient.

(iv) "Improper Quality of Workplace Safety" shall mean, with respect to an Employee, any practice, procedure, action, or failure to act of the Corporation which violates any law, rule, regulation, or declaratory ruling adopted pursuant to law. Violations considered to be Improper Quality of Workplace Safety are those violations which may present an unsafe workplace environment or risk of employee safety or a significant threat to the health of a specific Employee.

(v) "Public Body" shall mean:

A. The United States Congress, any State legislature, or any elected local governmental body, or any member or employee thereof;

B. Any Federal, State, or local court, or any member or employee thereof, or any grand or petit jury;

C. Any Federal, State, or local regulatory, administrative, or public agency or authority, or instrumentality thereof;

D. Any Federal, State, or local law enforcement agency, prosecutorial office, or police or peace officer;

E. Any Federal, State, or local department of an executive branch of government; or

F. Any division, board, bureau, office, committee, or commission of any of the public bodies described in subparagraphs (a)(v)(A) – (E) of this **Section 5.2**.

(vi) "Retaliatory Action" shall mean the discharge, suspension, demotion, penalization, or discrimination against an Employee, or other adverse employment action taken against an Employee in the terms and conditions of employment.

(vii) "Supervisor" shall mean any individual within the Corporation's organization who has the authority to direct and control the work performance of an Employee or who has the authority to take corrective action regarding the violation of a law, rule, or regulation to which an Employee submits a complaint.

(b) Prohibition Against Retaliatory Action. Notwithstanding any other provision of law, the Corporation shall not take Retaliatory Action against any Employee because the Employee does any of the following:

(i) Discloses, or threatens to disclose, to a Supervisor, Public Body, news media outlet, or social media forum available to the public at large an activity, policy, or practice of the Corporation or an Agent that the Employee, in good faith, reasonably believes constitutes Improper Quality of Patient Care or Improper Quality of Workplace Safety; or

(ii) Objects to, or refuses to participate in, any activity, policy, or practice of the Corporation or an Agent that the Employee, in good faith, reasonably believes constitutes Improper Quality of Patient Care or Improper Quality of Workplace Safety.

(c) Notification to the Corporation. The protection against Retaliatory Action set out in **Section 5.2(b)** shall only apply if the Employee has brought the Improper Quality of Patient Care or Improper Quality of Workplace Safety to the attention of a Supervisor and has

afforded the Corporation a reasonable opportunity to correct the activity, policy, or practice. However, notification to the Corporation shall not be required where the Employee makes a disclosure pursuant to **Section 5.2(b)(i)** and where the Improper Quality of Patient Care or Improper Quality of Workplace Safety:

(i) Presents an imminent threat to the public health or safety, to the health of a specific patient, or to the health of a specific health care Employee; and

(j) The Employee reasonably believes in good faith that reporting to a Supervisor would not result in corrective action.

ARTICLE VI
MISCELLANEOUS

5.1 Access to Policy. A copy of this Policy shall be distributed to all directors, officers, employees, and volunteers who provide substantial services to the Corporation via the Corporation's HR Portal.

5.2 Corporate Compliance Officer. The contact information of the Corporate Compliance Officer is as follows:

Shaindy Strulovitch
Pesach Tikvah-Hope Development, Inc.
365 Willoughby Avenue, 4th Floor
Brooklyn, New York 11205
(718) 875-6900 ext. 1136
compliance@pesachtikvah.org

5.3 Modification. The Board may modify this Policy unilaterally at any time without notice. Modification may be necessary, among other reasons, to maintain compliance with Federal, State, or local laws and regulations and/or to accommodate organizational changes within the Corporation.

Adopted: _____, 2023

NON-RETALIATION AND NON-INTIMIDATION POLICY

PURPOSE

The purpose of this Policy is to ensure that Pesach Tikvah Hope Development, Inc. (the "Agency") has a governance and accountability structure that supports its mission, to encourage and enable employees, Board members, and contractors of the Agency to raise concerns about the occurrence of illegal, fraudulent or unethical actions within the Agency, and to protect from retaliation and intimidation those individuals who report such suspected improper conduct.

APPLICABILITY

This policy applies to all Agency employees, Board members, and contractors.[1]

POLICY

The Agency prohibits any acts of retribution, discrimination, harassment, retaliation or intimidation against any employee, contractor, Board member, or Medicaid Program beneficiary service recipient who, in good faith, participates in Compliance Program activities, including but not limited to:

- Making or responding to compliance related questions or concerns, including participating in the investigation of, and investigating, potential compliance-related concerns, as directed by the Compliance Officer;
- Reporting or threatening to report a practice of the Agency that poses a substantial and specific danger to the public health or safety;
- Attending or performing training;
- Responding to audits, investigations, reviews, or compliance self-evaluations;

[1] "Employees, contractors, and Board members" includes the Agency's employees, Executive Director, senior administrators, managers, volunteers, interns, contractors, agents, subcontractors, independent contractors, corporate officers, and Board members who are affected by the Agency's Compliance Risk Areas. "Compliance Risk Areas" are those areas of operation affected by the Agency's Compliance Program, as set forth in Section IX of the Agency's Compliance Plan. For purposes of the Agency's Compliance Program, "contractors" includes contractors, agents, subcontractors, and independent contractors who are affected by the Agency's Compliance Risk Areas. Contractors are required to comply with the Agency's Compliance Program to the extent that the contractor is affected by the Agency's Compliance Risk Areas, and only within the scope of the contractor's contracted authority and affected Compliance Risk Areas.

- Drafting, implementing, or monitoring remedial actions;
- Reporting or threatening to report compliance-related concerns to the Agency and/or appropriate government officials and/or agencies;
- Reporting instances of intimidation or retaliation; or
- Otherwise assisting in any activity or proceeding regarding any conduct which the person reasonably believes to be in violation of any federal or state laws, rules, regulations, policies, and/or standards, and/or the Agency's Compliance Program.

A good faith report means one where the individual believes the information reported to be true and where the report is not made for the purpose of harming the standing or reputation of the Agency, or of another employee, Board member, or contractor.

The protections of this policy do not apply to:

- Untruthful or unfounded allegations of wrongdoing;
- Allegations whose nature or frequency indicates an intent to harass or embarrass the Agency or any employees, Board members, or contractors; or
- Instances where individuals report their own lapses or complicity in unacceptable conduct. In such instances, the act of reporting will not be subject to sanctions, but the underlying conduct may still be subject to disciplinary action.

PROCEDURE

1. Reporting Mechanisms. Employees, Board members, and contractors have a duty to report any action or suspected action taken at the Agency that is illegal, fraudulent, unethical or violates any adopted policy of the Agency. Employees, Board members, and contractors have a variety of reporting options; however, they are encouraged to take advantage of internal reporting mechanisms. These include reports to the Compliance Officer or Compliance Committee member, or in the case of an employee, reports to the employee's Supervisor. Individuals may also make reports anonymously and/or confidentially through the Agency's 24 Hour Compliance Hotline at (718) 298-3443, by dropping a written report in the Agency's Compliance Drop Box located in the kitchen area at 365 Willoughby Avenue, 4th Floor, Brooklyn NY 11205 between the hours of 9:00 a.m. to 5:00 p.m., or by making a report in writing by mail to Attn: Compliance Officer, Pesach Tikvah Hope Development, Inc., 365 Willoughby Avenue, 4th Floor, Brooklyn NY 11205. While the Agency requires employees, Board members, and contractors to report fraud, waste, abuse or other improper conduct directly to the Agency,

certain laws provide that individuals may also bring their concerns directly to the government. Any perceived retaliation or intimidation should be immediately reported to the Compliance Officer or Executive Director.

2. Confidentiality. Anyone who investigates suspected or actual errors, unsafe conditions, and improper conduct shall maintain the confidentiality of those involved, regardless of whether the individual has requested confidentiality or reported through a confidential reporting mechanism, unless the matter is subject to a disciplinary proceeding, referred to or under investigation by the New York State Attorney General's Medicaid Fraud Control Unit ("MFCU"), New York State Office of the Medicaid Inspector General ("OMIG"), or law enforcement, or the disclosure is required during a legal proceeding. Such information will be shared only with those persons with a need to know.

3. Statutory Protections. In addition to the protections afforded to employees, Board members, contractors, and Medicaid Program beneficiaries who receive services from the Agency under this policy, the following New York State laws also protect against retaliatory action for good-faith reporting. In addition to the information below, the Agency will inform employees of their protections, rights, and obligations under the New York State Labor Law by posting a notice of the same. The notices will be posted conspicuously in easily accessible and well-lighted places that are customarily frequented by employees and applicants for employment.

New York State Labor Law, Section 740

An employer may not take any retaliatory action against an employee (including former employees) if the employee discloses, or threatens to disclose, information about the employer's policies, practices or activities to a regulatory, law enforcement or another similar agency or public official. Protected disclosures include disclosures of any activity, policy or practice of the employer that the employee reasonably believes are in violation of law, rule or regulation (including health care fraud under Penal Law § 177 (knowingly filing, with intent to defraud, a claim for payment that intentionally has false information or omissions)), or that the employee reasonably believes pose a substantial and specific danger to the public health or safety. In most cases, 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.

Employees are also protected from retaliatory action if the employee objects to, or refuses to participate in, any activity that is in violation of law, rule, or regulation or that the employee reasonably believes poses a substantial and specific danger to the public health or safety. Additionally, employees are protected when the employee provides information to, or testifies

before, any public body conducting an investigation, hearing, or inquiry into an employer's activity, policy, or practice.

If an employer takes a retaliatory action against the employee, the employee may sue in state court for reinstatement to the same position held before the retaliatory action, or to an equivalent position, any lost back wages and benefits and attorneys' fees, among other remedies. If the employer's violation was willful, malicious, or wanton, punitive damages may be imposed.

New York State Labor Law, Section 741

A health care employer may not take any retaliatory action against a health care employee[2] if the health care employee discloses, or threatens to disclose, certain information about the health care employer's policies, practices or activities to a regulatory, law enforcement or other similar agency or public official, to a news media outlet, or to a social media forum available to the public at large. Protected disclosures include disclosures of an activity, policy, or practice of the health care employee that the health care employee, in good faith, believes constitute improper quality of patient care or improper quality of workplace safety. Health care employees are also protected from retaliatory action if the health care employee objects to, or refuses to participate in, any activity, policy, or practice of the health care employer that the health care employee, in good faith, reasonably believes constitutes improper quality of patient care or improper quality of workplace safety.

In most cases, the health care employee's disclosure is protected only if the health care employee first brought up the matter with a supervisor and gave the health care employer a reasonable opportunity to correct the activity, policy, or practice. If a health care employer takes a retaliatory action against the health care employee, the health care employee may sue in state court for reinstatement to the same position held before the retaliatory action, or to an equivalent position, any lost back wages and benefits and attorneys' fees, among other remedies. If the health care employer's violation was willful, malicious, or wanton, punitive damages may be imposed.

Revised and Adopted: January 5___, 2022

Revised and Adopted: April 11, 2023; _____, 2023

[2] A "health care employee" is any person who performs health care services for and under the control and direction of any public or private employer that provides health care services for wages or other remuneration. *See* N.Y. LAB. LAW § 741(1)(a).

COMPLIANCE COMMITTEE CHARTER

ARTICLE I.
PURPOSE

1.1. Purpose. Pesach Tikvah-Hope Development, Inc. (the "Agency") has adopted a Corporate Compliance Program to promote the Agency's compliance with all applicable laws, regulations, and ethical standards. The Agency's Corporate Compliance Program is described in its Corporate Compliance Plan. As part of its Corporate Compliance Program, the Agency has designated a Compliance Committee. The Compliance Committee is responsible for coordinating with the Agency's Compliance Officer to ensure that the Agency is conducting its business in an ethical and responsible manner, and consistent with its Corporate Compliance Program.

ARTICLE II.
DEFINITIONS

2.1. Definitions. As used in this Compliance Committee Charter, the following capitalized terms shall have the meanings ascribed to such terms in this **Article II**:

(A) "Compliance Risk Areas" means the Compliance Risk Areas set out in Section XIII of the Agency's Corporate Compliance Plan.

(B) "Compliance Officer" means the individual at the Agency responsible for overseeing the implementation of the Corporate Compliance Program, and for carrying out the Corporate Compliance Program's day-to-day operation.

(C) "Corporate Compliance Plan" means the document that provides an overview of the Agency's Corporate Compliance Program.

(D) "Corporate Compliance Program" means the Agency's implementation of the Corporate Compliance Plan and includes all of the Agency's compliance activities. The Corporate Compliance Program promotes the Agency's compliance with all applicable laws, regulations, and ethical standards.

(E) "Employees, Contractors, and Board Members" means the Agency's employees, Executive Director, senior administrators, managers, interns, volunteers,

contractors, agents, subcontractors, independent contractors, Board of Directors (the "Board"), and corporate officers who are affected by the Agency's Compliance Risk Areas.[1]

ARTICLE III.
MEMBERSHIP

3.1. Membership. The Agency's Compliance Committee shall consist of, at a minimum, the Agency's Compliance Officer and other members of senior management, as appointed by the Compliance Officer. The Compliance Officer may appoint additional members to the Compliance Committee with varying backgrounds and experience to ensure that the Committee has the expertise to handle the full range of clinical, administrative, financial, and operational issues relevant to the Agency. Additional members appointed to the Compliance Committee by the Agency's Compliance Officer shall, at a minimum, be senior managers.

3.2. Compliance Officer. The Agency's Compliance Officer shall be a member of the Compliance Committee, and shall serve as the Chair of the Committee.

3.3. Membership List. At all times, the Agency shall maintain a list of Compliance Committee members including their names, titles, and dates of service on the Committee.

ARTICLE IV.
MEETINGS

4.1. Meetings. The Agency's Compliance Committee will meet at least quarterly, or more frequently if determined necessary by the Compliance Committee, Compliance Officer, or the Board. At each meeting, the Compliance Committee shall receive a report from the Compliance Officer on the progress of adopting, implementing, and maintaining the Agency's Compliance Program.

4.2. Minutes. The Compliance Committee will maintain complete and accurate minutes of all meetings of the Committee reflecting all business conducted. Said minutes shall be retained for a period of six (6) years from the date of the Compliance Committee meeting.

[1] For purposes of the Agency's Compliance Program, "contractors" includes contractors, agents, subcontractors, and independent contractors who are affected by the Agency's Compliance Risk Areas. Contractors are required to comply with the Agency's Compliance Program to the extent that the contractor is affected by the Agency's Compliance Risk Areas, and only within the scope of the contractor's contracted authority and affected Compliance Risk Areas.

ARTICLE V.
DUTIES AND RESPONSIBILITIES

5.1. Duties and Responsibilities. The duties and responsibilities of the Agency's Compliance Committee shall include, but not be limited to, the following:

(A) Receiving regular reports from the Compliance Officer and providing them with guidance regarding the operation of the Corporate Compliance Program;

(B) Approving the annual work plan carried out under the Corporate Compliance Program;

(C) Approving the compliance training program provided to all Employees, Contractors, and Board Members;

(D) Reviewing all investigations of suspected fraud or abuse and any corrective action taken as a result of such investigations;

(E) Overseeing the exclusion screening process for Employees, Contractors, and Board Members;

(F) Recommending and approving any changes to the Corporate Compliance Plan, Corporate Compliance Program and compliance policies;

(G) Coordinating with the Compliance Officer to ensure that the written Corporate Compliance Program policies and procedures, and Code of Conduct are current, accurate, and complete, and that the required training topics are timely completed;

(H) Coordinating with the Compliance Officer to ensure communication and cooperation by Employees, Contractors, and Board Members on compliance related issues, internal or external audits, or any other function or activity required by the compliance regulations (18 NYCRR Part 521-1);

(I) Advocating for the allocation of sufficient funding, resources, and staff for the Compliance Officer to fully perform their responsibilities;

(J) Ensuring that the Agency has effective systems and processes in place to identify Corporate Compliance Program risks, overpayments, and other issues, and effective policies and procedures for correcting and reporting such issues; and

(K) Advocating for the adoption and implementation of required modifications to the Corporate Compliance Program.

ARTICLE VI.
REVIEW OF COMPLIANCE COMMITTEE CHARTER

6.1. Review of Compliance Committee Charter. The Agency's Compliance Committee will review and update the Compliance Committee Charter on at least an annual basis. The Compliance Committee shall maintain records of each annual Compliance Committee Charter review evidencing the date of the review and a description of any updates. These records shall be retained for a period of six (6) years from the date of the review.

ARTICLE VII.
REPORTING AND ACCOUNTABILITY

7.1. Reporting and Accountability. The Agency's Compliance Committee will report directly to, and will be accountable to, the Agency's Executive Director and Board.

Adopted: _____, 2023