

**<https://cornerstoneafc.wpenginepowered.com/wp-content/uploads/2025/09/Cornerstone-AFC-Outcomes-Report-2024.pdf> Corporate Compliance Plan
Effective January 2025**

Overview

Cornerstone is committed to the quality-of-service delivery to residents. Our organization is devoted to the quality-of-service delivery. We are devoted to effectiveness and efficiency through the continual monitoring of the organization's operations. The organization regularly identifies problems, collects data, evaluates data and implements solutions. Cornerstone is committed to maintain all applicable laws, rules and regulations.

The Corporate Compliance Plan (CCP) is developed to ensure that there is an establishment of standards that communicate appropriate legal and ethical behavior. The CCP also serves as a process for which complaints, grievances, violations and additional problems that occur within the organization are carefully reviewed with the goal of prompt resolution.

The CCP serves as a working tool to help employees respond to problematic matters such as conduct and ethics. Additional to such issues can be found within the organizations Employee Handbook. The organization is committed to its Mission, Vision and Values and expects that all employed work cohesively with them.

Corporate Compliance Standards

- Ensure the compliance with all governing statutes both federal and state.
- Maintain compliance with contracts of service delivery.
- Monitor billing claims for services rendered to ensure accuracy and timeliness.
- Monitor organizational practices to avoid fraud, waste and abuse.
- Update all administrative members as well as staff when there is a change to policy/procedures including the CCP.
- Maintain knowledge of changing laws and standards as they relate to the organization's operations.
- Monitor the organization for unethical work practices of all employees.
- Monitor service delivery to ensure that it is person centered and according to contract language.
- Ensure that the code of ethical practices is followed and understood by all employees.

Corporate Compliance Officer

Corporate Compliance Officer: Cornerstone Corporate Compliance Officer (CCO) is responsible for maintaining all regulatory laws and contracts. Such laws might include HIPAA, HITECH, DRA, FCA including fraud, waste and abuse as well as Whistleblowers. The CCO responds to violations of rules, regulations, policies, procedures, standards of conduct, and unethical behavior.

The CCO works with departments within the organization to maintain uniform handling of such violations. The CCO reviews all compliance issues/concerns within the organization and ensures that they are handled appropriately. Additionally, the CCO will monitor the performance of the internal compliance program (with all governing laws and contracts) and takes appropriate steps to ensure effectiveness of the program.

Cornerstone appointed Corporate Compliance Officer (CCO) is Derek Ball. Mr. Ball has an appointed letter from the CEO maintained in his personnel record. Mr. Ball maintains reporting mechanisms of compliance issues and strives to be accessible to all stakeholders. Contact information for questions or for filing a complaint is available on the organization's website, included orientation material for all residents, and available at the home in the form of complaint forms.

Complaints can be done at any time and can be made openly or anonymously. Any employee of Cornerstone can direct complaints to either the crisis line or directly to Mr. Ball. If there is a suspected violation of the organizations policies or any governing laws, Cornerstone will conduct an internal investigative process. If there are suspected violations in relation to any laws, the appropriate governing bodies will be contacted immediately to report any such issue.

The organization has a corporate compliance department which is established for the purpose of steering the organization in ways to maintain compliance with laws, standards, policies and procedures. The department maintains a culture of compliance and ethical conduct. The CCO is head of the department and utilizes the department's expertise to implement the CCP.

The department members include the following individuals: The Corporate Operations Officer, Human Resource Director, Medical Director, Health and Safety Director and Care Coordinating Director. The Compliance Department communicates the corporation's practices to staff members, assesses the organizations risk, develops policy and procedure, conducts internal reviews and investigations.

The Corporate Compliance department is responsible for modeling expected behaviors of the organization, reinforce ethical behavior, legal practice and adherence to the Mission, Vision and Values. The department also ensures that resources are available to resolve any ethical dilemmas and supervise with strict compliance with policies and regulation so that any violation would result in disciplinary action up to termination.

Complaint Reporting

Cornerstone adheres to laws, regulations, internal/external policies and procedures as well as the Mission, Vision and Values of the organization. There is recognition that the organization may at times unintentionally fall short. Our organization is committed to take appropriate actions if there are suspected violations regarding any governing laws, regulations or internal/external policies and procedures.

Our desire is to promote a positive image to all stakeholders as well as the community. For that reason, our administration maintains an obligation to conduct investigations of alleged violations of these standards. Our administration is committed to a prompt, thorough as well as impartial investigation process.

Complaints of all stakeholders are taken very seriously. To resolve this complaint, the department head which is responsible for overseeing the operations pertaining to the complaint will conduct the investigation. Once the investigation is conducted, together with the CCO, until a resolution is found.

Individuals reporting the complaint may remain anonymous and should be given a name, date, and numerical identifier so that a resolution can be relayed to them once the investigation is completed. The choice of the numerical identifier should be up to the person filing the complaint.

All stakeholders are free from retaliation and any corrective measures will be conducted through best practice and unbiased.

Policy and Procedure Implementation

The organization has adopted several policies and procedures to maintain guidance for business operations. They are designed with the idea that all employees will have the capability of working more efficiently and behave in an ethical way. Written policies and procedures help reduce the prospect of erroneous claims and fraudulent activity. The CCO provides oversight to ensure that implementation and practice of all policies and procedures is maintained. Written policies and procedures are written related to all legal and regulatory standards. The purpose of the policies related to the CCP is to establish ethical standards. Policies that guide compliance include:

- Confidentiality/HIPAA Policies
- Technology Plan
- Cultural Competence and Diversity Plan
- Sentinel Event Policy
- Conflict of Interest Policy
- Breach Notification Policy
- Whistle Blowers Policy (Employee Handbook)

- Standards of Conduct (Employee Handbook)
- Risk Management Plan
- Duty to Warn Policy
- Grievance and Appeals Policy
- Consent for Treatment
- Subpoenas, Search Warrants and Investigation Policy
- Financial Policies
- Credentialing and Privileging Policy
- Quality Assurance Plan
- Cornerstone Employee Handbook

Corporate Compliance Training and Education

Cornerstone ensures that all team members receive corporate compliance training at minimum annually through the organizations Human Resource Department. Education includes the distribution of the CCP. Upon receipt of the plan, staff must sign an attestation that indicates the following:

- They have received the plan, including the code of ethics.
- The plan has been read, reviewed and understood.
- Any questions regarding the plan have been answered.
- The staff member is willing to fully participate in the Corporate Compliance program and conduct themselves in accordance with the code of ethics.
- Willingness to report any lack of or potential lack of compliance with any federal, state or local laws which the staff member is aware.

The CCO is responsible to ensure that ongoing, routine training opportunities in policy and procedures are completed. Updates to all policy and procedure changes are relayed to the entire staff body when they are created.

Corporate Responsibility Plan

Cornerstone has a commitment to guarantee ethical principles are met, respect for all stakeholders and a commitment to creating a corporate culture of personal responsibility and ethical business practices. To promote positive public image that aligns with the Mission, Vision and Values of the organization. Company activities will be transparent and conduct in a manner that promotes inclusion, diversity and human rights opportunities. Our goal is to do the following:

- Ensure that all stakeholders understand the requirement to immediately report to the crisis line or CCO any suspicion of fraud, waste or abuse in connection with Cornerstone
- Create an environment where all employees understand the organizations Mission, Vision and Values through appropriate training.
- Ensure that all employees of Cornerstone are committed to the continuous improvement of service delivery.
- Provide opportunities for residents to enhance their life through community inclusion and integration.
- Maintain a culture of gentleness with human rights and values in mind.
- Create an environment that supports basic health, safety and accident prevention.

External Auditing

External audits are conducted by each of the organizations contracting agencies. Cornerstone strives to obtain perfect auditing scores to avoid any findings for which a corrective action plan should need to be created. Occasionally, the organization falls short requiring a response to the audit through a corrective action plan.

The organization is committed to timely responses to external regulatory agencies. Once the plan of correction has been submitted, it is the responsibility of the Corporate Compliance Officer to ensure that the proposed actions are communicated within the organization.

Cornerstone will operate in adherence to federal, state and local regulations or laws pertaining to service provision and funding sources. The following actions will be completed once a regulatory agency requires a corrective action:

- The Corporate Compliance Officer and Licensee of the location will review the recommendations and develop a corrective action plan in response to the issue.
- The Licensee of the home will develop a corrective action plan in response to the finding.
- The corrective action plan will include a) The individuals affected in the finding b) The corrective action that will create compliance with the violation/recommendation c) Target dates for completion d) How follow up monitoring will be completed and who will be responsible for the monitoring.

External Investigations

During investigations, the organization is committed to maintaining transparency as one of its guiding values. To ensure that the organization maintains transparency all suspected licensing or resident rights violations are reported promptly.

- 1) Licensing-

Licensing corrective action plans are submitted based on the best probable corrective action the licensee can utilize to reduce risk and future occurrence. All licensing rule violations are taken seriously and tracked quarterly. Patterns of recurrence are also analyzed annually as the fiscal year ends. Corrective action plans are kept in the electronic medical records under each community. Corrective action plans are available for review upon request of any governing body.

2) Resident Rights

Resident rights corrective action plans are also submitted based on the best probable corrective action that the administration can utilize to reduce future occurrence. All resident rights violations are also taken seriously and tracked quarterly. Patterns of recurrence are analyzed annually for the opportunity to discover patterns. All resident rights corrective action plans are kept in the electronic medical records

Internal Financial Review

The acceptance for federal funding requires Cornerstone to be responsible for residents by continual financial auditing of all incoming and outgoing monies. Our organization adheres to the Generally Accepted Accounting Principles. The monitoring of service utilization and billing verification will verify that residents are receiving treatment at a level consistent with their individualized plan of service and authorized level of care. Internal financial auditing will determine that billing is accurate and reflects the date, duration and type of service delivered.

Internal auditing activities are conducted to ensure there is no presence of fraudulent activities which may or may not be intentional. Cornerstone is dedicated to business in a legal and ethical manner. Cornerstone fraud, waste and abuse compliance program depicts a comprehensive plan for detection, prevention and reporting of fraud, waste and abuse across various categories of health care related fraud. Cornerstone's written policies, procedures and code of ethical practices mandate that each employee shall comply with all federal and state standards.

Cornerstone works hard to maintain goals and objectives in a person-centered plan which are measurable and obtainable to verify that billing is accommodating necessary services. In doing such, the organization is overseeing how funds are being used and reported.

Excluded Parties

Cornerstone is committed to maintaining compliance with section 1128 of the Social Security Act and from Medicare and State Health Care programs under section 1156 section A by checking the Office of Inspector General (OIG) Website for excluded individuals. OIG checks will be conducted prior to hiring an individual as

well as monthly thereafter. If an individual is excluded, they will not be eligible to deliver services to residents within the organization, the human resource department will inform the individual of steps to take regarding the findings.

Disciplinary Actions

Employees of Cornerstone will receive a handbook at the time of hire and training on all employment policies and procedures. Personnel concerns are kept confidential, violators of the CCP will not be made public.

Violations of the CCP and all policies related to such will be addressed timely and through a consistent disciplinary action. Violations of the CCP will be thoroughly investigated through conducting a Sentinel Event and then reviewed by the CCO.

Education and training regarding the CCP is paramount and addressed upon hire and during annual training. All related policies will be read in conjunction with the plan. The purpose of this training is to reduce the possibility of fraud, waste, abuse and other violations of law/contract.

Remedial actions could include (but are not limited to) the following:

- Reassignment
- Verbal Counseling
- Suspension Without Pay
- Demotion
- Separation from Employment
- Education/Training
- Written Reprimand

Remedial action will be determined through careful investigation of the event in its entirety. The Human Resource Department as well as the CCO will actively engage staff with any violation of the CCP.

Corporate Compliance Goals

Performance Indicators	Objective	Application	Timeframe	Collection Source	Responsible Personnel	Measure	Performance Target
Billing Verification will be completed quarterly.	Efficiency	Person Served Contracting Agency	Quarterly	Billing Verification Forms	Care Coordinating Team	>95% of > or = 10% of persons served have	>95%

						appropriate billing in accordance to the billing verification form.	
Internal Financial Review	Efficiency	All Stakeholders	Quarterly	Internal Auditing Report Form	Compliance Team	100% of claims submitted in the month of the review are accurate.	100%
Staff are in serviced on person centered plans quarterly.	Effectiveness	Staff	Quarterly	Compliance Reports	Care Coordination Team	100% of staff members will be trained quarterly on person centered plans. .	100%
Fraud, Waste and Abuse Posters in all Cornerstone homes	Effectiveness	All Stakeholders	Quarterly	NA	Compliance Team	100% of homes will have postings and postings shall be maintained in the homes.	100% Completion

Code of Ethical Practices

Purpose:

The provision of services to individuals experiencing problems related to mental health or developmental disabilities is a public trust that requires integrity, compassion, dedication to truth, belief in the dignity, worth and the right to self-determination of all human beings, and respect for individual and group differences. Our organization is committed to the quality-of-service delivery in a person-centered way, this should always be reflected in service delivery to the resident. Accordingly, Cornerstone provides to all staff a framework for ethical care practices and ethical business practices. Our organization is built on a culture of gentleness with a person first, person-centered philosophy.

Application:

All Cornerstone staff and services.

Policy:

Cornerstone has an ethical responsibility to the residents and the community it serves, as well as the staff employed by Cornerstone. Therefore, it is the policy of Cornerstone that:

- A. Ethical business practices will be utilized and enforced.**
- B. Ethical care practices will be utilized and enforced.**
- C. Administrative Ethics**

Cornerstone will review employee's reasonable requests to be excused from providing care or services due to cultural or religious beliefs.

Definition:

Ethical Practices: Delivery of service by agency staff which would be interpreted by a reasonable person as necessary, suitable to condition and humane.

Ethical Conduct: Working in a manner that is honest, legal and respectful of others with the organizations mission and values in mind. Ethical conduct also describes behavior that falls within the boundaries established by the organization's mission, vision and values statements.

Standards:

- A. Ethical Business Practices**

1. Cornerstone mission statement and strategic plan shall provide an ethical framework for business operations. All staff members should be aware of the organizations mission and work in accordance with that mission.
2. Upon admission to services, full information is given to the resident on the source of Cornerstone reimbursement for his/her care and any limitations placed on duration of services. Individuals are provided with our funds policy to ensure that they understand how finances are managed.
3. Residents and their respective insurers/funding entities shall only be billed for services provided by Cornerstone staff or in accordance with contracts.
4. Any marketing practices shall focus on providing information about services that are available and reflect the level of licensure and/or accreditation.
5. Cornerstone shall clarify its relationship with other healthcare providers, educational institutions, and payers of services through contractual agreements, service agreements or some other formalized arrangement.
6. Cornerstone shall review relationships with other entities carefully, to avoid conflict of interest and to ensure that Cornerstone mission to its residents and the community is not harmed by any relationship.
7. Cornerstone is a drug free workplace. Possession and/or use of mind-altering substances such as (but not limited to) alcohol, marijuana and prescription drugs are prohibited.

B. Ethical Care Practices

1. All residents served by Cornerstone shall be treated with dignity and respect, and in accordance with state law, professional licensure standards and professional code of ethics. All employees must adhere to resident rights, treating all stakeholders of Cornerstone with dignity and respect regardless of age, gender, sexual orientation, national origin, religion, weight, height, ethnicity, color, veteran status, disability, or any other status protected by state, federal or local law.
2. All resident rights shall be protected. All Cornerstone staff will complete training on Resident Rights at the time of hire. Any violation of these rights shall be reported to the Office of Resident Rights.
3. All residents of Cornerstone services shall receive an Individual Plan of Service (IPOS), based on person-centered planning principles, which serves as the working document.
4. Personal, cultural, and ethical values and beliefs of Cornerstone/Hernandez Home AFC services shall not negatively impact residents' care and/or treatment. The staff will work hard to eliminate that barriers created by personal culture, ethical values and beliefs.
5. All Cornerstone staff shall not, directly or indirectly, solicit, accept or agree to accept, any gift of money or goods, loans or services or other preferred arrangements for personal benefit under any circumstances which would tend to influence, or have the appearance of influencing, the way they perform their duties. An employee shall not grant or make available to any person a consideration, treatment, advantage or favor beyond that which is the general practice to grant or make available to the public at large.
6. All Cornerstone staff recognize their obligation to report to an appropriate member of the management or administrative team any act of unethical conduct of any staff member, or any case of gross negligence or professional incompetence. Contacting the company's crisis line is the preferred way to report

unethical performance issues in accordance with our transparency policy. Staff shall strive to know their limitations and to stay within the bounds of these limitations in practice. Staff shall follow any established best practice guidelines.

7. Staff shall be diligent in the performance of duties, professional in provision of services and avoid any personal conflicts of interest.

8. Staff shall display professional behavior in both the workplace and community which reflects respect for self and others, respect for Cornerstone and its administrative team and respect for Cornerstone residents.

9. Staff shall not utilize social media during work time for any reason. Staff are encouraged to only reflect the organization in a professional manner on social media. Staff are encouraged to avoid relationships with individuals served on social media. Staff are restricted from taking and posting pictures or videos of individuals served on social media.

10. Staff are to engage in a professional relationship with all individuals served by creating appropriate boundaries.

11. The organization does not prohibit any waste (includes any overutilization of services-billing for services not necessary), fraud (providing false information to claim medical reimbursement), abuse (performing services that are not medically necessary, not following good medical practices), or other wrongdoing. Allegations of such should be reported to the administration immediately by following the Transparency Policy.

12. Staff members shall follow all confidentiality laws as outlined in the Michigan Mental Health Code and HIPAA. These laws are designed to protect the identity of all individuals served within the organization. Any violations or suspected violations should be reported through the Transparency Policy.

13. Staff members will only sign legal documents as witnessed in a truthful and professional manner. Witness signature should only be created when the witness viewed the signature of the primary signer prior to signing the document him/herself.

14. No staff shall be subject to retaliation by any member of the organization, retaliation is not tolerated within the organization.

15. Staff shall never utilize restraints or seclusion with the treatment of residents.

16. Thorough, timely as well as accurate documentation of service delivery, by the end of shift is mandatory.

17. Staff members shall refrain from any activity that could alter attention to job duties set forth in their job description. Activities may include but are not limited to use of social media, e-mail, telephone for personal reasons or taking breaks that are not in accordance with work policy.

18. Staff members shall adhere to their job description within the scope of practice for which the staff member is qualified and/or licensed for.

19. Staff members must recognize when a resident's condition represents imminent danger, staff members must take action to notify the person under threat/potential threat and/or law enforcement according to Cornerstone Duty to Warn policy.

20. Staff members who are employed at Cornerstone must continually improve their professional skills, review and evaluate work practices, participating in in-services/training opportunities, seeking and obtaining continuing education at the pace prescribed by Cornerstone
21. Staff members shall never retaliate against any other staff member or resident of Cornerstone
22. Cornerstone does not conduct personal fundraising and prohibits personal fundraising in the workplace. Fund raising should never be done on behalf of Cornerstone
23. Cornerstone is prohibited from utilizing any of the personal property of persons served. Cornerstone staff should never take a personal item of person's served from the home, doing so could result in criminal charges.
24. Cornerstone should not utilize cell phones for personal reasons during work hours. Cell phones can be used during break times and for emergency reasons. For additional information please see the E-Policies.

PROCEDURE:

A. Ethical Practice Agreement

1. All new employees are given a copy of the CCP and policies related.
2. All new employees are asked to sign an Attestation Form which is filed in the employee's personnel file. Annually, at the time of an employee's performance review, the employee will review Cornerstone Code of Ethical Practices/CCP.

B. All staff are encouraged to contact a manager with any questions or for any clarification of the plan.

C-Administrative Ethics

Purpose: To identify the core values of the company and implement these values throughout the administrative team to ensure that company operations are inspired by leaders who have the company's values in mind.

This policy is applicable to:

All administrative members and managers.

Procedure:

1. Act with integrity, including being honest and candid while still maintaining a professional work and business climate.
2. Observe, fully, applicable governmental laws, rules and regulations.

3. Comply with the requirements of applicable accounting and auditing standards and company policies in the maintenance of a high standard of accuracy and completeness in the company's financial records.
4. Conduct oneself with professionalism, representing Cornerstone professionally inside as well as outside of the work environment.
5. Ensure that all contracting agency rules and regulations are followed and as a corporate administrator, doing such at all times to set a standard for all company employees.
6. Maintain professional boundaries with all AFC home residents as well as with all subordinate staff members.
7. Maintain leadership through setting an example that represents the organizations Mission, Vision and Values.

Healthy boundaries Include:

- A. Clearly established limits that allow for safe connections between you and clients and/or staff.
Examples might include:
 - i. Do not share personal information with persons served.
 - ii. Do not take persons served to personal residence.
 - iii. Do not share personal history with persons served.
 - iv. Do not engage in sexually inappropriate relationships with residents.
 - v. Disclose if there is a pre-existing relationship with person's served that may cause a conflict of interest.
 - B. Being friendly but not friends with clients or staff.
 - C. Knowing when the client or staff relationship begins and where boundaries exist.
 - D. A clear understanding of the limits and responsibilities as a corporate administrator.
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8. Corporate Administrators must not manipulate, mislead or misrepresent the company to an auditor.
 9. Administrators should comply with all labor laws and refrain from any favoritism or discrimination of subordinates.
 10. Never engage in retaliation or harassment.
 11. Adhere to all of the organizations plans, policies and procedures.

In the event that there is a breach in the code of ethics from either the direct care giving body, management body and/or administrative body the following must occur:

The organization will perform a risk assessment/sentinel event using a root-cause format. During this root cause format, the organization will do a thorough investigation of all facts pertaining to the alleged breach of ethics. The organizations department heads will be responsible for completing the root-cause analysis. Once the investigation is completed, the CEO and CCO will review the findings within the root-cause report. At this time, appropriate disciplinary action will be decided by the CEO. The disciplinary action will be documented within the individual's personnel file. Timely disciplinary action is key to maintaining quality services, the CEO is committed to timely responses to alleged ethics violations.

In the event that the CEO or COO is suspected of wrongdoing the administrative team will vote on actions that are reasonable and lawful regarding disciplinary action. If the CEO is suspected of wrongdoing, the administrative team will have decided if an outside entity should be utilized.

Transparency

Transparency is simply the unhindered honesty to which Cornerstone strives to collectively operate as an administration and staff body.

Cornerstone staff should lack hidden agendas or conditions which may cause them to lack honesty or hinder appropriate communication regarding an incident, action or lack thereof. Cornerstone feels it essential for the free and open exchange regarding rules and regulations behind regulatory measures which are required in the industry.

Cornerstone requires through the Transparency Policy the full, accurate and timely disclosures (within 24 hours) of information. Due to the vulnerability of the population serviced, any involvement which is questionable should be communicated.

Cornerstone is also committed to the open and honest communication with all regulating bodies. Staff are encouraged to contact the company crisis line at (269)352-8026. Examples of when to contact the crisis line may include but are not limited to: reports of abuse or neglect, reports of violations of dignity and respect, reports of the improper usage of physical management, reports of the improper usage of restraints, reports of violations of resident rights or licensing rules, reports of breaching confidentiality, reports of billing fraud, abuse or waste, reports of theft, reports of breaking company rules and/or policies as well as any significant concerns regarding ethical decisions. In addition, the CCO is available for direct conversations regarding any issues listed above.

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Staff members have the right to be free from retaliation if they have communicated a concern with the administrative team. Cornerstone will investigate concerns and report them to the appropriate governing bodies when necessary. Staff are encouraged to be open and honest with the administration as well as all governing bodies to ensure that the best possible care is given to our mutual residents.

Reviewed By: Amber Hernandez-Bunce, CEO, Interim

A handwritten signature in black ink, consisting of a stylized, flowing line that starts with a small loop and ends with a long, horizontal stroke.