

<b>False Claims Act and Whistleblower Protections</b>					
<i>Date Implemented:</i>	1/28/2009	<i>Date Reviewed/ Revised:</i>	2/23/2022 2/25/2023 3/27/2024 3/26/2025 3/28/2026	<i>Reviewed/ Revised By:</i>	Krissy Gilbreth Steve Roe Taylor Wheeler

**Purpose:**

To satisfy requirements to provide information and education about False Claims Recovery to Oaknoll employees, contractors, and agents pursuant to Section 6032 of the Deficit Reduction Act of 2005 (DRA) which establishes Section 1902(a)(68) of the Social Security Act.

**Policy:**

Oaknoll Retirement Residence (Oaknoll) requires directors, officers, and employees to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. Employees and representatives of Oaknoll must practice honesty and integrity in fulfilling their responsibilities and must comply with all applicable laws and regulations.

Oaknoll is committed to its role in preventing health care fraud and abuse and complying with applicable state and federal law related to health care fraud and abuse. The DRA requires our organization to provide information and education concerning the federal False Claims Act and other laws, including state laws, dealing with fraud, waste, and abuse and whistleblower protections for reporting those issues. This policy provides detailed information on the following:

- The Federal False Claims Act under title 31 of the United States Code, sections 3729 through 3733;
- Administrative remedies for false claims and statements under title 31 of the United States Code, chapter 38;
- Iowa law pertaining to civil or criminal penalties for false claims and statements (Iowa Code 249A and 685 and Iowa Code sections 714.8(10)- 714.14; and
- Whistleblower protections under such laws.

**Procedure:**

1. Oaknoll will disseminate this policy and/or otherwise make detailed information or reference, regarding the federal and state laws, readily available to its employees, contractors, and agents through one or more of the following:
  - a. On the website;
  - b. In the employee handbook;
  - c. On the shared drive;
  - d. In contract language; and/or
  - e. On paper copy upon request.
2. The detailed information includes the following:

## **False Claims Act (FCA) and Whistleblower Protections**

When a person deliberately uses a misrepresentation or other deceitful means to obtain something to which he or she is not otherwise entitled, that person has committed fraud. The False Claims Act makes it illegal for someone to present false written statements to the Government to improperly obtain more money from the Government than owed by that person or company. Examples of common fraud on the Government include:

- Billing for items or services not actually received;
- Providing medically unnecessary services;
- Creating false documentation to support a bill;
- Using a billing code that provides a higher payment rate than the billing code which reflects the service provided;
- Submitting more than one claim for the same service; or
- Ignoring a known or suspected violation that would lead to a false claim being submitted.

Under the FCA, the person or company accused of fraud does not have to know that the information it provided to the Government was false. It is sufficient that the person or company supplied the information either: (i) in “deliberate ignorance” of the truth or falsity of the information; or (ii) in “reckless disregard” of the truth or falsity of the information. In other words, the FCA is not limited solely to those who intentionally misrepresent facts to obtain payments or other benefits from the Governments; it also covers reckless conduct. The FCA makes no distinction between intentional fraud and reckless fraud; both are illegal. The same penalties may be assessed against the wrongdoer.

The FCA also holds those persons responsible if they “caused” misrepresentations to be made to the Government by others. In other words, a person may violate the FCA even if he or she does not actually submit the false information to the Government, but instead creates or provides false information that is then submitted to the Government by another.

The monetary penalties for violating the FCA are between \$5,500 and \$11,000 per false claim submitted, plus damages amounting to three times what is owed back to the government, plus the costs associated with litigation to recover the lost money.

The FCA is also known as the “Whistleblower” law in the United States. Whistleblowing is generally defined as the disclosure by a person of mismanagement, corruption, illegality, or some other wrongdoing concerning the use of government funds. The FCA permits any person who discovers a fraud on the federal government to report it through the law’s specialized procedures. If the government collects from the fraudulent provider, it permits the whistleblower to share in the proceeds recovered.

Beyond permitting the Whistleblower to receive a portion of recovered funds, the FCA also provides protection to employees who are retaliated against by an employer because of the employee’s participation in Whistleblower actions. This protection is available to any employee who is fired, demoted, threatened, harassed, or otherwise discriminated against due to the investigation and FCA action. The “Whistleblower” protection includes reinstatement and damages of double the amount of lost wages and other damages due to discrimination.

## Preventing and Detecting Fraud, Waste, and Abuse

### PREVENTION

- **Commitment to Organizational Mission and Core Values:** The mission and core values demonstrate the commitment the organization makes to maintain the highest level of professional and ethical standards in delivering exceptional health care services to our customers. Consistent with these organizational commitments, Oaknoll has developed practices in billing preparation and submission to prevent and detect fraud, abuse and waste in programs funded by Medicare and Medicaid and/or other governmental programs.
- **Corporate Compliance Program:** Oaknoll maintains a Corporate Compliance Program that is consistent with federal requirements and guidance issued by the US Department of Health and Human Services Office of Inspector General. This program provides guidance to workforce members, including management, on their responsibilities and to help them determine appropriate conduct in performing their duties. We have established the program and committee within the Board of Directors to oversee and monitor the implementation of the Corporate Compliance Program. All Oaknoll employees, contractors, and agents are obligated to follow the compliance policies and procedures which include a written Standard of Conduct available on our website.
- **Orientation and Training Programs:** Oaknoll department managers are responsible to implement effective orientation and training to promote accurate clinical documentation and maintenance of supportive billing records. Oaknoll must provide proper training and resources to our workforce to promote compliance with applicable federal and state laws, including laws, regulations, and policies. Employees, contractors, and agents are required to seek guidance from a supervisor or the Compliance Office when questions or concerns arise.
- **Policies Prohibiting False or Fraudulent Claims:** Oaknoll prohibits any employee, contractor, or agent from knowingly presenting a claim for payment or approval that is inaccurate, false, fictitious, or fraudulent. Compliance with this standard is an important factor in evaluating the performance of an employee or the ongoing relationship with a contractor or agent. Employees, contractors, or agents who fail to comply with this standard will be subject to additional training and /or the appropriate corrective action.
- **Effective Enforcement Standards:** Oaknoll employees who violate the Corporate Compliance Program policies or other organizational policies may be subject to corrective action and retraining to prevent further recurrence of the violation. In determining the level of corrective action to be taken, management will consider the amount of prior training provided to the employee. It will also depend on the nature, severity and frequency of the violation and may result in any of the permitted corrective actions as provided by law.

### DETECTION

- **Reporting responsibility:** it is the responsibility of all employees, contractors, and agents to report suspected violations of laws or regulations in accordance with this Whistleblower Policy. Individuals who, in good faith, report a possible violation will not be subjected to retaliation. However, employees who make a report they know to be false or misleading will be subject to appropriate corrective actions.

- **No retaliation:** Oaknoll prohibits retaliation and will take no adverse action against persons for making reports in good faith, even if the investigation finds the report is not substantiated. A person who retaliates against someone who has reported a suspected violation in good faith is subject to discipline up to and including termination of employment. This Whistleblower Policy is intended to encourage and enable employees and others to raise serious concerns within the organization prior to seeking resolution outside the organization.
- **Reporting suspected violations:** Oaknoll has an open-door policy and suggests that employees share their questions, concerns, suggestions, or complaints with someone who can address them properly. In most cases, an employee's supervisor is in the best position to address an area of concern. However, if speaking with the employee's supervisor puts the employee in an uncomfortable situation, the employee is encouraged to speak with the Human Resources Director, Administrator, or Executive Director.
- **For suspected fraud,** or for cases in which the employee is not satisfied or is not comfortable with following Oaknoll's open door policy, a report should be made directly to the Oaknoll Compliance Officer. The Compliance Officer has specific and exclusive responsibility to investigate all reports. The Audit Committee Compliance Officer is a Board of Directors member and the Corporate Compliance Officer is an employee. Both are listed below with contact information.
  - Supervisors and managers are required to report suspected violations to Oaknoll's Compliance Officer.
  - If a Compliance Officer is not available, any other member of the Finance & Audit Committee or management team may be contacted.
- **Compliance Officer:** The Compliance Officer is responsible for investigating and resolving all reported complaints and allegations concerning violations and, at his/her discretion, shall advise the Executive Director and/or the Finance & Audit Committee. The Compliance Officer has the authority to delegate investigative responsibility to the appropriate staff member within the organization. The Compliance Officer has direct access to the Finance & Audit Committee and is required to report to the Finance & Audit Committee at least annually on compliance activity.
- **Accounting and Auditing Matters:** The Finance & Audit Committee of the Board of Directors shall address all reported concerns or complaints regarding corporate accounting practices, internal controls, or auditing. The Compliance Officer shall immediately notify the Finance & Audit Committee of any such complaint.
- **Confidentiality:** Suspected violations may be submitted on a confidential basis by the complainant or may be submitted anonymously. Reports of suspected violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.
- **Handling of Reports:** The Compliance Officer will notify the sender and acknowledge receipt of the reported suspected violation within five business days. All reports will be promptly investigated, and appropriate correction action will be taken if warranted by the investigation.

## Corporate Compliance Officer

Taylor Wheeler  
Provisional Administrator  
1 Oaknoll Court  
Iowa City, IA 52246  
Main:319-351-1720  
Direct: 319-466-3014  
[twheeler@oaknoll.com](mailto:twheeler@oaknoll.com)

**Compliance Fax:**

319-466-3023

**Compliance Hotline:**

319-466-3069

**Compliance Email:**

[compliance@oaknoll.com](mailto:compliance@oaknoll.com)

## Finance & Audit Committee

### Compliance Officer:

Jeanette Hall

2407 Mayfield Road

Iowa City, IA 52245

319-430-7607

[Jeannette.Hall@mchsi.com](mailto:Jeannette.Hall@mchsi.com)

## Other Finance & Audit

### Committee Members:

Terry Johnson

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Susan Mims

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## Management Staff:

Steve Roe

Chief Executive Officer

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