



## **NOTICE TO RECIPIENTS OF SERVICES**

**If you are/have been the recipient of services (including Medicaid/Medicare recipients) from the Company, and wish to report a compliance issue, you can do so by:**

- a. Reaching out to the Company's Compliance Officer, Joshua Stein by phone at (718) 435-7200 Ext. 8050, or by email to [jstein@shermanabramslab.com](mailto:jstein@shermanabramslab.com);
- b. Calling the Company's anonymous compliance hotline (which is monitored by the Compliance Officer) at 888-801-2080;
- c. Email the Company's confidential compliance account (which is monitored by the Compliance Officer) at [salcompliance@shermanabramslab.com](mailto:salcompliance@shermanabramslab.com).

## **INTRODUCTION**

Sherman-Abrams Laboratory, Inc. (the "Company") has adopted the following policy and procedures to ensure its operations are entirely compliant with all federal and state laws.

Under 18 NYCRR 521-1.4(a)(2)(ii), the Company, as a New York State Medicaid Program provider, must have written policies and procedures that describe compliance expectations as embodied in standards of conduct ("Standards of Conduct") which describes the Company's fundamental principles and values, and commitment to conduct its business in an ethical manner. All of the Company's Affected Individuals<sup>1</sup> must know, understand and follow the Company's Standards of Conduct, which are an integral component of the Company's Compliance Program, and provide guidance to all Affected Individuals and assists Affected Individuals with carrying out daily activities within appropriate ethical and legal standards.

## **PROCEDURE**

### **I. POLICY STATEMENT**

1. The Company hereby establishes Standards of Conduct, set forth below, which are reflective of the Company's fundamental principles and values, and firm commitment to conduct its business in an ethical and compliant manner. This Policy and the Standards of Conduct apply to all Affected Individuals. However, different groups of Affected Individuals may have different

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<sup>1</sup> "Affected Individuals" is defined to include all affected Company employees, governing body members, executives, and managers, as well as the Company's independent contractors, agents, vendors and other persons or entities associated or affiliated with the Company, to the extent their roles and responsibilities involve the Company's risk areas.

compliance responsibilities:

- a. General Employees. All Company employees will be provided with this Policy and are required to familiarize themselves with the Standards of Conduct at the time of initial hire and are required to acknowledge receipt of the same.
- b. Supervisors and Managers. While all Affected Individuals are equally obligated to follow the Company's Standards of Conduct, the Company's management team (all members of which are also all deemed to be Affected Individuals) is expected to set an example. All Company supervisors and managers are expected to: (1) exercise their responsibilities in a manner that is sensitive, thoughtful and respectful, and create an environment where all Affected Individuals feel free to raise compliance concerns and propose ideas; (2) ensure that their directly-reporting Affected Individuals have sufficient information to comply with laws, regulations and the Company's Compliance Program and Policies. Supervisors and managers must create a culture within the Company that promotes the highest standards of ethics and compliance.
- c. Independent Contractors. Independent contractors will be provided with a copy of this Policy and the Standards of Conduct upon engagement by the Company.

## II. MISSION, VALUES AND COMMITMENTS

1. The Company's *mission* is to provide high-quality laboratory services, in accordance with the highest standards of ethics and compliance.
2. The Company fulfills its mission while firmly adhering to *core values*:

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| <ul style="list-style-type: none"><li>• <b><i>Accountability</i></b>: patients, ordering providers and colleagues are counting on you to perform important work! Do everything in your power not to let them down.</li><li>• <b><i>Boldness</i></b>: you are empowered to bring about positive outcomes. Do not be afraid to take ownership of your work.</li><li>• <b><i>Collaboration</i></b>: a team is only strong when it is just that – a team. When you work well with your colleagues, you will see better results.</li><li>• <b><i>Passion</i></b>: love what you do! We have the privilege to come to work every day and make lives better.</li><li>• <b><i>Patient Commitment</i></b>: no matter what your position is, you are impacting patient care. Be committed to providing patients with the best possible outcome.</li></ul> | <ul style="list-style-type: none"><li>• <b><i>Diversity and Inclusion</i></b>: as a laboratory committed to serving a diverse patient population, we welcome and value a wide range of employee backgrounds, which helps us be a better organization and understand different viewpoints and perspectives.</li><li>• <b><i>Continuous Improvement</i></b>: never be satisfied. Even when you are performing at a high level, be dedicated to improvement.</li><li>• <b><i>Trust</i></b>: must be constantly earned and re-earned from our patients and ordering providers, and every day represents a fresh opportunity to do so.</li><li>• <b><i>Innovation</i></b>: our industry evolves on a daily basis. Be a creative leader, not a follower.</li><li>• <b><i>Honesty and Integrity</i></b>: our credibility with patients, providers and the community springs from our commitment to honesty and integrity. If our word, business practices or clinical processes cannot be relied on, our credibility likewise suffers.</li></ul> |
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3. The Company's *Commitment to Stakeholders* is as follows:

- a. To patients: the Company is committed to providing the highest quality of care, in a caring and compassionate manner.
- b. To ordering providers: the Company is committed to understanding the unique needs of the ordering providers that the Company services.
- c. To Company personnel: the Company is committed to a work setting where all personnel

feel safe and are treated with fairness, dignity and respect, as well as affording all personnel opportunity to grow, develop professionally, and work in a team environment where all ideas and concerns are given consideration.

- d. To third-party payors: the Company is committed to working with payors, including government payors, in a way that demonstrates the Company's commitment to contractual obligations and reflects the Company's shared concerns for quality services in an efficient, effective and transparent manner.
- e. To regulators: the Company is committed to creating and maintaining an environment in which compliance with applicable rules, laws and regulations is woven into the fabric of the Company. The Company accepts the responsibility to self-govern and monitor adherence to legal requirements.

### **III. STANDARDS OF CONDUCT**

The Company believes that to promote a positive and ethical work environment, all Affected Individuals must, and required to, abide by the following Standards of Conduct reflective of the Company's mission and values:

#### **1. General Standards:**

- a. As a general rule, all Affected Individuals, as applicable, are expected to, and must, conduct themselves in a way that does not cast the Company in a bad light or undermine the Company's reputation as an honest, ethical provider of laboratory services. Affected Individuals should understand that any violation of the Compliance Program, Policies, Standards of Conduct, or applicable laws or regulations will result in the imposition of fair and appropriate discipline, up to and including termination of employment or other engagement with the Company.
- b. All Affected Individuals are expected, and must adhere to all applicable state and federal laws, rules, and regulations, as well as the Company's Compliance Program, Policies, and Standards of Conduct.
- c. IF an Affected Individual is unsure of whether an action constitutes as compliance violation, the Affected Individual should not act until seeking guidance from their supervisor or the Compliance Officer.
- d. Affected Individuals must be entirely ethical, honest and truthful in all dealings, including dealings with government agencies and representatives.

- e. Affected Individuals are expected to, and must cooperate fully with, all inquiries and/or investigations concerning possible compliance issues, and must actively work to correct any improper practices that are identified.
- f. Affected Individuals are expected to, and must, engage in good faith participation with all compliance training and education provided by the Company.
- g. Affected Individuals are prohibited from, must not engage in, any intimidation and retaliation against any Affected Individual or other person for good faith participation in the Compliance Program, including reporting instances of non-compliance or intimidation or retaliation.
- h. Affected Individuals are expected to, and must, follow safe work practices and must comply with all applicable safety standards and health regulations applicable to the operations of a clinical laboratory.
- i. Affected Individuals are expected to, and must, use the Company's assets solely for the Company's benefit and purposes. Personal use of Company assets is strictly prohibited unless disclosed to, and approved by, the appropriate supervisor or manager.
- j. The Company and Affected Individuals, in dealings with any person (including, but not limited to, employees, vendors, patients or ordering providers), shall not discriminate based on race, color, religion, creed, gender, gender identity, gender expression, sexual orientation, age, national origin, citizenship status, ethnicity, pregnancy, childbirth or related medical conditions, marital status, military or veteran status, disability, genetic information, source of payment, or any other protected class under federal or state law.

2. Standards Re: Referrals:

- a. In compliance with federal and state anti-referral laws, the Company does not pay unlawful incentives to any personnel. Any bonuses given to employees will be based on the quality and quantity of work provided to the Company.
- b. The Company does not pay any remuneration, directly or indirectly, to ordering providers in exchange for referrals.
- c. Supplies or equipment provided by the Company to ordering providers shall conform to applicable state and federal standards for doing so. Ordering providers' use of such supplies and equipment shall be limited to services related to the Company's business. Ordering providers may not utilize such equipment or supplies for general use or in connection with a different laboratory's services.

3. Standards Re: Billing and Payment:

- a. All Affected Individuals involved in documenting and billing governmental or commercial payors health care services must ensure that they comply with all applicable laws, regulations, rules, conditions of participation, and interpretive guidance relating to billing.
- b. Claims submitted for payment must be accurate and truthful, reflect only those services which were ordered and provided, and be based on supporting documentation that is in accordance with applicable laws, regulations, and third-party payor requirements. Deliberate or reckless misstatements to the government or other payors, misrepresentations, false bills, and false requests for payment are strictly prohibited by law and Company Policies.
- c. Affected Individuals shall not knowingly submit claims for laboratory services ordered by a provider that has been excluded from participation in the Medicaid or Medicare Programs.

4. Standards Re: Medical Necessity and Quality of Care and Services:

- a. Medical care and services must be based on medical necessity and professionally recognized standards of care.
- b. The Company shall have processes to measure and improve the quality of its care and services and the safety of the individuals served. To the extent possible, the Company's quality assessment and improvement processes shall be coordinated with the Company's Compliance Program.

5. Standards Re: Conflicts of Interest:

- a. All Affected Individuals must be free from any undue influence that conflicts with, or appears to conflict with, their legal duties and responsibilities. Aside from the exception noted below, Affected Individuals may not receive or accept any payment, gift, or anything of value from any person or entity that has, or seeks to have, a business relationship with the Company. However, Affected Individuals may accept gifts of nominal value (less than \$100 during a calendar year), meals, and social invitations, so long as they are consistent with law and good business ethics and practices, and do not obligate the recipient to take, or refrain from taking, any action or decision on the Company's behalf.
- b. Affected Individuals must not have any financial or other personal interest in a transaction between the Company and a vendor, supplier, provider, or customer. Employees must not engage in financial, business, or any other activity which competes with the Company's business, or which, actually or in appearance, interferes with the performance of their job duties. Affected Individuals may not give anything of value, including bribes, kickbacks, or

payoffs, to any government representative, fiscal intermediary, carrier, contractor, vendor, or any person in a position to benefit the Company in any way. If an Affected Individual has a question about whether a relationship violates this subsection, the Affected Individual must contact the Compliance Officer for guidance.

- c. Affected Individuals must not engage in unfair competition or deceptive trade practices that misrepresent the Company's services or operations.

6. Standards Re: Credentialing:

- a. Prior to engaging their services, prospective Affected Individuals shall be checked, as appropriate, for professional licensure and certification in accordance with both the Company's policies and procedures, and applicable laws and regulations.
- b. The Company shall regularly screen ordering providers and will not accept business from any providers excluded from participation in the Medicaid or Medicare Program.

7. Standards Re: Confidentiality:

- a. Affected Individuals must hold information concerning the patients they serve and the Company's employees in the strictest of confidence. Such information shall not be disclosed to anyone unless authorized by the individual or their representative, or unless permitted or required by law. This includes, without limitation, disclosure of patient health information on any form of social media.
- b. Affected Individuals must maintain the confidentiality of the Company's business information, including financial information, incidents, lawsuits and legal proceedings, pending or contemplated business transactions, trade secrets, and information relating to the Company's vendors, suppliers, providers, and customers.
- c. All Affected Individuals who use the Company's information systems, including computers, laptops, servers, printers, software, and cell phones, assume the responsibility for using these resources in an appropriate manner and in accordance with the Company's policies and procedures. All HIPAA and Privacy Rule obligations apply to all Company personnel at all times. The Company's *Policy Re: HIPAA Compliance (Safeguarding PHI)* and *Policy Re: Notice of Privacy Practices and Disclosure of PHI* are incorporated into this Standard of Conduct by reference. All Affected Individuals will be trained on such Policies at the time of hire and at least once per year.

8. Standards Re: Government Audits and Investigations:

- a. If contacted by a government official, Affected Individuals are required to obtain the person's name, title, agency, and contact information. Affected Individuals must immediately inform both their supervisor (as applicable) and the Compliance Officer or designee. While Affected Individuals may voluntarily speak with such officials, Affected Individuals must first contact their supervisor or the Compliance Officer before doing so or providing Company documents. The Compliance Officer will attempt to obtain additional information from the government official to be used in deciding how to respond to the official's request. In no event may any Affected Individual release the Company's documents before speaking to the Compliance Officer and receiving approval to release such documents.
- b. Affected Individuals may not alter, destroy, mutilate, conceal, cover-up, falsify, or make false entries in any record with the intent to impede, obstruct, or influence an audit or investigation of any governmental agency or third party payor.