



Gulf Coast Center

Corporate Compliance Annual Report

Fiscal Year 2022

Submitted by:
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Gulf Coast Center
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Gulf Coast Center’s Corporate Compliance Program, implemented in FY 2002, continues to serve as the foundation for the compliance efforts within the organization. The Compliance Plan and Business Code of Conduct convey the Center’s clear commitment to honest and responsible conduct, and reinforces the expectation of lawful and ethical behavior throughout the organization. This report reflects key components of the Center’s compliance program with corresponding activities of FY 2022, as well as comparison figures from FY 2002 through FY 2022 where indicated. The report also includes a summary of accomplishments from the Federal fiscal year (October 2021 – September 2022) as reported by the Office of Inspector General (OIG) and the Department of Justice (DOJ).

Corporate Compliance Training

Providing education on the procedures, laws and expectations associated with compliance is an essential component of Gulf Coast Center’s overall compliance strategy and is achieved through mandatory compliance training. During FY 2022, training for new hires and existing staff was accomplished utilizing the Corporate Compliance & Rights Protection video developed by the Compliance Officer and General Counsel. Additionally, an accompanying post-test/final exam was developed and implemented in Relias in FY 2022 to help ensure that staff have attained a basic level of competency on the subject matter. The post-test replaced the annual Compliance Survey and, like other Center required trainings in Relias, now affords the opportunity for automated scoring and tracking. One hundred seventy-eight (178) individuals completed the compliance training video during FY 2022. Ninety (90) eligible staff¹ opted to complete the *Corporate Compliance and Rights Protection Exemption Test* with a passing score of 80 percent or better. Confirmation of training/test completion is maintained by both Human Resources and the Compliance Officer.

Compliance Reports / Investigations

The Center’s Compliance Officer investigated two (2) compliance concerns impacting twenty-two (22) individuals during FY 2022. Both incidents were related to unauthorized disclosures; one pertained to staff utilizing outside email accounts to transmit client information, the other was related to information being released to the incorrect person.

The following table denotes the number and type of reported compliance concerns investigated by the Compliance Officer since the initiation of the compliance program in FY 2002.

¹ 1) have been employed with the Center at least 5 years (60 months); 2) have not been the subject of a compliance investigation; and 3) have not caused a payback of greater than \$50.

(Numbers in parenthesis represent incidents resulting in a refund. For example: 2 (1) reads 2 investigations, 1 of which resulted in a refund. Similarly, the *Medicaid Refund* column denotes in parenthesis the number of incidents responsible for the refund for that fiscal year).

FY	Confidentiality	Billing/ Documentation	Credentials	Fraud Allegations Unconf. / Conf.		Contract/ Other	TOTAL	Medicaid Refund
2002	0	2 (1)	2 (1)	0		2	6	\$9,821.31 (2)
2003	1	3 (1)	3 (1)	0		1	8	\$3,654.20 (2)
2004	11	2 (1)	0	3 (1)	1 (1)	0	17	\$15,437.36 (3)
2005	14	2	0		1 (1)	0	17	\$17,699.55 (1)
2006	8	3 (1)	0	1 (1)		0	12	\$12,471.46 (2)
2007	11	3 (2)	0	0		0	14	\$14,994.83 (2)
2008	5	0	0		2	0	7	(0)
2009	5	2	0		3 (3)	0	10	\$27,672.28 (3)
2010	4	0	0	3 (3)	1 (1)	0	8	\$22,168.46 (4)
2011	7	0	0	0		1	8	(0)
2012	22	2 (1)	0	1		1	26	\$46.76 (1)
2013	18	1	0		1 (1)	2	22	\$275.22 (1)
2014	22	0	0	0	0	0	22	(0)
2015	18	2	0	0	0	0	20	(0)
2016	111	1	0	0	0	0	112	\$2,585.28 (1)
2017	25	0	0	0	0	0	25	(0)
2018	18	0	0	0	0	0	18	(0)
2019	16	0	0	1	0	0	17	(0)
2020	4	0	0	0	0	0	4	(0)
2021	14	0	0	0	0	0	14	(0)
2022	2	0	0	0	0	0	2	(0)
Total	336	23	5	9	9	7	389	\$126,826.71 (22)

Corporate Compliance Committee

The Corporate Compliance Committee meets regularly and continues to advise and assist the Compliance Officer with monitoring the compliance program and ensuring that the Center’s compliance efforts are both effective and responsive to the needs of the organization. The committee convened quarterly during FY 2022 with meetings on September 21, 2021; December 16, 2021; March 15, 2022; and June 21, 2022.

Committee membership remained fairly constant, with only Chief Information Officer Reggie Brumfield leaving the committee when he exited the Center in March 2022.

Membership during FY 2022 included the following individuals and is reflective of the major service areas:

- Amy McMahon, Director of Behavioral Health Services, Brazoria County
- Casey Duty, Manager of Utilization Services
- Cindy Kegg, Corporate Compliance Officer
- Jerry Freshour, Director of Crisis & Community Outreach
- Mary Mallini, Director of Reimbursement Services
- Melissa Hollman, Contract Manager/QM Supervisor
- Reggie Brumfield, Chief Information Officer
- Sandy Patterson, Director of Behavioral Health Services, Galveston County
- Timothy Ornelas, IDD Crisis Intervention Specialist

In addition to addressing and responding to any specific concerns identified during the quarterly meetings, the committee routinely reviews the following:

- Compliance reports and incidents
- Compliance investigations
- Business Code of Conduct Violations
- Overpayments / refunds / fee collection
- Audit findings
- Quality Management activities
- Drug and alcohol testing
- Licensure / website verifications / exclusion lists / background check issues
- HITECH Breach Notification issues
- The Compliance Plan, Compliance Procedures and Business Code of Conduct
- Risk and Compliance Annual Assessment
- MIS Security Risk Assessment

Fiscal Audit

The Center's annual Financial and Compliance Audit for the year ending August 31, 2022, was completed by Eide Bailley in January 2023. Per Chief Financial Officer Rick Elizondo, there were no Federal or State compliance findings. The audit was reviewed and approved by the Center's Board of Trustees at the January 25, 2023 Board Meeting.

Compliance – A Federal Perspective

On December 5, 2022, the Health and Human Services Office of Inspector General posted the OIG's Semi-Annual Report to Congress covering April 1, 2022 – September 30, 2022. The report highlighted the achievements of the 2022 Federal fiscal year (October 1, 2021 through September 30, 2022) and included the below accomplishments:

- nearly \$4 billion in expected recoveries resulting from HHS-OIG audits and investigations;
- 710 criminal enforcement actions against individuals or entities that engaged in crimes that affected HHS programs;
- exclusion of 2,332 individuals and entities; and
- civil actions against 736 individuals or entities which include false claims and unjust-enrichment lawsuits filed in Federal district court, civil monetary penalty settlements, and administrative recoveries related to provider self-disclosure matters.

On February 7, 2023, a press release from the *Office of Public Affairs* reported that the Department of Justice recovered over \$2 billion in settlements and judgments from civil cases involving fraud and false claims against the government in the fiscal year ending Sept. 30, 2022. According to the release, recoveries since 1986, when Congress substantially strengthened the civil False Claims Act, now total more than \$72 billion. Accomplishments highlighted in the DOJ report include:

- Of the \$2.2 billion in settlements and judgments, over \$1.7 billion involved the health care industry, including drug and medical device manufacturers, durable medical equipment, home health and managed care providers, hospitals, pharmacies, hospice organizations, and physicians.
- Recoveries reflected new enforcement priorities, including fraud in pandemic relief programs and alleged violations of cybersecurity requirements in government contracts and grants.
- The government and whistleblowers were a party to 351 settlements and judgments, the second-highest number of settlements and judgments in a single year.
- Whistleblowers filed 652 qui tam² suits with settlements and judgments exceeding \$1.9 billion. The government paid out over \$488 million to those who exposed fraud and false claims by filing these actions. The number of lawsuits has grown significantly since 1986, with an average of more than 12 new cases every week during fiscal year 2022.

Conclusion

Gulf Coast Center recognizes the importance of an effective compliance program and understands that all healthcare providers are expected to establish and maintain a compliance strategy that reduces the organization's risk of improper, unethical or unlawful conduct. The Center's Compliance Plan and Business Code of Conduct, now in place over twenty years, continues to serve as the cornerstone of the Center's compliance program and demonstrates the agency's well established commitment to honest and responsible corporate conduct. The Compliance Officer, Compliance Committee, General Counsel and Executive Leadership/Management will continue to work collaboratively to ensure that the Center's commitment to ethical and compliant conduct remains both a high priority and a clear expectation within the organization.

² *Qui tam* provisions of the False Claims Act allow private citizens to file suits alleging false claims on behalf of the government. If the United States prevails in the action, the whistleblower, known as a relator, receives up to 30 percent of the recovery.