

## Copper Country Mental Health Services Corporate Compliance Plan 2026

### PURPOSE

This Compliance Plan documents Copper Country Mental Health Services' (hereinafter referred to as "CCMHS" or "Agency") approach to ensuring that federal and state regulatory and contractual obligations related to compliance of the Mental Health Authority and Member CMHSP are fulfilled. This plan addresses CCMHS' regulatory compliance obligations as a Mental Health Authority and as a "Member CMHSP" of the NorthCare Network. As a "member CMHSP," CCMHS holds a contract with the NorthCare Network to provide Medicaid specialty mental health and substance use disorder supports and services to enrollees and to perform various delegated managed care functions consistent with NorthCare's Delegation Agreement and Policy.

The Compliance Program is designed to further CCMHS' commitment to comply with applicable laws, promote quality performance throughout the Agency, and maintain a working environment for all employees, board members, volunteers, students, and interns (hereinafter referred to as "personnel") that promotes honesty, integrity, and high ethical standards. The Compliance Program is an integral part of CCMHS' mission, and all personnel and contract providers are expected to follow the compliance program. CCMHS' compliance plan is comprised of the following principal elements:

1. The development and distribution of written standards of conduct as well as written policies and procedures that promote CCMHS' commitment to compliance; and address specific areas such as potential fraud, waste and abuse;
2. The designation of a Corporate Compliance Officer (CCO) and the Corporate Compliance Committee, charged with the responsibility and authority of operating and monitoring the compliance program;
3. The development and implementation of regular, effective education and training programs for all personnel and contract providers;
4. The development of effective lines of communication between the CCO and all employees and contract providers, including a reporting system to receive complaints and the adoption of procedures to protect the anonymity of complainants and to protect callers from retaliation;
5. The use of audits and ongoing monitoring to assist in the reduction of identified problem areas, including fraud, waste, and abuse, within delivered services, claims processing and managed care functions delegated by the NorthCare Network (the Pre-Paid Inpatient Health Plan) in striving for continual improvement on compliance activities;
6. The development of disciplinary mechanisms to consistently enforce standards

and the development of policies addressing dealings with sanctioned and other specific individuals; and

7. The development of policies to respond to detected offenses, including potential fraud, waste, and abuse, to initiate corrective action to prevent similar offenses, and to report to NorthCare Network and/or Government the same business day as the Agency is aware of any real or potential claims regarding fraud, waste and abuse.

CCMHS is committed to:

- Minimizing organizational risk and improving compliance with the service provision, documentation, and billing requirements of Medicaid and other payers;
- Complying with State and Federal laws and their applicable regulations, including, but not limited to, those outlined in NorthCare's and CCMHS' Regulatory Standards Policy;
- Maintaining adequate internal controls;
- Encouraging the highest level of ethical and legal behavior from all personnel and network providers;
- Educating or ensuring the education of personnel, contract providers, board members, and other stakeholders on their responsibilities and obligations to comply with applicable local, state, and federal laws;
- Providing oversight and monitoring functions.

The CCMHS Compliance Plan is subject to the following conditions:

- CCMHS reserves the right to change, modify, or amend the Compliance Plan and/or the compliance policies as deemed necessary without notice.
- CCMHS will attempt to communicate changes to or modification of the Compliance Plan prior to or concurrent with the implementation of such changes or modification.
- The Compliance Plan and related policies are not intended to and shall not be deemed or construed to provide any rights, contractual or otherwise, to any personnel, network providers, or to any third parties.

## **APPLICATION OF COMPLIANCE PLAN**

CCMHS directly delivers and contracts for services for adults and children with mental illness, intellectual/developmental disabilities, and co-occurring mental health and substance use disorders, within the four counties of Baraga, Houghton, Keweenaw, and Ontonagon. This Plan addresses CCMHS as the Mental Health Authority whose primary function is to provide Michigan Mental Health Specialty Supports and Services covered

by Medicaid, Healthy Michigan, the MI Health Link Demonstration Project, and relevant I Waivers to eligible individuals in the four-county area.

It is the intent of CCMHS that the scope of all its compliance policies and procedures promote integrity, support objectivity and foster trust throughout the service region. This Plan applies to all CCMHS operational activities and administrative actions and includes those activities that come within federal and state regulations relating to Mental Health Authorities. All CCMHS personnel, as well as those acting on the Agency's behalf regardless of employment or contractual relationship, are subject to the requirements of this plan as a condition of employment. All CCMHS personnel are required to fulfill their duties in accordance with CCMHS' Compliance Plan, Human Resource and Operational policies, and to promote and protect the integrity of CCMHS. Failure to do so will result in discipline, up to and including termination of employment, depending on the seriousness of the offense. Disciplinary action may also be taken against a supervisory employee who directs or approves an employee's improper conduct; is aware of or should have known of improper conduct and does not act appropriately to correct it; or who fails to exercise appropriate supervision over an employee.

This Plan applies to all providers receiving Medicaid or other payment from CCMHS. All providers, including their officers, employees, servants, volunteers, interns, and agents, are subject to the requirements of this Plan as applicable to them and as stated within the applicable contracts. All providers that provide services directly or indirectly to consumers of CCMHS are expected to follow principles that promote ethical service delivery and business practices and to comply with federal and state fraud, waste, and abuse standards. All providers are required to comply with all applicable federal, state, and local laws. Failure to do so will result in remediation efforts and/or contract action, if needed. CCMHS has the responsibility of regulating, overseeing, and monitoring and supporting business processes conducted throughout its service area as they relate to requirements outlined in associated contracts. The CCMHS Compliance Plan, standards, and policies included or referenced herein are not exhaustive or all inclusive. CCMHS will monitor compliance efforts of contract providers during annual site reviews, at minimum.

## DEFINITIONS AND TERMS

**Abuse:** means provider practices that are inconsistent with sound fiscal, business, or clinical practices, and result in an unnecessary cost to the Medicaid program, or in reimbursement for services that are not medically necessary or that fail to meet professionally recognized standards of care. It also includes beneficiary practices that result in unnecessary costs to the Medicaid program. (42 CFR § 455.2)

**Compliance Investigation:** the observation or study of suspected fraud, abuse, waste, or reported violations of applicable laws and regulations for all Medicaid covered services by close examination and systematic inquiry.

**Contract Providers:** providers with which CCMHS directly holds a contract to provide authorized mental health and substance use disorder services.

**Fraud (Federal False Claims Act):** means an intentional deception or misrepresentation made by a person with the knowledge that the deception could result in an unauthorized benefit to him/her or another person. It includes any act that constitutes fraud under applicable Federal or State law including, but not limited to, the Federal False Claims Act and the Michigan False Claims Act. (42 CFR § 455.2)

**Fraud (MI Medicaid False Claims Act):** Michigan law permits a finding of Medicaid fraud based upon “constructive knowledge.” This means that if the course of conduct reflects a systematic or persistent tendency to cause “inaccuracies” then it may be fraud, rather than simply a good faith error or mistake. (Public Act 421 of 2008, effective 1/6/2009)

**Waste:** means over-utilization of services, or other practices that result in unnecessary costs. Generally, not considered caused by criminally negligent actions but rather the misuse of resources.

## SECTION I - CODE OF ETHICS

A vital component of the Compliance Program is the Code of Ethics which sets basic principles that all CCMHS personnel and contract providers must follow.

CCMHS' Board of Directors and management establishes and encourages throughout its region a culture that promotes prevention, detection, and resolution of instances of misconduct that conforms to applicable laws and regulations. CCMHS will assist contract providers in adopting practices that promote compliance with Medicaid waste, fraud, and abuse program requirements. The CCMHS Compliance Plan and Program will be enforced consistently.

CCMHS distributes the written Code of Ethics, as well as applicable policies and procedures to all personnel and contract providers at the time of hire/contract. These standards of conduct demonstrate CCMHS' commitment to ethical practices and system wide emphasis on compliance with all applicable laws and regulations. CCMHS relevant policies and Code of Ethics can also be accessed in the Provider Network Manual available on our website at: [www.cccmh.org](http://www.cccmh.org).

CCMHS will conduct criminal record checks on potential CCMHS personnel and shall avoid placing untrustworthy or unreliable employees in key positions. Ongoing checks will also be conducted in accordance with CCMHS policy. CCMHS Board of Directors, and management will use due care not to delegate substantial discretionary authority to individuals whom they know, or should have known through due diligence, have a propensity to engage in illegal activities.

Should any CCMHS personnel or contract provider have any questions or uncertainties regarding compliance with applicable state or federal law, or any aspect of the Compliance Plan, including related policies or procedures, they should seek immediate clarification from the Corporate Compliance Officer.

CCMHS may not have relationships with an individual or entity that is excluded from participating in Federal health care programs. CCMHS and contract providers will

comply with federal regulations to obtain, maintain, disclose, and furnish required information about ownership, control interests, business transactions and criminal convictions as specified in applicable laws, regulations, contracts, and policy/procedure.

## **SECTION II - COMPLIANCE OFFICER AND COMPLIANCE OVERSIGHT**

The overall responsibility for operation and oversight of the Compliance Plan belongs to the Board; however, the day-to-day responsibility for operation and oversight of the Compliance Plan rests with the Executive Director and Corporate Compliance Officer.

The Executive Director designates a Compliance Officer (CCO), who is given sufficient authority to fulfill operational responsibility of the Compliance Program. To fulfill such responsibility, the CCO shall be given adequate resources, including direct access to the governing authority or an appropriate subgroup of the governing authority, the Executive Director, all other senior management, and legal counsel. The CCO has authority to provide unfiltered, in-person reports to the Board of Directors at his or her discretion. The authority given the CCO will include the ability to review all CCMHS and contract provider's Medicaid, Healthy Michigan, Dual Eligible and Block Grant documents and other information relevant to compliance activities, including, but not limited to, consumer records, billing records, employee records and contracts and obligations of CCMHS. In the event the CCO is conducting a compliance investigation relative to the Executive Director, the Executive Director cannot terminate the CCO's employment without approval of the Board of Directors.

CCMHS shall maintain a Corporate Compliance Committee that will advise the CCO and assist with the implementation, operation, and evaluation of the Compliance Program. The Risk Management Committee, previously paneled to assist in advising the CCO on matters of risk, has been dissolved because many areas reported on were redundant. However, the financial risk elements will continue to be tracked and reported to the Executive Director and CCO. The Corporate Compliance Committee and the CCO's charge is to ensure compliance with applicable state and federal laws, including HIPAA and to ensure adequate operation and evaluation of the CCMHS Compliance Program.

## **SECTION III - COMPLIANCE TRAINING AND EDUCATION**

Proper and continuous training and education of CCMHS personnel at all levels is a significant element of an effective compliance program. Therefore, CCMHS will establish a regular training program that covers the provisions of the Code of Ethics and Compliance Program. Training is provided upon hire for new personnel; annual and periodic retraining is provided to existing personnel and, as applicable, contract providers and other stakeholders.

Initial and annual training will be assigned and completed for CCMHS's personnel using CCMHS's Learning Management System (LMS). CCMHS personnel will be scheduled to receive compliance training at orientation or within thirty (30) days of employment/appointment. Tailored training may be required for employees involved in specific areas of risk and the CCO, or designee, will coordinate and schedule as

needed. Training may be supplemented with newsletters, e-mails, and in-services. Records will be maintained on all formal training and educational activities.

Training is considered a condition of employment and failure to comply will result in disciplinary action.

**Initial training:** the Human Resources Department and supervisors shall ensure the scheduling and documentation of initial trainings for all CCMHS personnel regarding CCMHS' Compliance Plan. Subsequent Compliance training will occur annually.

**Continuing Education:** The CCO shall review and circulate periodic updates to the Corporate Compliance Committee regarding any health care fraud issues as received from the Office of Inspector General (OIG), Centers for Medicare and Medicaid (CMS), Michigan Department of Health and Human Services (MDHHS), and other updated compliance materials.

Contract providers are expected to provide the following minimum compliance training, at orientation and as needed, to all staff and agents working on their behalf:

- Overview of the organization's Compliance Program and Policies, including, but not limited to:
  - Code of Ethics
  - Reporting Requirements and Procedures
  - Organization's policies/procedures relating to prevention of fraud, waste, and abuse; and
  - Organization's policies and procedures relating to whistleblower provisions and non-retaliation protections.
- Deficit Reduction Act including, but not limited to:
  - Federal False Claims Act;
  - MI State False Claims Act;
  - Whistleblowers Act
- The NorthCare Network and CCMHS reserve the right to review and approve all compliance related training materials used by contract providers covering the elements noted above.

The Corporate Compliance Officer shall ensure current mandates are instituted in both initial and refresher education/training that will assist in fulfilling job responsibilities by utilizing the approved training and methods provided by Northcare Network. Continued compliance training will be documented. These training sessions are obligatory, personnel initiated, or instituted upon request of the supervisor. Failure to participate in mandatory training session(s) will result in disciplinary action, up to, and including termination of employment as deemed appropriate by the Executive Director, or designee. The CCO and members of the Corporate Compliance Committee will be available to all personnel to answer questions regarding modifications of governmental guidelines.

It is the responsibility of CCMHS personnel to maintain job specific certifications and/or licensing requirements, proficiencies, and competencies set forth by the State of Michigan, licensing body and job descriptions.

Upon employment/appointment, all CCMHS personnel will be provided an orientation to the Compliance Program and the Code of Ethics and Corporate Compliance Policy will be included in the orientation materials that is given to all employees. Written copies of the annual Compliance Plan and other related Compliance policies will be furnished upon request. All employees will have access to all CCMHS policies via the policies link that is on every desktop and can be found here: P:\Policies.

Modifications to the Compliance Plan are made, as necessary. The updated Plan is posted to CCMHS' website, and yearly, all employees will be emailed of this posting after revisions have been approved by the CCMHS Compliance Committee and accepted by the Board.

A copy of all Compliance Program documents (Corporate Compliance Plan, Code of Ethics and Policies) will be kept on file at the CCMHS office. Compliance Program documents can also be accessed on CCMHS' shared network drive, (P: Policies>Policies>Corporate Compliance and Appendix 3 of the Quality Improvement Plan). The Compliance Plan and Code of Ethics are on the website at [www.cccmh.org](http://www.cccmh.org).

## **SECTION IV - COMPLIANCE REPORTING AND ONGOING COMMUNICATION**

All CCMHS personnel and contract providers must be familiar with applicable federal and state laws and regulations as well as CCMHS Policies and Procedures. Any CCMHS personnel that knows, or has reason to believe, that an employee, Board Member, contractor, subcontractor or subcontractor employee is not acting in compliance with, federal, State, or local laws and regulations should report such matters to their supervisor, the Executive Director or the CCO consistent with CCMHS' "Responsibilities for Reporting Non-Compliance Policy".

Personnel who make good faith reports of violations of federal or state law are protected by state and federal whistleblower statutes, as more fully described below.

Under the *Federal False Claims Act* and the *Michigan Medicaid False Claims Act*, personnel who report violations in good faith are entitled to protection from disciplinary actions taken by their employer.

The *Federal False Claims Act*, 31 USC §§3729 through 3731, provides for administrative remedies; encourages enactment of parallel State laws pertaining to civil and criminal penalties for false claims and statements; and provides "whistle-blower" protection for those making good faith reports of statutory violations.

Under the *State False Claims Act*, an employer shall not discharge, demote, suspend, threaten, harass, or otherwise discriminate against an employee in the terms and conditions of employment because the employee initiates, assists with, or participates in a proceeding or court action under this act or because the employee cooperates with or

assists with an investigation under this act. This prohibition does not apply to an employment action against an employee who the court finds: (i) brought a frivolous claim, as defined in section 2591 of the revised judicature act of 1961, 1961PA 236, MCL §600.2591; or, (ii) planned, initiated, or participated in the conduct upon which the action is brought; or, (iii) is convicted of criminal conduct arising from a violation of that act.

An employer who takes action against an employee in violation of the *False Claims Act* is liable to the employee for all of the following:

1. reinstatement to the employee's position without loss of seniority;
2. two times the amount of lost back pay;
3. interest on the back pay;
4. compensation for any special damages; and,
5. any other relief necessary to make the employee whole.

## **SECTION V - COMPLIANCE MONITORING, AUDITING AND RISK EVALUATION**

All CCMHS personnel are responsible for monitoring compliance activities and operations within CCMHS. Any determination of non-compliance must be reported to the CCO who will report to Northcare as per policy. Anonymous reporting via the hotline and web information is disseminated throughout the agency and is also available at [www.cccmh.org](http://www.cccmh.org).

CCMHS believes that a thorough and ongoing evaluation of the various aspects of the Compliance Program is crucial to its success. To evaluate the effectiveness of the Plan, CCMHS will employ a variety of monitoring and auditing techniques, including but not limited to:

1. Questionnaires developed to poll personnel and contract providers regarding compliance matters;
2. Audits designed and performed by internal and/or external auditors;
3. Exit interviews with departing personnel;
4. Reviews of Program Integrity with the Data Analyst and Associate Director;
5. Consultations with Northcare's Compliance Officer on process improvement

Information obtained through monitoring and auditing efforts will be retained in written form and provided to the CCMHS Corporate Compliance Committee and/or CCMHS Board in full or aggregate.

The Corporate Compliance Committee will evaluate, no less than annually, the effectiveness of the Compliance Program. Compliance issue topics identified from monitoring and auditing will be presented to the CCMHS Board of Directors at least annually in complete and/or summary format.

Contract providers are encouraged to perform auditing and monitoring functions involving Medicaid, Healthy Michigan, MI Health Link, and Block Grant covered services through their own compliance program efforts. The CCO will review the compliance

plans of each contracted entity, at least yearly, for adhering with CCMHS and Northcare's Compliance policies and procedures.

The CCO, Corporate Compliance Committee, and as appropriate, other CCMHS Committees/Personnel will take actions to ensure the following:

- Access to and familiarity with the latest HHS OIG compliance guidelines and current enforcement priorities; and
- Assessment of the baseline risk of any significant issues regarding noncompliance with laws or regulations in accordance with this Plan and Compliance Policies.

## **SECTION VI - ENFORCEMENT and DISCIPLINE**

Corrective action is used as a means of facilitating the overall goal of the CCMHS Compliance Plan which is full compliance. Corrective action plans should assist CCMHS personnel and contract providers to understand specific issues and reduce the likelihood of future noncompliance. Corrective action sufficient to address the instance of noncompliance should reflect the severity of the noncompliance. The Corrective Action Plan for personnel may include discipline up to and including discharge; for contract providers, it may provide contract revisions or termination. The Corrective Action Plan will be approved and monitored by the Corporate Compliance Committee.

Basis for Corrective Action: Monitoring and auditing, and results of investigations may form the basis for imposing corrective action.

Elements of a Network Provider Corrective Action Plan: As appropriate given the nature of the noncompliance, a corrective action plan submitted to CCMHS for approval shall include:

- A description of how the issue(s) identified was immediately corrected OR the reason the issue(s) cannot be immediately corrected (i.e., the consumer has been discharged).
- A description of the steps put, or to be put into place to prevent the issue(s), or a similar issue(s), from occurring again (i.e., staff training, process redesign, etc.)
- A description of the quality assurance program put into place for monitoring purposes to ensure the corrective action plan is effective and/or similar issues do not occur.
- Action items are to include position or group responsible for implementation of corrective action and target date for completion.

## **SECTION VII – RESPONSE and PREVENTION**

CCMHS personnel and contract providers are expected to respond to suspected misconduct or wrongdoing in a timely manner. Each report of suspected misconduct or wrongdoing reported to CCMHS will be reported to Northcare the same business day CCMHS learns of a credible or suspected violation has occurred. An investigation will commence any time a potential violation is identified. CCMHS' Corporate Compliance Officer will cooperate with, and assist as necessary, any Northcare directed

# CCMHS Corporate Compliance Plan

2026

investigation. While an investigation is the first step, CCMHS will also take necessary steps immediately to stop or modify the procedures that are the alleged source of wrongdoing.

Compliance investigations will be conducted by Northcare. CCMHS will comply with the outcome of any investigation and will modify or make changes to policies and procedures as necessary to be in compliance with all federal, state and local laws as well as best Compliance practices.

**We approve and commit to the implementation of this 2026 Corporate Compliance Plan.**

\_\_\_\_\_/\_\_\_\_\_  
Crispin Stone Date  
Corporate Compliance Officer

\_\_\_\_\_/\_\_\_\_\_  
Mike Bach Date  
Executive Director

\_\_\_\_\_/\_\_\_\_\_  
Leslie Griffith Date  
Associate Director

\_\_\_\_\_/\_\_\_\_\_  
Susan Serafini Date  
Finance Director

\_\_\_\_\_/\_\_\_\_\_  
Dawn Gibson Date  
Human Resources Director