



To: All Employees, Contractors and Agents of MERT Enterprises, Inc.
From: Mary Rush, Executive Director
Re: Deficit Reduction Act of 2005

Dear Employee, Contractor, Agent:

Under the Deficit Reduction Act of 2005, MERT Enterprises, Inc., is required to provide information to all employees, contractors and agents regarding (1) the False Claims Act (FCA), (2) Whistleblower protections (3) Penalties for submitting false claims, (4) Policies and procedures for detecting and preventing fraud, waste, and abuse, (5) The telephone number and contact information for reporting fraud, waste, and abuse.

We have enclosed a copy of the Notice Pursuant to the Deficit Reduction Act of 2005 (Notice), and have also posted the Notice and the 2005 Deficit Reduction Act (DRA) Section 6032 Compliance Policy (Policy) on the internet at www.mertenterprises.org.

If you have any questions or concerns regarding the Notice or the Policy, or any compliance issue, please contact Scott Lynskey in Human Resources at (207)942-4585. Thank you for your time and attention.

Sincerely,

A handwritten signature in blue ink that reads "Mary E. Rush". The signature is written in a cursive, flowing style.

Mary E. Rush
Executive Director



Notice

Pursuant to Deficit Reduction Act of 2005

PURPOSE: The purpose of this Policy is to inform and educate the Covered Entity's employees, contractors, and agents about the Covered Entity's commitment to its compliance of the requirements of the False Claims Acts, including applicable administrative, civil, and criminal penalties and protections provided under the laws for those who report suspected fraud, waste, and abuse.

MERT Enterprises, Inc. strives to comply with all state and federal laws and regulations prohibiting the submission of false claims to the state or federal government to obtain payment for healthcare services. To assist in that effort, MERT Enterprises, Inc. requires that its employees, contractors, and agents also comply with those laws. Contractors and agents include those who (a) furnish or authorize the furnishing of Medicaid healthcare items or services on behalf of MERT Enterprises, Inc., (b) perform billing or coding functions on behalf of MERT Enterprises, Inc., or (c) are involved in monitoring the healthcare provided by MERT Enterprises, Inc.

MERT Enterprises, Inc. mandates compliance with federal and state laws including: (1) the False Claims Act (FCA), (2) Whistleblower protections (3) Penalties for submitting false claims, (4) Policies and procedures for detecting and preventing fraud, waste, and abuse, (5) The telephone number and contact information for reporting fraud, waste, and abuse.

MERT Enterprises, Inc. has also established a policy for compliance with the provisions of Section 6032 of the Deficit Reduction Act. MERT Enterprises, Inc. expects that employees, contractors, and agents will comply with all state and federal laws, regulations, and guidance in performing their duties, including the Federal and State False Claims Acts and that all employees will recognize that they are subject to criminal and civil penalties and disciplinary action for the failure to comply with the Compliance Program and with federal and state laws.

MERT Enterprises, Inc. will not take retaliatory action against any individual who in good faith reports conduct which violates federal or state laws. Protections afforded those employees and contractors who aid the government by investigating and reporting fraud, waste, or abuse are addressed in the False Claims Act Policy.

MERT Enterprises, Inc. requires that its employees, contractors, and agents familiarize themselves with DRA Section 6032 Policy, and the Employee policies as applicable, and follow those policies to facilitate compliance with the above laws, principles, and standards. DRA Section 6032 Policy is available to employees, contractors, and agents on MERT Enterprises, Inc.'s website at www.mertenterprises.org.

Employees, contractors, and agents who suspect noncompliance with any of the above laws shall contact Scott Lynskey by calling (207)942-4585 or emailing him at scott.lynskey@mertenterprises.org.

The Whistleblower Policy can be found in your Employee Handbook. Refer to Section 3.16.

Received By:

FALSE CLAIMS ACT POLICIES

False Claims Act Policies

MERT Enterprises, Inc. is required by law to establish certain policies and provide employees, contractors, and agents with information, regarding: (1) the Federal False Claims Act, (2) an employee's right to be protected as a whistleblower, (3) Penalties for submitting false claims, (4) MERT Enterprises, Inc.'s policies and procedures for detecting and preventing fraud, waste, and abuse, and (5) The telephone number and contact information for reporting fraud, waste, and abuse.

Policies and Procedures for Detecting and Preventing Fraud, Waste, and Abuse

MERT Enterprises, Inc. is committed to fully comply with all laws and regulations that apply to health care. Our Policy and Procedures, training and education, auditing and monitoring, and opportunities for individuals to raise issues and concerns without fear or retaliation are examples of our continued commitment to ethical behavior.

Whether you are an employee, volunteer, contractor, vendor, or other business associate with MERT Enterprises, Inc., you are reminded to:

- Exercise good faith and honesty in all dealings and transactions.
- Observe all laws and regulations that govern what we do, including requirements of Medicare, Medicaid, and other Federal Healthcare programs.
- Provide accurate and truthful information in all transactions.
- Contact one of the following resources available within MERT Enterprises, Inc. if you have any knowledge or concern regarding a potential false claim:
 1. Speak with your supervisor or another manager.
 2. If the manager is not available, or you are not comfortable speaking with him/her, or you believe the matter has not been adequately resolved, contact Scott Lynskey in HR at (207)942-4585 or scott.lynskey@mertenterprises.org

MERT Enterprises, Inc.'s policy strictly prohibits retaliation, in any form, against any individual making a report, complaint, or inquiry in good faith. Retaliation is subject to discipline, up to and including dismissal from employment or termination of the business relationship with MERT Enterprises, Inc.

Federal False Claims Act

What is the Federal False Claims Act?

The Federal False Claims Act (31 USC § 3729-33) helps the Federal Government combat fraud and recover losses resulting from fraud in Federal programs, such as Medicare and Medicaid. Violations of the False Claims Act can include "knowingly": (1) submitting a false claim for payment, (2) making or suing a false record or statement to obtain payment for a false claim, (3) conspiring to make a false claim or get one paid, or (4) making or using a false record to avoid payments owed to the U.S. Government. "Knowingly" means that a person: (1) has actual knowledge that the information is false; (2) acts in deliberate ignorance of the truth or falsity of the information; or (3) acts in reckless disregard of the truth or falsity of the information.

Examples of potential false claims include:

- Billing for services that were not provided.
- Billing for services that were provided but were not medically necessary.
- Submitting inaccurate or misleading claims about the type of services provided.
- Making false statements to obtain payment for products or services.

The False Claims Act contains provisions that allow individuals with original information concerning fraud involving government programs to file a lawsuit on behalf of the government. If the lawsuit is successful, the individual may be eligible to receive a portion of the recoveries received by the government.

Penalties for violating the Federal False Claims Act are significant. Financial penalties for submitting a false claim can total as much as three times the amount of the claim, plus fines of \$5,500-\$11,000 per claim.

Rights of Employees to be Protected as Whistleblowers under the False Claims Act

The Federal False Claims Act protects employees from retaliation if they, in good faith, report fraud. Employees are protected against retaliation such as being fired, demoted, threatened, or harassed because of filing a False Claims Act lawsuit. A team member who suffers retaliation can sue, and may receive up to twice their back pay, plus interest, reinstatement at the seniority level they would have had if not for the retaliation, and compensation for their costs or damages.

Please contact Scott Lynskey if you have any questions regarding the False Claims Act. Thank you for your ongoing commitment to ethical behavior.

Whistleblower's Protection Act



Protection of Employees Who Report or Refuse to Commit Illegal Acts



This poster describes some important parts of the law. A copy of the actual law or formal interpretations may be obtained from the Department of Labor, Bureau of Labor Standards by calling (207) 623-7900. (The laws are also on the Bureau's web site.)

Maine Law (Title 26 M.R.S.A. § 839) requires every employer to place this poster in the workplace where workers can easily see it.

This poster is provided at no cost by the Maine Department of Labor and may be copied.

It is illegal for your boss to fire you, threaten you, retaliate against you or treat you differently because:

1. You reported a violation of the law;
2. You are a healthcare worker and you reported a medical error;
3. You reported something that risks someone's health or safety;
4. You have refused to do something that will endanger your life or someone else's life and you have asked your employer to correct it; or
5. You have been involved in an investigation or hearing held by the government.

You are protected by this law ONLY if:

1. You tell your boss about the problem and allow a reasonable time for it to be corrected; or
2. You have good reason to believe that your boss will not correct the problem.

To report a violation, unsafe condition or practice or an illegal act in your workplace, contact:

(This information should be filled in by the employer)

(Name)

(Title)

(Location or Phone)

For more information or to file a complaint under this law, contact:

The Maine Human Rights Commission
51 State House Station
Augusta, Maine 04333
Tel: (207) 624-6290
TTY users call Maine Relay 711
www.Maine.gov/mhrc

The following agencies may provide useful information on workplace safety and labor laws:

U.S. Department of Labor
Wage and Hour Division
P.O. Box 554
Portland, Maine 04112
Tel: (207) 780-3344
www.dol.gov

U.S. Department of Labor/OSHA
40 Western Avenue
Augusta, Maine 04330
Tel: (207) 626-9160
www.osha.gov

Maine Department of Labor
Bureau of Labor Standards
45 State House Station
Augusta, Maine 04333-0045
207-623-7900
TTY users call Maine Relay 711.
Web site: www.maine.gov/labor/bis
Email: mdol@maine.gov