

Mississippi

Compliance Program: Code of Conduct

This is a supplement to Kindred's Employee Handbook for employees who work in Mississippi. As stated in our Employee Handbook, the federal False Claims Act and similar state laws assist the federal and state governments in combating fraud and recovering losses resulting from fraud in government programs, purchases and/or contracts. These laws are some of the most important laws that govern our business. The Mississippi Medicaid Fraud Control Act (the "MMFCA") imposes liability on persons or companies that make, present or cause to be made or presented a claim for Medicaid benefits, knowing the claim to be false, fictitious or fraudulent. These laws apply to Medicaid reimbursement and prohibit, among other things:

- Billing Mississippi's Medicaid program for services that are not provided to a Medicaid recipient;
- Misrepresenting the diagnosis and symptoms on a Medicaid recipient's records and billing invoices in order to obtain payment for unnecessary services;
- Billing both Medicaid and a private insurance carrier (or the Medicaid recipient) for the same medical service or procedure;
- Knowingly using a document that contains materially false or fraudulent information to obtain reimbursement from Medicaid; and
- Concealing a material fact in order to secure reimbursement from Medicaid.

Civil and Criminal Penalties for False Claims or Statements

Under the MMFCA, a person who is convicted of violating this law commits a crime punishable by a fine of up to \$50,000 and imprisonment for a period up to five years. In addition, a health care provider or vendor committing any act or omission in violation of the MMFCA is directly liable to the state and must pay to the state a civil penalty equal to the full amount received, plus an additional civil penalty equal to triple the full amount received.

Civil Lawsuits

Currently, unlike the Federal False Claims Act, Mississippi law allows civil lawsuits to recover monetary damages to be filed only by the state government and not by private citizens or employees. There is no provision for a private citizen to share a percentage of any monetary recoveries.

No Retaliation

Similar to Federal law and Kindred policy, Mississippi law prohibits state employers from retaliating, discriminating or harassing state employees who report a violation of state law in sworn testimony or in an affidavit. Mississippi law does not contain similar protections for non-governmental employees. Nevertheless, Kindred expects employees to adhere to Federal law and to Kindred's policy prohibiting retaliation.

Any employee who engages in or condones any form of retaliation against another employee because that employee either (1) reported a potential violation of Kindred's Code of Conduct or regulatory violation, or (2) refused to violate Kindred's Code of Conduct or a government law or regulation, will be subject to disciplinary action up to and including separation of employment. See Kindred's Concern Resolution Procedure in the Employee Handbook for information on reporting concerns.

Copies of Mississippi Law

The Mississippi laws summarized above include: (1) Mississippi Medicaid Fraud Control Act, Miss. Code Ann. §§ 43-13-213 et seq., and (2) Mississippi Protection of Public Employees Act (whistleblowers protection), Miss. Code Ann. §§ 25-9-171, et seq. If you have questions about any of these requirements, you may contact Kindred's Compliance Hotline at 1-800-359-7412. This summary and others are also posted on Kindred's external web site, www.kindredhealthcare.com, and Kindred's intranet site (KNECT) under the Compliance home page.