

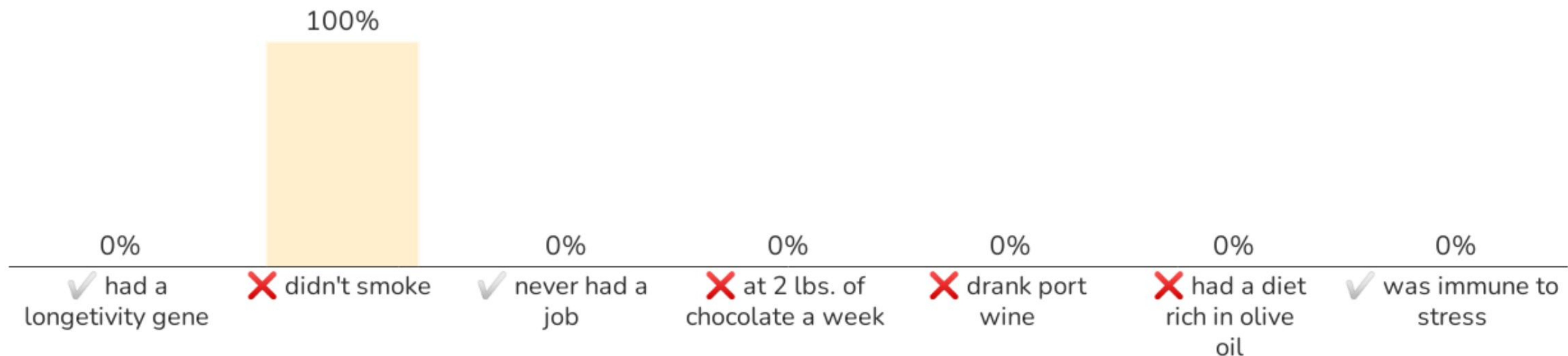
Compliance and Ethics in Senior Living Keynote

Presented by Presbyterian Senior Living and Cozen O'Connor

What age was Jeananne Louise Calment when she passed away in her hometown of Arles, France?



Gerontologists have suggested Mrs. Calment lived such a long life because she



At 90, Mrs. Calment agreed to a life annuity with a 45 yr. old lawyer of \$500 a month to own her house after her death. At 77, the lawyer died before her. In all, the contingency agreement paid Mrs. Calment over \$190,000. What was the value of her house when the lawyer's family took possession?

0%

 \$190K

0%

 \$95K

0%

 \$60K

0%

 \$380K

According to the 2020 Census, how many people in the USA are over 65?

0%

✓ 55.8M

0%

✗ 65.8M

0%

✗ 70.8M

0%

✗ 75.8M

What state has the highest % of residents above the age of 65?

0%

✓ Maine

0%

✗ Florida

0%

✗ Utah

0%


✗ Pennnsylvania

0%

✗ Texas

Leaderboard

1 players


1	 Rohan Mohanty	0p +0
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Maintaining Nonprofit Status




In Pennsylvania, what is the HUP test used to determine for organizations seeking purely public charity status?


0

 It assesses the organization's marketing efforts and public outreach.


0

 It evaluates the financial viability of the organization.

0

 It examines whether it operates entirely free from private profit...

0

 It reviews the organization's board of directors and their...

HUP Test

- Advances a charitable purpose;
- Donates or renders gratuitously a substantial portion of its services;
- benefits a substantial and indefinite class of persons;
- relieves the government of some of its burden; and
- operates entirely free from private profit motive.

CareMart recently approved measure to increase executive compensation by 25% to recruit talent to its rural location. Is there an issue?

0
✓ No.


0
✗ Yes.


CareMart recently reported that it raised executive compensation by 25% after its acquisition of five senior care facilities through the state. Is that an issue?

0
✓ No.

0
✗ Yes.

CareMart recently reported it raised executive compensation by 25% after it experienced three straight years of increases in funding. Is there an issue?

0
 No.

0
 Yes.

Acceptance of Medicare and Medicaid is all that is required for senior care facilities to maintain 501(c)(3) status.

0


 True

0

 False

Leaderboard

1 players

1	 Rohan Mohanty	0p +0
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Unrelated Business Income



CareMart sells ads in its program for its annual gala. Is this income taxable?

0
✓ Yes.

0
✗ No.

CareMart derives revenue from charging for parking in a lot adjacent to its facility. Is this income taxable?

0
✓ Yes.

0
✗ No.


CareMart sells branded water, t-shirts, and picture frames at a shop in its lobby. Is this income taxable?

0
✓ Yes.

0
✗ No.

Leaderboard

1 players

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Bond Financing



Current Enforcement and Compliance - False Claims Act




The False Claims Act establishes liability when a person or entity improperly receives from or avoids payment to the Federal Government. When was the FCA enacted?

0%

 1540

0%

 1863

0%

 1944

0%

 1986

Lincoln and Reagan used the FCA to combat massive fraud by defense contractors. In 2022, the DOJ Civil Div. reported \$2.2B in settlement and judgements. What %, where related to the health care industry, including senior care?

0%

 25%/\$550M

0%

 50%/\$1.1B

0%


 77%/\$1.7B

0%


 87%/1.9B

In 2021, FCA settlement and judgments totaled \$5.7B, how much went to the relator a/k/a whistleblower share awards?

0%

 \$715M

0%

 \$574M

0%

 \$488M

0%

 \$263M

A continued care retirement community's submits skilled nursing unit submits Medicaid claims for reimbursement but did not disclose employees lacked proper licenses. Violation of the FCA?



Universal Health Serv., Inc. v. United States ex rel. Escobar Inc. 136 S.Ct. 1989(2016)

SCOTUS held that a claim to be actionable under the FCA "[a] misrepresentation about compliance with a statutory, regulatory, or contractual requirement(s) must be **material** to the Government's payment decisions." However, "[a] misrepresentation cannot be deemed material merely because the Government designates compliance with a particular statutory, regulatory, or contractual requirement as a condition to payment."

CCRC bills Medicaid for monthly physical therapy services for \$2M. CCRC realizes 25% of monthly PT billing are not being supervised as required by the contract. CCRC informs Government of issue and labor shortages with PT. Government continues to pay 100% of bills for PT. Violation of FCA?




Escobar "Materiality" Standard


1. Whether the Gov. has **expressly indentified compliance** with a specific statutory, regulatory, or contractual requirement as a **condition of payment**
2. Whether the Gov. generally refuses to pay claims that fail to meet the specific statutory, regulatory or contractual requirement
3. Whether the Gov. has continued to pay claims despite actual knowledge of noncompliance w/ requirement
4. Whether the alleged noncompliance is considered minor or insignificant, or if it goes to the "**very essence of the bargain.**"


If the CCRC billing scenario isn't "material" under the FCA, does the Gov. have any legal claims?



Hospital billed federal health care programs for nuerosurgeries which surgeons were paid based on a productivity metric which created financial incentives to perform more complex surgeries. Violation of FCA?

0%
 Yes

0%
 No


0%
 Maybe


Senior Care Rx hosts a medical symposium on its new anti-aging drug "Ponce de Leon" and attendees receive speaker honoraria, speaker training fees, consulting fees and meals to that attended. Violation of FCA?


0%
✓ Yes

0%
✓ No

Medical Imaging R Us, LLC offers to perform offers to perform x-rays at a discount to a physician's practice that can then bill for the x-ray on its own. MIR'Us offers discount on x-rays to get more referrals for higher priced services such as MIRs. Any concerns?

0%
 Yes

0%
 No

0%
 Maybe

Which country has the highest % of population over age 65?

0%



✗ Japan

0%



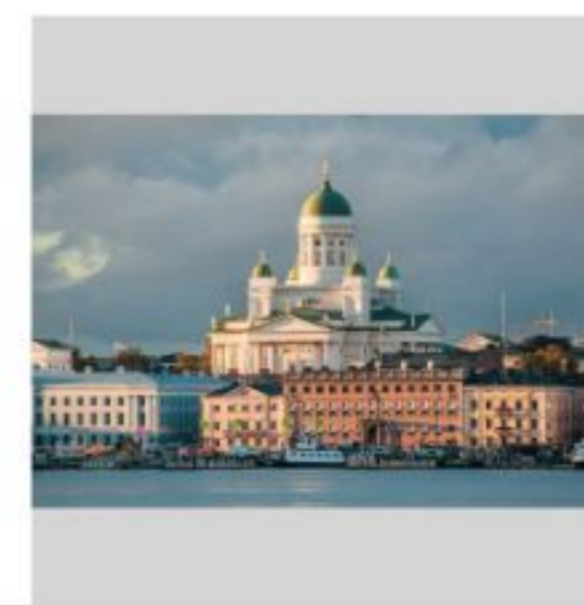
✓ Monaco

0%



✗ Italy

0%



✗ Finland

0%



✗ Bulgaria

Lancaster, PA was the National Capital of the United States?

0%

✓ True

0%

✗ False

Lancaster, PA was the capital of the Commonwealth of Pennsylvania?

0%


✓ True

0%


✗ False


Leaderboard

1 players

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Home health agency (HHA) operator makes a donation to a senior living community which is a 501 (c)(3) where many residents use HHA services. Is this a legal concern?

0%
 Yes

0%
 No

HHA operator makes a donation to a charity, Yoga with Goats. The yogi/ED is the husband of the CEO of the HHA's largest client which is 501 (c)(3) senior living provider. Is this okay?

0%
✓ Yes

0%
✗ No

0%
✓ Maybe


HHA makes a donation to 501 (c)(3) senior living provider each time a resident uses HHA for services, Any issue?


0%
✓ Yes


0%
✗ No

0%
✗ Maybe


HHA has an ongoing business relationship with 501 (c)(3) senior living provider. HHA gives SLP suite tickets for the Pittsburgh Steelers v. Philadelphia Eagles game. Is this a concern for the HHA?


0%
 Yes


0%
 No

0%
 It Depends

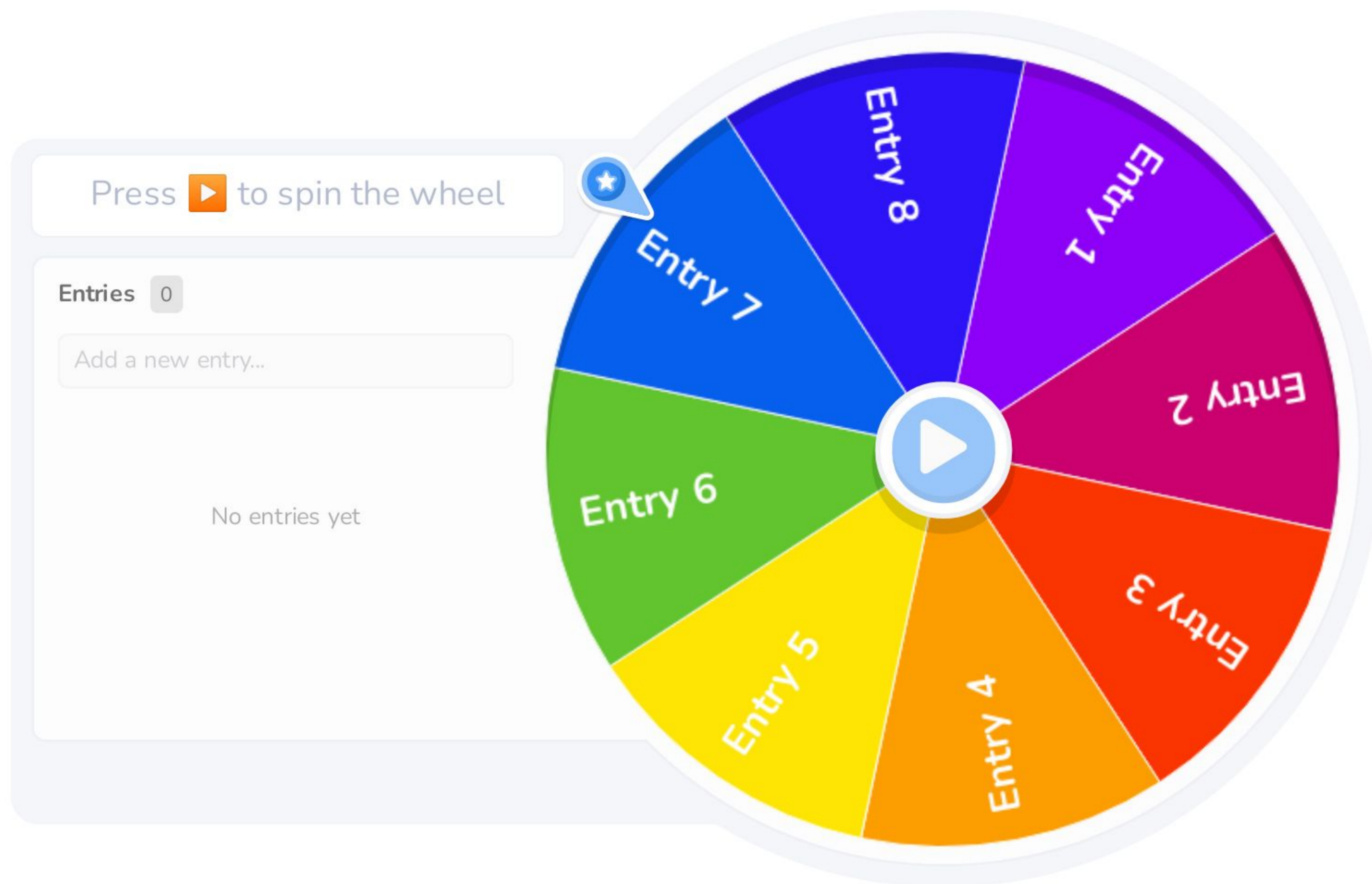
Is accepting the football tickets an issue for the senior living provider's employees?

0%
 Yes

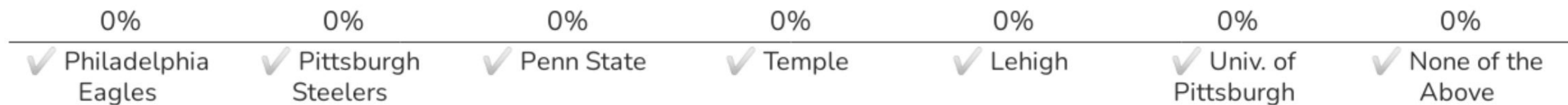
0%
 No

0%
 Possibly

Who will answer the next question?



Which team do you consider to be the best football team in Pennsylvania?




Happy Holidays to Our Team at Senior Living Corp.! Enclosed is a \$100 gift certificate for your dedicated work and service throughout this past year. What's the issue?

0%

 Merry Christmas! No issue

0%

 Bah Humbug! It's taxable income.

0%

 The Grinch! It's cash equivalent

Happy New Year to Our Team at Snr. Living Corp. Please enjoy this fruitcake and champagne. Can we eat and drink?!

0%

✓ Yes. Love fruitcake but no bubbly

0%

✗ Resolute no. Hate fruitcake

0%

✗ Cheers! Yes to all!

Congratulations on 20 years of dedicated service to Leading Age! For your achievement, we are giving you 20 tickets in a fully catered suite to Ohio State v. Penn State football game. Any concerns?

0%

✓ Yes.

0%


✗ No. As long as it was approved by HR

0%

✗ It depends whether Leading Age has an anti-gift policy

Leaderboard

1 players

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What are the duties of a Board Member for a 501 (c)(3)?

0%

✓ Duty of Care

0%

✓ Duty of Loyalty

0%

✓ Duty of Obedience

0%

✗ Duty of Confidentiality

0%

✗ Fiduciary Duty

0%


✗ Duty of Charitable Purpose

Housing for Heros promises all charitable donations will be used for senior housing for veterans and for VA medical treatment. What's the issue?

0%

 operational test


0%

 organizational test

0%

 deceptive solicitation

0%

 private inurement

Presidential Inaugural Committee, a NPO, paid a related hotel to host events related to the Inauguration. What's the issue?



Pain Free Patriots provides \$2M to insider-owned businesses that provide pain-treatment centers. What are the issues?

0%

✓ No issue

0%

✓ Breach of
Fiduciary Duty

0%

✓ Conflict of
Interest

0%


✓ Related Party
Transaction

Star of Hope is the sole beneficiary of Robert Indiana's estate. A lawyer appointed as personal representative to the estate engages in \$10M litigation re: unauthorized use of Indiana's art. What's the issue?


0%

 Fiduciary Duty


0%

 Charitable Purpose

0%

 No issue.
Appropriate use

0%

 Reasonable
Compensation

