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| <br><b>COMPLIANCE</b><br><b>POLICY AND PRACTICE MANUAL</b> | Policy Number: C04                   | Page No: 1 of 2     |
|   | Effective Date: October 1, 2004      | Associated Form No: |
| <b>Subject: Non-Retaliation and Non-Retribution for Reporting Compliance Concerns</b>   | Date Last Revision: January 11, 2012 |                     |
| <b>Approval:</b>  |                                      |                     |

**Purpose:**

To establish a non-retaliation policy to protect employees who, in good faith<sup>1</sup>, report known or suspected instances of inappropriate business conduct or activity.<sup>2</sup>

**Policy:**

Supervisors, managers, or employees are not permitted to engage in retaliation, retribution, or any form of harassment directed against any employee who, in good faith, reports a compliance concern.

**Practice:**

1. Employees have the responsibility to report, in good faith, concerns about actual or potential wrongdoing. Both direct and anonymous reporting mechanisms are available to all ResCare employees to assist in meeting this responsibility. (See *Compliance Policy C02 – Reporting Compliance Issues/Compliance Action Line*).
2. ResCare is committed to a policy that requires timely disclosure of such concerns and prohibits any action directed against an employee, manager or staff member for making a good faith report of a concern.
3. Any manager, supervisor or employee who engages in retribution, retaliation or harassment against a reporting employee is subject to corrective action up to and including dismissal on first offense. (See *HR Policy 7.1 – Standards of Conduct*)
4. All instances of retaliation, retribution or harassment against reporting employees should be brought to the attention of a Compliance Officer who will refer to the appropriate Business Line/Resource Center Management personnel and the appropriate Human Resource Director for investigation and determination of corrective action. The Compliance Department and the Legal Department may also conduct investigations in these matters.
5. Prompt and forthright disclosure of an error by an employee when discovered, even if the error constitutes inappropriate or inadequate performance, will be considered a positive constructive action by the employee.
6. If an employee reports a concern regarding his or her own inappropriate or inadequate

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1 Good faith is defined as the individual reasonably believes or perceives the information reported to be true.

2 Non-retaliation expectations also exist in ResCare’s Code of Conduct, ResCare’s Action Line Policy and ResCare’s Fraud Prevention Policy.

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actions, reporting those concerns may not exempt him or her from the consequences of those actions

7. In the event the investigation reveals or uncovers what appears to be criminal activity, local, state and/or Federal agencies will be notified as appropriate.
8. Any person using the Compliance Action Line to purposely report false information or to attempt to settle personal grievances by making false reports will be subject to corrective action in accordance with ResCare’s Progressive Disciplinary Action Policy. (See *HR Policy 7.3*)

**Employee Rights and Protections Pursuant To Federal and State False Claims Acts:**

In addition to ResCare’s requirement to report all concerns of wrongdoing to management without fear of retaliation or retribution, employees have additional rights and protections under various federal and state laws.

Under Federal and State False Claims Acts, employees have the rights and protections outlined below.

**Rights:**

An employee has the right to lawfully file a “whistle blower” or qui tam law suit against other individuals or entities which make false claims for financial payment or reimbursement from the federal government or a state government. In most cases, an employee has the further right to participate in the investigation of such law suits, testify in such law suits or otherwise participate in the prosecution of such law suits.

**Protections:**

An employee engaging in above described protected activities may not be subjected to retaliation through an adverse employment action or subjected to any other form of discrimination.

Examples of adverse employment actions include, but are not limited to: discharge from employment, demotion, suspension and harassment. An employer who engages in any form of retaliatory action is required to make the employee whole. This may include reinstatement, possible payment of up to two (2) times the amount of back pay owed plus interest, compensation for any special damages, possibly punitive damages, and attorney fees and costs.

To be entitled to these protections, an employee’s actions must be lawful. Both the Federal and some State False Claims Acts provide for sanctions against anyone who files a whistleblower suit that is found to be frivolous, vexatious or filed primarily for the purposes of harassment.