



<b>Title:</b> Corrective Action and Performance Improvement Plans	
<b>Review date(s):</b> February 20, 2024	<b>Approved by:</b> Jennifer Cathy, President, and CEO; Mary LaDuca, COO and Compliance Officer
<b>Revised date(s):</b> October 22, 2025	<b>Policy Owner:</b> Human Resources Generalist
<b>Approved Date:</b> October 24, 2025	<b>Original Effective Date:</b> January 2023

#### **PURPOSE:**

To outline action plans and disciplinary standards to implement when affected individuals fail to comply with the organization's expectations, policies, procedures, Code of Conduct and Ethics, the Compliance Plan and applicable State and Federal laws, rules, or regulations.

#### **DEFINITIONS:**

**Affected individuals** - All persons who are affected by Delphi Rise's risk areas including its employees, chief executive officer, other senior administrators, volunteers, interns, managers, contractors, agents, subcontractors, independent contractors, governing body and corporate officers.

**Risk Areas:** Areas of operation affected by the compliance program of Delphi Rise, including: (1) billings; (2) payments; (3) ordered services; (4) medical necessity; (5) quality of care; (6) governance; (7) mandatory reporting; (8) credentialing; (9) contractor, subcontractor, agent or independent contract oversight; (10) other risk areas that are or should reasonably be identified by Delphi Rise through its organizational experience including provider eligibility, record keeping and document retention, conflicts of interest, privacy and confidentiality.

#### **POLICY:**

This policy and procedure are applicable to all affected individuals of Delphi Rise. Affected individuals are expected to adhere to the agency's policies, procedures, practices, Compliance Plan, Code of Conduct and Ethics and applicable State and Federal laws, rules, and regulations. Failure to do so is subject to corrective action. Corrective action is a formal disciplinary measure to address a violation/misconduct, whereas performance improvement plans are intended to improve underperformance.

New York is an "at-will" state. Therefore, Delphi Rise reserves the right to terminate employment at any point, with or without cause, provided that the action is not predicated on prohibited discrimination, retaliation or intimidation. Delphi Rise enforces its disciplinary standards fairly and consistently, as the same level should apply to all levels of personnel. Disciplinary actions are escalated in response to subsequent non-compliance. The following outlines the typical progression steps for administering corrective action when infractions occur. Corrective action for an initial act of unacceptable behavior does not automatically result in the lowest step. Intentional or reckless behavior is subject to more significant sanctions, such as termination, even if no prior disciplinary action had been administered.

Delphi Rise reserves the right to issue corrective action at the step it deems appropriate based upon the severity of the violation, up to and including immediate termination of employment or association. Based on the type of misconduct committed, an affected individual may also be referred to the appropriate Federal or State authority by Delphi Rise.

#### **PROCEDURE:**



## I. EMPLOYEES AND VOLUNTEERS

1. Supervisors are expected to address ongoing performance concerns, misconduct, and non-compliance with policies, procedures, laws, rules, and regulations with their employees/volunteers. Determination of whether to initiate a Performance Improvement Plan or to issue corrective action is made by the employee/volunteer's manager in consultation with Human Resources. When corrective action is warranted, HR and the Manager will ensure the appropriate level is issued.
  - If the issue relates to a violation of the Compliance Program, the Compliance Officer will also be consulted to ensure the level is fair based on both the severity of the misconduct and past disciplines issued for the same type of violation.
2. Depending on the circumstance, a Performance Improvement Plan ("PIP") may be more appropriate rather than issuing a corrective action. A PIP is generally intended for an employee/volunteer's pattern of underperformance and/or not meeting quality standards. For example, this may be appropriate when an individual does not meet deliverables despite expectations and training previously provided.
  - The PIP will provide structure and guidance, outlining in writing what the individual should focus on improving. Goals, expected outcomes, and potential consequences will be stated in the PIP. The supervisor will define, in writing, a follow-up period to assess whether the person successfully improved performance, which is generally within 90 days of initiating the PIP. The supervisor will routinely check-in with the employee/volunteer to assess progress and provide any necessary additional support prior to conclusion of the PIP.
  - All expectations in the PIP will be reviewed and documented with the employee/volunteer at the conclusion of the PIP. A determination of continued employment/affiliation status will be made by the individual's management team, HR, and the CEO.
3. When corrective action is warranted, it is documented on the corrective action form and reviewed by the supervisor with the employee/volunteer. After review, the form is filed in the individual's personnel file in HR. For the CEO, the Board Chair is responsible for issuing any necessary disciplinary action.
4. Corrective action must take place promptly and generally is to occur within 10 business days after concluding that the corrective action is warranted, unless there are extenuating circumstances such as being out on leave. In these circumstances, the disciplinary action is to occur within 10 business days of return to work.
4. The following are levels of corrective action:
  - a) **Verbal Warning:** This is generally intended for a minor, initial concern. This level of corrective action will consist of a verbal conversation between the supervisor and employee/volunteer, followed by the completion of the Corrective Action Form.
  - b) **Written Warning:** This is generally intended for a subsequent violation following a verbal warning or is an issue of moderate risk/severity. Information is documented on the corrective action form and reviewed by supervisor with the employee/volunteer.
  - c) **Final Written Warning (Optional)**  
May be issued at the discretion of HR and leadership when an employee/volunteer has made some progress but not enough, or where leadership determines one additional opportunity is appropriate. Serves as notice that any further violation will result in termination.  
Supervisor and employee/volunteer review and sign the Corrective Action Form.
  - d) **Suspension (Discretionary, with or without pay):** HR and leadership may impose suspension with pay (during an investigation) or without pay (as a disciplinary action) depending on the circumstances. This is generally intended for issues or concerns that have persisted following a



Written Warning or the severity of the misconduct warrants this level, such as disregarding safeguards or directives in policies. Information is documented in the corrective action form and reviewed by supervisor and employee/volunteer.

- c) **Termination:** This is generally for an initial, egregious act of misconduct that was willful, reckless and/or of significant risk, or a progressive consequence to subsequent violation(s) previously addressed with the employee/volunteer. Termination decisions are made in consultation with HR, legal, and senior management of the employee/volunteer. Examples of possible grounds for immediate termination include, but are not limited to committing fraud, abuse of a client, or theft of Delphi Rise's funds or other resources.

## II. BOARD MEMBERS:

- Any violations of laws, rules, regulations, Standards of Conduct and Ethics, the Compliance Plan, and policies and procedures of Delphi Rise by Board Members will be handled in accordance with the Governing Bylaws, up to and including termination of membership on the Board and/or referral to authorities.

## III. CONTRACTORS, AGENTS, SUBCONTRACTORS, INDEPENDENT CONTRACTORS (collectively, "Contractors")

1. Any violations of applicable laws, rules, regulations, Delphi Rise's Standards of Conduct, Compliance Plan, policies, procedures and contract provisions will be handled in accordance with contract terms, up to and including termination of the contract.
2. The Manager responsible for overseeing the contract's performance will promptly inform the appropriate representative of the Contractor of the violation so that the Contractor can address their employee/affected individual in accordance with the Contractor's corrective action policies and procedures.
3. The representative will be asked to respond back to Delphi Rise within 10 business days in writing to confirm that the issue has been addressed.
4. Depending on the circumstances, Delphi Rise may request that a particular individual no longer be assigned to do any contract work associated with Delphi Rise
5. In accordance with contract termination provisions, upon written notification from Delphi Rise, Contractors that constitute affected individuals are subject to termination of the Underlying Service Agreement for failure to adhere to the Compliance Program. At Delphi Rise's discretion, the Contractor may be permitted a cure period to resolve the matter. Thereafter, failure to cure the breach will result in termination of the Underlying Service Agreement(s), which Delphi Rise will state in writing to the Contractor.

## IV. POLICY DISSEMINATION AND TRAINING

1. This Policy and Procedure is to be disseminated to all affected individuals within 30 days of employment or association.
2. Disciplinary standards are also incorporated in compliance training for all affected individuals promptly upon employment/association and annually thereafter. The training emphasizes disciplinary standards related to the Delphi Rise's compliance program and the prevention of fraud, waste and abuse.
3. Contractors that constitute affected individuals will be emailed instructions on how to access a copy of this policy/procedure.
4. Employees and volunteers have access to a copy of this policy and procedure via the internal policy shared W Drive.
5. Board members receive a copy in the Board portal.



6. This policy/procedure is located on the website at: <https://delphirise.org/corporate-compliance-plan/>.

#### V. DOCUMENTATION RETENTION

1. Disciplinary action is considered confidential information and may only be accessible to those authorized within the organization to carry out their work functions. Failure to keep identifiable disciplinary action confidential is considered a violation of this policy and is subject to corrective action.
2. Authorization to access an individual's disciplinary action is limited to:
  - a. Management of the person being issued the discipline as needed to assess the appropriate level and/or issue the corrective action,
  - b. The Compliance Officer to fulfill their job duties and responsibilities,
  - c. Human Resources personnel (for employees/volunteers) as necessary to fulfill their job duties,
  - d. Legal counsel, when necessary, and
  - e. Others deemed necessary by the CEO to complete work responsibilities.
3. Any requests for access to employee/volunteer disciplinary action must be routed to Human Resources to determine if the requestor is authorized to receive the information. Legal counsel will be consulted as needed.
4. Requests for disciplinary action of other affected individuals will be sent to the Compliance Officer and/or legal counsel to determine the appropriate course of action.
5. Employee and Volunteer disciplinary actions will be filed in the individual's personnel file in HR.
6. Board Member corrective action is documented and retained in Delphi Rise Encrypted Board SharePoint file by the Board Secretary.
7. Contractors – The manager overseeing the performance of a contract is responsible for ensuring appropriate action occurs in accordance with the contract's termination provisions. Related documentation is retained in the contract's file in Zoho CLM.
8. Records of corrective action must be retained for a period of not less than 6 years. During or in reasonable anticipation of a legal proceeding, litigation, government investigation, or employment charge or action related records are subject to a 'legal hold'. Delphi Rise must preserve all relevant records for an indeterminate period and suspend routine destruction procedures with respect to any related documents during a legal hold.

#### **MONITORING AND EVALUATION:**

The effectiveness of this policy will be assessed annually by the Compliance Officer and HR Generalist who will look at different sources of information, such as stakeholder feedback/perceptions on fair application of corrective measures, improvements in performance, and reduction of violations.

#### **REVIEW AND REVISION**

This Policy and Procedure will be reviewed (and revised as necessary) at least annually to determine:

- i) If it's been implemented,
- ii) Whether affected individuals are following it,
- iii) Whether it's effective; and,
- iv) Whether any updates are necessary.

#### **REGULATORY REFERENCES:**

- 18 NYCRR § 521-1.3 (b)(1)
- 18 NYCRR § 521-1.3 (c)(3)
- 18 NYCRR § 521-1.4(a)(2)(viii)



18 NYCRR § 521-1.4(a)(3)

18 NYCRR § 521-1.4(f)

U.S. Sentencing Guidelines Chapter 8 Subpart 2 §8B2.1(6)(B)