EXHIBIT B

INTEGRITY AGREEMENT
BETWEEN THE
OFFICE OF INSPECTOR GENERAL
OF THE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
AND
VISIONS UNLIMITED, INC.

I. PREAMBLE

Visions Unlimited, Inc. ("Visions") hereby agrees to enter into this Integrity Agreement ("Agreement") with the Office of Inspector General of the United States Department of Health and Human Services ("OIG") to provide for the establishment of certain integrity measures to ensure compliance by its officers, directors, and employees ("Employees") with the applicable statutes, regulations and written directives of Medicare, Medicaid and all other Federal health care programs (as defined in 42 U.S.C. § 1320a-7b(f)) ("Federal health care program requirements"). Contemporaneously with this Agreement, Visions is entering into a Settlement Agreement with the United States, and this Agreement is incorporated by reference into the Settlement Agreement.

II. TERM OF THE AGREEMENT

The period of compliance obligations assumed by Visions under this Agreement shall be ten (10) years from the effective date of this Agreement, or for the period of time Visions remains obligated by the payment terms of the Settlement Agreement, whichever is shorter, but in any event not less than five years. The effective date of this Agreement shall be the date on which the final signatory executes this Agreement.

Sections VII, VIII, IX, X and XI shall remain in effect until OIG has completed its review of the final annual report and any additional materials submitted by Visions pursuant to OIG's request.

III. INTEGRITY OBLIGATIONS

Within ninety (90) days of the effective date of this Agreement, Visions agrees to implement an Integrity Program (the "Program"), which shall include the following provisions:

A. COMPLIANCE OFFICER AND COMMITTEE

1. *Compliance Officer.* Within 60 days after the effective date of this Agreement, Visions shall appoint an individual to serve as its Compliance Officer. The Compliance Officer shall be responsible for developing and implementing policies, procedures, and practices designed to ensure compliance with the requirements set forth in this Agreement and with applicable Federal health care program requirements. The Compliance Officer shall be a member of senior management of Visions, shall make periodic (at least quarterly) reports regarding compliance matters directly to the Executive Director and/or to the Board of Directors of Visions, and shall be authorized to report on such matters to the Board of Directors at any time. The Compliance Officer shall be responsible for monitoring the day-to-day compliance activities engaged in by Visions as well as for any reporting obligations created under this Agreement.

Any changes in the identity or position description of the Compliance Officer, or any actions or changes that would affect the Compliance Officer's ability to perform the duties necessary to meet the obligations in this Agreement, must be reported to OIG, in writing, within 15 days of such a change.

2. *Compliance Committee.* Within 60 days of the effective date of this Agreement, Visions shall appoint a Compliance Committee. The Compliance Committee shall, at a minimum, include the Compliance Officer and any other members of senior management necessary to meet the requirements of this Agreement (e.g., senior executives of each major department, such as billing, clinical, human resources, audit, and operations). The Compliance Officer shall chair the Compliance Committee and the Committee shall support the Compliance Officer in fulfilling his/her responsibilities (e.g., shall assist in the analysis of the organization's risk areas and shall oversee monitoring of internal and external audits and investigations).

Any changes in the composition of the Compliance Committee, or any actions or changes that would affect the Compliance Committee's ability to perform the duties necessary to meet the obligations in this Agreement, must be reported to OIG, in writing, within 15 days of such a change.

B. POSTING OF NOTICE

Within fifteen (15) days of the effective date of this Agreement, Visions shall post in a prominent place accessible to all patients and employees a notice detailing its commitment to comply with the Federal health care program requirements in the conduct of its health care practice and in seeking reimbursement for services and items furnished to patients of the Federal health care programs. This notice shall identify a means (e.g., telephone number, address, locked suggestion/complaint box, etc.) through which matters of concern can be reported anonymously.

C. WRITTEN POLICIES AND PROCEDURES

Visions shall develop and implement written Policies and Procedures within sixty (60) days of the effective date of this Agreement, which written Policies and Procedures shall address the following:

a. Visions' commitment to adhere to honest and accurate billing practices for submitting reimbursement-related documentation to its funding sources that reimburse Visions with monies from Federal health care programs;

b. The proper submission of reimbursement-related documentation to Visions funding sources, including verification that all claims meet applicable reimbursement standards;

c. The proper documentation of services and reimbursement-related information and the retention of such information in a readily retrievable form;

d. A mechanism for employees and agents to make inquiries regarding compliance with medical practice standards and Federal health care program reimbursement standards without risk of retaliation or other

adverse effect; and

e. Visions' commitment not to hire or engage as contractor any Ineligible Person. For purposes of this Agreement, an "Ineligible Person" shall be any individual or entity who: (i) is currently excluded, debarred or otherwise ineligible to participate in the Federal health care programs; or (ii) has been convicted of a criminal offense related to the provision of health care items or services and has not been reinstated in the Federal health care programs after a period of exclusion, suspension, debarment, or ineligibility.

D. TRAINING AND CERTIFICATION

Within sixty (60) days of the effective date of this Agreement, all Employees shall be trained in the proper applicable reimbursement standards, program policies, and verification and compliance procedures to ensure the propriety and accuracy of claims for services and items furnished to Federal health care program patients. The training shall be designed to ensure that all Employees are aware of all applicable Federal health care program requirements and the consequences (e.g., overpayment demands, restitution, penalties, criminal, civil and administrative liability, exclusion from the Federal health care programs, etc.) both to the individual and Visions that may ensue from any violation of such requirements.

Visions shall arrange for each new employee to participate in such training no later than fifteen (15) days after the person begins to work for Visions. Until the person has received the requisite training, such new employee shall work under the direct supervision of an employee who has received the required training.

This training program shall provide for no less than four (4) hours of training annually for each person.

At a minimum, the training sessions shall cover the following topics:

1. Visions' obligations under this Agreement;

2. All applicable Federal health care program requirements related to reimbursement, and the legal sanctions for improper billing or other

violations of these standards; and

3. The written Policies and Procedures developed pursuant to section III.C, above.

All Employees shall date and sign a certification indicating attendance at the training session and further attesting to an understanding of the provisions in the Policies and Procedures and all applicable Federal health care program requirements addressed in training. These certifications will be maintained by Visions and shall be made available for inspection by OIG or its duly authorized representative(s). At least one copy of the training materials or a detailed description of the topics covered during the training session shall be kept with the certifications.

E. REVIEW PROCEDURES

On at least a semi-annual basis and for the duration of this Agreement, Visions will continue to conduct an internal utilization review and other internal procedures in addition to the utilization reviews provided by Sacramento County and the State of California Department of Mental Health. The purpose of this review is to determine whether the claims it prepares are in compliance with the appropriate billing requirements. This internal review shall be conducted by an appropriately trained person with knowledge of applicable Federal health care program requirements.

At the conclusion of each review, Visions shall prepare a report describing the review's parameters, methodologies and procedures, as well as presenting Visions' findings, conclusions and recommendations; and any corrective actions taken. A copy of this report shall be included in Visions' Annual Reports to OIG.

In the event that the OIG determines that it is necessary to conduct an independent review to determine whether or the extent to which Visions is complying with its obligations under this Agreement, the OIG may, at its sole discretion, conduct its own review to determine whether Visions has complied with any requirement of this Agreement. Visions agrees to pay for the reasonable cost of any such review or engagement by the OIG or any of its designated agents so long as it is initiated

before one year after the final submission (as described in section II) is received by the OIG.

Visions represents that it does not currently submit any claims for reimbursement to any Federal health care program. During the term of this Agreement, Visions shall not submit any claims to Federal health care programs unless and until it has executed a revised Agreement with terms agreed upon by OIG for expanded audits. If Visions intends to submit any claims to any Federal health care program during the term of this Agreement, Visions shall notify OIG at least 60 days prior to the submission of any such claims. After receiving such notification, OIG shall propose an expanded audit provision within 30 days. The expanded audit provision will require Visions to hire an independent third-party reviewer (e.g., a health care billing auditor or a consultant) to annually undertake a review of a statistically valid sample of the claims submitted by Visions and its agents and/or employees to the Federal health care programs. These review(s) shall seek to determine that the claims Visions submitted to the Federal health care programs are for medically necessary and covered services under applicable program guidelines and that the claims are appropriately coded and billed. Visions agrees to undertake this obligation and pay for the reasonable cost of any such review(s).

F. CONFIDENTIAL DISCLOSURE PROGRAM.

Within 90 days after the effective date of this Agreement, Visions shall establish a Confidential Disclosure Program, which must include a mechanism (e.g., a toll-free compliance telephone line, a locked box, etc.) to enable individuals to disclose, to the Compliance Officer or some other person who is not in the disclosing individual's chain of command, any identified issues or questions associated with Visions' policies, practices or procedures with respect to a Federal health care program, believed by the individual to be a potential violation of criminal, civil or administrative law. Visions shall publicize the existence of the confidential disclosure mechanism (e.g., via periodic e-mails to employees or by posting the information in prominent common areas).

The Confidential Disclosure Program shall emphasize a non-retribution, non-retaliation policy, and shall include a reporting mechanism for anonymous, confidential communications. Upon receipt of a disclosure, the Compliance Officer (or designee) shall gather all relevant information from the disclosing individual. The Compliance Officer (or designee) shall make a preliminary, good faith inquiry into the allegations set

forth in every disclosure to ensure that he or she has obtained all of the information necessary to determine whether a further review should be conducted. For any disclosure that is sufficiently specific so that it reasonably: (1) permits a determination of the appropriateness of the alleged improper practice; and (2) provides an opportunity for taking corrective action, Visions shall conduct an internal review of the allegations set forth in such a disclosure and ensure that proper follow-up is conducted.

The Compliance Officer (or his or her designee) shall maintain a confidential disclosure log, which shall include a record and summary of each disclosure received, the status of the respective internal reviews, and any corrective action taken in response to the internal reviews. The confidential disclosure log shall be available to OIG, upon request.

G. INELIGIBLE PERSONS.

1. *Definition.* For purposes of this Agreement, an "Ineligible Person" shall be any individual or entity who: (a) is currently excluded, debarred or otherwise ineligible to participate in the Federal health care programs or in Federal procurement or non-procurement programs; or (b) has been convicted of a criminal offense related to the provision of health care items or services, but has not yet been excluded, debarred or otherwise declared ineligible.

2. *Screening Requirements.* Visions shall not hire or engage as contractors any Ineligible Person. To prevent hiring or contracting with any Ineligible Person, Visions shall screen all prospective employees and prospective contractors prior to engaging their services by: (a) requiring applicants to disclose whether they are Ineligible Persons; and (b) reviewing the General Services Administration's List of Parties Excluded from Federal Programs (available through the Internet at http://epls.arnet.gov) and the HHS/OIG List of Excluded Individuals/Entities (available through the Internet at http://www.hhs.gov/oig) (these lists will hereinafter be referred to as the "Exclusion Lists").

3. *Review and Removal Requirement.* Within 90 days of the effective date of this Agreement, Visions shall review its list of current employees and contractors against the Exclusion Lists. Thereafter, Visions shall review the list semi-annually. In addition, Visions shall require employees and contractors to disclose immediately any debarment, exclusion or other event that makes the employee an Ineligible Person.

If Visions has notice that an employee or contractor has become an Ineligible Person, Visions shall remove such person from responsibility for, or involvement with, Visions' business operations related to the Federal health care programs and shall remove such person from any position for which the person's salary or the items or services rendered, ordered, or prescribed by the person are paid in whole or part, directly or indirectly, by Federal health care programs or otherwise with Federal funds at least until such time as the person is reinstated into participation in the Federal health care programs.

4. *Pending Charges and Proposed Exclusions.* If Visions has notice that an employee or contractor is charged with a criminal offense related to any Federal health care program, or is proposed for exclusion during his or her employment or contract, the Visions shall take all appropriate actions to ensure that the responsibilities of that employee or contractor have not and shall not adversely affect the quality of care rendered to any beneficiary, patient or resident, or the accuracy of any claims submitted to any Federal health care program.

IV. REPORTING

A. MATERIAL DEFICIENCIES

1. *Definition of Material Deficiency.* For purposes of this Agreement, a "Material Deficiency" means anything that involves:

   (a) a matter that a reasonable person would consider a potential violation of criminal, civil, or administrative laws applicable to any Federal health care program for which penalties or exclusion may be authorized; or

   (b) a violation of the obligation to provide items or services of a quality that meets professionally recognized standards of health care where such violation has occurred in one or more instances that presents an imminent danger to the health, safety, or well-being of a Federal health care program beneficiary or places the beneficiary unnecessarily in high-risk situations.

A Material Deficiency may be the result of an isolated event or a series of occurrences.

2. *Reporting of Material Deficiencies*. If Visions determines that there is a Material Deficiency, Visions shall notify OIG, in writing, within 30 days of making the determination that the Material Deficiency exists. The report to the OIG shall include the following information:

(i) a complete description of the Material Deficiency, including the relevant facts, persons involved, and legal and Federal health care program authorities implicated;

(ii) a description of Visions' actions taken to correct the Material Deficiency; and

(iii) any further steps Visions plans to take to address the Material Deficiency and prevent it from recurring.

V. REPORTS

A. IMPLEMENTATION REPORT

Within ninety (90) days of the effective date of this Agreement, Visions shall provide the OIG with a written report demonstrating that he has complied with the Program's requirements. This report, known as the "Implementation Report," shall include:

1. The name, address, phone number and position description of the Compliance Officer required by section III.A

2. The names and positions of the members of the Compliance Committee required by section III.A

3. A copy of the notice Visions posted in its offices as described in Section III.B.

4. A copy of the written Policies and Procedures required by section III.C of this Agreement.

5. A written certification from the Compliance Officer attesting that all employees have completed the initial training required by Section III.D as well as a summary of what the training included. The training materials will be made available to OIG upon request.

6. A description of the Confidential Disclosure Program required by section III.F.

7. A summary of personnel actions taken pursuant to section III.G.

8. A list of all of Visions' locations (including locations and mailing addresses), the corresponding name under which each location is doing business, the corresponding phone numbers and fax numbers, each location's Federal health care provider identification number(s) and the contractor's name and address that issued each provider identification number.

9. The certification required by section V.C.

B. ANNUAL REPORTS

Visions agrees to make annual written reports (each one of which is referred to throughout this Agreement as the "Annual Report") to OIG describing the measures it has taken to implement and maintain the Program and ensure compliance with the terms of this Agreement. In accordance with the provisions above, the Annual Report shall include:

1. Any change in the identify or position description of the Compliance Officer and/or members of the Compliance Committee described in section III.A.

2. A summary of any significant changes or amendments to the Policies and Procedures required by section III.C and the reasons for such changes (e.g., change in contractor policy).

3. A description, schedule and topic outline of the annually required training programs implemented pursuant to section III.D of this Agreement, and a written certification from the Compliance Officer that all Employees have received training pursuant to the requirements set forth in section III.D of this Agreement.

4. A copy of each semi-annual report describing the review's parameters, methodologies and procedures, as well as presenting Visions' findings, conclusions, and recommendations; and any corrective actions taken as a result of the obligations in section III.E.

5. A summary of the disclosures in the confidential disclosure log required by section III.F that: (a) relate to Federal health care programs; or (b) allege abuse or neglect of patients.

6. A description of any personnel actions (other than hiring) taken by Visions as a result of the obligations in section III.G, and the name, title, and responsibilities of any person that falls within the ambit of section III.G.4, and the actions taken in response to the obligations set forth in that section.

7. A summary of any Material Deficiencies (as defined in section IV) identified and the status of any corrective and preventative action relating to all such Material Deficiencies.

8. A written certification from the Compliance Officer that: Visions has complied with its obligations under the Settlement Agreement:

   (i) not to resubmit to any Federal health care program payors any previously denied claims related to the Covered Conduct addressed in the Settlement Agreement, and not to appeal any such denials of claims; and

   (ii) not to charge to or otherwise seek payment from Federal or state payors for unallowable costs (as defined in the Settlement Agreement); and

   (iii) to identify and adjust any past charges or claims for unallowable costs.

9. A description of all changes to the most recently provided list (as updated)

of Visions' locations (including locations and mailing addresses) as required by section V.A.8, the corresponding name under which each location is doing business, the corresponding phone numbers and fax numbers, each location's Federal health care program provider identification number(s), and the contractor name and address that issued each provider identification number.

10. The certification required by section V.C.

The Annual Reports shall be due within sixty (60) days of the end of the one-year period covered by the Annual Report. The first one-year period shall commence on the effective date of this Agreement.

C. CERTIFICATIONS

The Implementation Report and Annual Reports shall include a certification by the Compliance Officer that: (1) except as otherwise described in the applicable report, Visions is in compliance with all of the requirements of this Agreement, to the best of his or her knowledge; and (2) the Compliance Officer has reviewed the Report and has made reasonable inquiry regarding its content and believes that the information is accurate and truthful.

D. DESIGNATION OF INFORMATION

Visions shall clearly identify any portions of its submissions that it believes are trade secrets, or information that is commercial or financial and privileged or confidential, and therefore exempt from disclosure under the Freedom of Information Act ("FOIA"), 5 U.S.C. § 552. Visions shall refrain from identifying any information as exempt from disclosure if that information does not meet the criteria for exemption from disclosure under FOIA.

VI. NOTIFICATIONS AND SUBMISSION OF REPORTS

Unless otherwise modified in accordance with section XI below, all notifications and reports required under the terms of this Agreement shall be submitted to the entities listed below:

OIG:

Civil Recoveries Branch - Compliance Unit
Office of Counsel to the Inspector General
Office of Inspector General
U.S. Department of Health and Human Services
330 Independence Avenue, SW
Cohen Building, Room 5527
Washington, DC 20201
Telephone: (202) 619-2078
Facsimile: (202) 205-0604

Visions:

Director
Visions Unlimited, Inc.
P.O.B. 22561
Sacramento, CA 95814
Telephone: (916) 393-2203
Facsimile: (916) 429-7824

VII. OIG INSPECTION, AUDIT AND REVIEW RIGHTS

In addition to any other right OIG may have by statute, regulation, contract or pursuant to this Agreement, OIG or its duly authorized representative(s) may examine Visions' books, records, and other documents and supporting materials in his possession or under his control and/or conduct on-site reviews of any of Visions' locations for the purpose of verifying and evaluating: (i) Visions' compliance with the terms of this Agreement; and (ii) Visions' compliance with the Federal health care programs requirements. OIG, HCFA, or the appropriate Federal health care program contractor may conduct unannounced on-site visits at any time to review patient medical records and other related documentation for the purpose of verifying and evaluating Visions compliance with the Federal health care programs requirements.

VIII. DOCUMENT AND RECORD RETENTION

Visions shall maintain for inspection all documents and records relating to

reimbursement from the Federal health care programs, or to compliance with this Agreement, for one year longer than the term of this Agreement (or longer if otherwise required by law).

IX. DISCLOSURES

Consistent with HHS's FOIA procedures, set forth in 45 C.F.R. Part 5, the OIG shall make a reasonable effort to notify Visions prior to any release by OIG of information submitted by Visions pursuant to its obligations under this Agreement and identified upon submission by Visions as trade secrets, or information that is commercial or financial and privileged or confidential, under the FOIA rules. With respect to such releases, Visions shall have the rights set forth at 45 C.F.R. § 5.65(d). Visions shall refrain from identifying any information as exempt from release if that information does not meet the criteria for exemption from disclosure under FOIA.

X. BREACH AND DEFAULT PROVISIONS

Full and timely compliance by Visions shall be expected throughout the duration of this Agreement with respect to all of the obligations herein agreed to by Visions. In the event of Visions' failure to comply with any of the obligations in this Agreement, the Agreement may be deemed in breach and the parties agree upon the following process for resolution of the alleged failure to comply by Visions.

A. REMEDIES FOR MATERIAL BREACH OF THIS AGREEMENT

The OIG may determine to exclude Visions from participation in the Federal health care programs if Visions engages in conduct that OIG considers to be a material breach (as defined below) of this Agreement. Upon making its determination, OIG shall notify Visions by certified mail of the alleged material breach and of its intent to exclude as a result thereof (this notice shall be referred to hereinafter as the "Intent to Exclude Letter"). Visions shall have thirty-five (35) days from the date of the letter to:

(1) cure the alleged material breach; or

(2) demonstrate to OIG's satisfaction that the alleged material breach cannot be cured within the thirty-five (35) day period, but that Visions has begun to

take action to cure the material breach and that Visions will pursue such action with due diligence. Visions shall, at this time, submit a timetable for curing the material breach for OIG's approval.

If at the conclusion of the thirty-five (35) day period, Visions fails to act in accordance with provisions (1) or (2) above, OIG may initiate steps to exclude Visions from participation in the Federal health care programs. OIG will notify Visions in writing of its determination to exclude him (this letter shall be referred to hereinafter as the "Exclusion Letter").

For purposes of this section, a "material breach" shall mean: (i) a failure to report a material deficiency and take corrective action as provided in section IV of this Agreement; or (ii) repeated or flagrant violations of the obligations under this Agreement.

B. DISPUTE RESOLUTION

Upon OIG's delivery to Visions of its Exclusion Letter, and as an agreed upon contractual remedy for the resolution of disputes arising under the obligations in this Agreement Visions shall be entitled to certain due process rights similar to those afforded under 42 U.S.C. § 1320a-7(f) and 42 C.F.R. Part 1005. Specifically, OIG's determination to seek exclusion shall be subject to review by a Department of Health and Human Services ("HHS") Administrative Law Judge ("ALJ") in a manner consistent with the provisions in 42 C.F.R. §§ 1005.2-1005.21. The ALJ's decision, in turn, may be appealed to the HHS Departmental Appeals Board ("DAB") in a manner consistent with the provisions in 42 C.F.R. § 1005.21. OIG and Visions agree that the decision by the DAB, if any, shall constitute the final decision for purposes of the exclusion under this Agreement.

Notwithstanding any provision of Title 42 of the United States Code or Chapter 42 of the Code of Federal Regulations, the only issues in a proceeding for exclusion based upon a material breach of this Agreement shall be:

a. whether Visions was in material breach of this Agreement;

b. whether such breach was continuing on the date of the Exclusion Letter; and

c. whether the alleged material breach could not have been cured within the 35 day period, but that:

(i) Visions had begun to take action to cure the material breach within that period;

(ii) Visions has pursued and is pursuing such action with due diligence; and

(iii) Visions provided to OIG within that period a reasonable timetable for curing the material breach and Visions has followed the timetable.

XI. EFFECTIVE AND BINDING AGREEMENT

Consistent with the provisions in the Settlement Agreement pursuant to which this Agreement is reached, and into which this Agreement is incorporated, Visions and OIG agree as follows:

1. this Agreement shall become final and binding only upon signing by each respective party hereto;

2. this Agreement shall be binding on the successors, assigns and transferees of Visions; and

3. any modifications to this Agreement shall be made with the prior written consent of the parties to this Agreement.

IN WITNESS WHEREOF, the parties hereto affix their signatures:

FOR: VISIONS UNLIMITED, INC.

Edwina Leon

3-20-01

Edwina Leon
Executive Director
Visions Unlimited, Inc.

Date

John P. Wagner

3-20-01

John Wagner, Esq.
Counsel for Visions Unlimited, Inc.

Date

FOR: OFFICE OF INSPECTOR GENERAL OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES

Lewis Morris, Esquire
Assistant Inspector General for Legal Affairs
Office of Counsel to the Inspector General
Office of Inspector General
U. S. Department of Health and Human Services

Date

IN WITNESS WHEREOF, the parties hereto affix their signatures:

FOR: VISIONS UNLIMITED, INC.

_____ _____

Edwina Leon
Executive Director
Visions Unlimited, Inc.

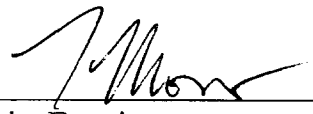
Date

_____ _____

John Wagner, Esq.
Counsel for Visions Unlimited, Inc.

Date

FOR: OFFICE OF INSPECTOR GENERAL OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES



3/14/01

Lewis Morris, Esquire
Assistant Inspector General for Legal Affairs
Office of Counsel to the Inspector General
Office of Inspector General
U. S. Department of Health and Human Services

Date