POLICY TITLE: **COMPLIANCE & ORGANIZATIONAL ETHICS PROGRAM**

APPROVED BY: **COMPLIANCE COMMITTEE**

ORIGINATED BY: **COMPLIANCE OFFICER**

REVIEWED/REVISED: **10/2011; 10/02/2012; 10/01/2013; 10/01/2014; 10/08/2015**

Key Points

- This Policy applies to The Christ Hospital and all of its wholly-owned subsidiaries (collectively, "TCH").

- This Policy provides an overview of the TCH Division of Compliance & Organizational Ethics Program (the "Program").

Definitions

***Ad hoc* Task Force** means a group formed temporarily for the purpose of accomplishing a specific task. Upon completion of the task, the group is dissolved.

CIA means the Corporate Integrity Agreement between the Office of the Inspector General ("OIG") of the Department of Health and Human Services and The Christ Hospital and The Christ Hospital, Inc.

Covered Persons includes:

1. Owners, officers, directors, and employees;

2. Contractors, subcontractors, agents, and other persons who provide patient care items or services or who perform billing or coding functions on behalf of TCH excluding vendors whose sole connection with TCH is selling or otherwise providing medical supplies or equipment to TCH and who do not bill the Federal health care programs for such medical supplies or equipment; and

3. Physicians and other non-physician practitioners who are members of TCH's active medical staff.

Notwithstanding the above, the term Covered Persons does not include part-time or per diem employees, contractors, subcontractors, agents, and other persons who are not reasonably expected to work more than 160 hours per year, except that any such individual shall become a Covered Person at the point when they work more than 160 hours during the calendar year.

Overpayment means the amount of money TCH has received in excess of the amount due and payable under any Federal health care program requirements.

Reportable Event means any isolated event or a series of occurrences that involves:

1. A substantial Overpayment (as defined by all applicable TCH Patient Financial Services Department policies);

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

3. The employment of or contracting with a Covered Person who is an Ineligible Person; or

4. The filing of a bankruptcy petition by TCH.

Policy

1. TCH is committed to ethical and lawful business conduct, including full compliance with all Federal and state health care program requirements, as well as the requirements of other third-party payors, and the preparation and submission of accurate claims consistent with such requirements. The Program promotes a culture in which Covered Persons comply with the TCH Code of Conduct, policies and procedures, ethical standards, Federal and state health care program requirements, the requirements of commercial payors, and follow all other applicable laws.

2. The goals of the Program include, but are not necessarily limited to:

    a. Establishing standards of ethics in business practices.

    b. Communicating standards of ethics to all Covered Persons.

    c. Training Covered Persons about standards of ethics and applicable laws.

    d. Measuring compliance with legal standards and TCH policies through monitoring and auditing.

    e. Creating procedures to prevent, detect, and correct breaches of laws, policies, and procedures.

    f. Requiring each Covered Person to act ethically, follow the law, report wrongdoing, and inquire about concerns.

Authority, Responsibility, and Reporting

1. **The Board of Directors.** The TCH Board of Directors (the "Board"), is responsible for ensuring that TCH conducts its business according to Federal health care program requirements, standards of ethics and the obligations of the CIA. Furthermore, the Board, or a duly authorized committee of the Board, has oversight authority for the Program. The Board's duties include, but are not necessarily limited to:

    a. Reviewing and approving the Compliance Committee's charter initially and as it may be amended from time to time.

    b. Meeting at least quarterly to review and oversee the Program, including but not limited to the performance of the Compliance Officer and the Compliance Committee.

    c. Receiving compliance related reports from the Compliance Officer or others. Reports from the Compliance Officer shall occur at least annually.

    d. Ensuring that TCH adopts and implements policies, procedures, and practices designed to ensure compliance with the requirements set forth in the CIA and Federal health care program requirements.

    e. Ensuring that the TCH Code of Conduct and all policies and standards are followed accordingly, and that they are effective.

2. **Compliance Committee.** The Compliance Committee is composed of members of TCH senior leadership, representatives from areas with core compliance functions, and the Compliance Officer who chairs the committee. The Compliance Committee derives its authority from the Board. The Compliance Committee charter, incorporated herein by reference, outlines the Compliance Committee structure and responsibilities. One of the Compliance Committee's primary responsibilities is to assist and advise the Compliance Officer in the implementation of the Program. The Compliance Committee shall meet at least quarterly.

3. **Board of Directors Compliance Oversight Committee.** A committee of the Board, comprised of at least three Board members who are not TCH officers or employees, shall, for each Reporting Period of the CIA, adopt a resolution, signed by each member of the Compliance Oversight Committee summarizing the Board's review and oversight of TCH's compliance with Federal health care program requirements and the obligations of the CIA. If the Compliance Oversight Committee is unable to provide such a conclusion in the resolution, the Compliance Oversight Committee shall include in the resolution a written explanation of the reasons why it is unable to provide the conclusion and the steps it is taking to implement an effective Compliance Program at TCH.

4. **Compliance Officer.** The Compliance Officer is responsible for the development and implementation of policies, procedures and practices designed to ensure compliance with the requirements set forth in the CIA and with Federal health care program requirements. The Compliance Officer shall be responsible for monitoring the day-to-day compliance activities engaged in by TCH as well as for any reporting obligations created under the CIA. The Compliance Officer is a member of senior management who reports to the President and CEO. The Compliance Officer shall make periodic (at least quarterly) reports regarding compliance matters directly to the Board, and shall be authorized to report on such matters to the Board at any time.

5. **Compliance Liaisons.** All members of the Compliance Committee are deemed to be *ex officio* Compliance Liaisons ("Liaisons") for their respective divisions or departments and are responsible for coordinating compliance activities within those areas. Liaisons may delegate responsibilities to one or more individuals as they deem necessary.

    a. Liaisons shall provide reports to the Compliance Officer no less than semi-annually on the state of compliance activities in their areas.

    b. The Compliance Committee may appoint other Liaisons (with or without simultaneous appointment to the Compliance Committee) as may be deemed necessary.

6. **Delegation of Authority to Other Compliance Committees, Task Forces, & Assistants.**

    a. The Compliance Committee may appoint and delegate authority to other committees, *ad hoc* task forces, or individuals as may be deemed necessary.

    b. The Compliance Officer may appoint and delegate authority to other committees, *ad hoc* task forces, or individuals as may be deemed necessary.

    c. Liaisons may appoint and delegate authority to other committees, *ad hoc* task forces, and/or individuals for their respective divisions or departments as may be deemed necessary.

    d. All such committees or individuals shall make regular reports to the Compliance Committee, Compliance Officer, and/or Liaison as appropriate and as directed.

    e. Any committee that is formed permanently shall have a written charter setting forth its purpose, reporting relationships, membership, meeting frequency, records and quorum requirements, and responsibilities. Such charters shall be subject to review of the Compliance Committee, and a copy of the charter shall be kept on file with the Compliance Officer.

7. **Management.** Management implements the Program specific to TCH entities, divisions, or departments. Management makes sure that employees have enough information to comply with applicable laws, regulations, TCH policies, and ethical standards.

    a. Management helps to identify and develop policies and procedures for the organization, including areas with specific compliance needs, and when requested, serves as subject matter experts to the Compliance Committee and the Compliance Officer.

    b. Management builds a culture of ethical conduct and legal compliance. The TCH management team members serve as ethical role models for other TCH employees and the medical staff members.

    c. Management supports individuals who report compliance concerns.

    d. Management complies with all applicable legal and ethical standards while identifying, developing and executing business goals.

8. **Advice of Counsel.** The Compliance Committee may request advice of outside counsel as may be deemed necessary. The Compliance Officer may request advice of counsel after consultation with the President and CEO, and/or other members of senior leadership as appropriate.

Elements of the Program

1. **The Code of Responsible Conduct.** The Code of Responsible Conduct (the "Code") provides general guidance about legal and ethical business behavior. It is periodically reviewed and amended as necessary. Substantive changes shall require Board approval. The Code has been provided to all TCH Covered Persons. The Code shall control in the event of a conflict with any TCH policy or procedure.

2. **TCH Policies & Procedures.** General Administrative policies for the Program are developed by the Division of Compliance & Organizational Ethics and are applicable throughout all of TCH. All divisions and departments are encouraged to identify areas of compliance risk and participate in the creation of policies and processes that minimize such risk in those areas. Compliance related policies and processes developed by divisions or departments may be more stringent than General Administrative polices, but may not contradict such policies. General Administrative policies shall control in the event of a conflict with a divisional or departmental policy.

3. **Training and Education.** All Covered Persons receive compliance training as set forth in TCH's Compliance Training Policy. Certain Covered Persons may be required to participate in additional specialized training depending on their work area or job function. Covered Persons who require specialized training will be notified. Training may be live, electronic, audiovisual, or some combination thereof. General training and specialized

training, for those affected, shall be deemed a condition of employment. Failure to complete any required training shall be a factor in performance reviews, and shall result in disciplinary action, up to and including termination or loss of privileges or termination of an agreement.

4. **Monitoring and Auditing.** The Compliance Committee and/or the Compliance Officer may consult with internal and external auditors in the design and implementation of compliance audits. Special attention is given to billing, coding, physician relations, and other high risk areas. Divisions and departments are expected to perform self-monitoring activities and report results to the Compliance Officer. Audit results shall be reported to the Compliance Officer and Compliance Committee. If further action is needed, the Compliance Officer and/or Compliance Committee shall work with management to develop a corrective action plan. Follow-up audits and monitoring shall be performed to verify that corrective actions have been effective.

5. **Screening for Excluded Individuals.** TCH will not knowingly employ, contract with, or grant privileges to any individual or entity that has been excluded by the Federal government from participating in Federal health care programs, Federal procurement or non-procurement programs or convicted of a criminal offense that falls within the scope of 42 U.S.C. § 1320a-7(a), but not yet excluded, debarred, suspended, or otherwise declared ineligible. All employees, medical staff, students, contractors, and vendors are checked against exclusion databases maintained by the Department of Health and Human Services Office of the Inspector General and the General Services Administration. Screening is performed prior to initial hire or credentialing, and annually thereafter. Disciplinary actions for violations of laws, regulations, and TCH policy by employees are taken according to TCH policy. Disciplinary action for violations by medical staff members are taken according to TCH medical staff bylaws or TCH policies, as applicable, and may affect credentialed status.

6. **Internal Reporting Process.** Every Covered Person has a duty to report misconduct. Misconduct includes ethical concerns, potential violations of the law, including federal and state health care program requirements, and suspected non-compliance with the Code, or other TCH policies. Covered Persons are encouraged to report through their chain of command, or directly to the Compliance Officer or the compliance hotline (the "Hotline"). The Hotline allows for anonymous reporting.

7. **Non-Retaliation Policy.** All who report concerns are assured that there will be no adverse action or retaliation for good faith reporting. However, knowingly or willfully making false reports may result in disciplinary action.

8. **Confidentiality and Follow-up.** Any information reported about suspected misconduct will be kept confidential to the extent allowed by law. Investigations of alleged misconduct will be conducted promptly. If there is credible evidence of misconduct, corrective action will be initiated and a remedial plan will be created to ensure not only that the specific issue is addressed, but also that similar problems do not occur in other

areas or departments. Remedial plans may include requiring a change in procedure, additional staff training, or possible disciplinary measures.

9. **Overpayments.** If at any time, TCH identifies an Overpayment, TCH shall repay the Overpayment to the appropriate payor (e.g., Medicare fiscal intermediary or carrier) within thirty days after identification of the Overpayment and take remedial steps within sixty days after identification (or such additional time as may be agreed to by the payor) to correct the problem, including preventing the underlying problem and the Overpayment from recurring. If not yet quantified, within thirty days after identification, TCH shall notify the payor of its efforts to quantify the Overpayment amount along with a schedule of when such work is expected to be completed. Notification and repayment to the payor shall be done in accordance with the payor's policies. Notwithstanding the foregoing, notification and repayment of any Overpayment amount that routinely is reconciled or adjusted pursuant to policies and procedures established by the payor should be handled in accordance with such policies and procedures.

10. **Reporting of Reportable Events**. If after a reasonable opportunity to conduct an appropriate review or investigation of any alleged misconduct TCH determines that there is a Reportable Event, the Compliance Officer shall be responsible for notifying the OIG of the Reportable Event, in writing, within thirty days after making the determination that the Reportable Event exists.

11. **Reportable Events Involving the Stark Law.** Notwithstanding the reporting requirements outlined above, any Reportable Event that involves only a probable violation of the Stark Law shall be submitted by TCH to the Centers for Medicare & Medicaid Services ("CMS") through the self-referral disclosure protocol ("SRDP"), with a copy to the OIG. Further, the repayment requirement within thirty days of identification of the Overpayment shall not apply to any Overpayment that may result from a probable violation of only the Stark Law that is disclosed to CMS pursuant to the SRDP.

12. **Failure to Comply.** Individuals who ignore or disregard Federal health care program requirements, the Code, or TCH policies may be subject to appropriate disciplinary action as well as possible civil or criminal penalties and/or exclusion from participation in Federal health care programs. TCH may also face civil or criminal penalties, including possible exclusion, if it fails to comply with Federal health care program requirements.

References

- OIG Compliance Program Guidance for Hospitals, 63 Fed. Reg. 8989 (Feb. 23, 1998).
- OIG Supplemental Compliance Program Guidance for Hospitals, 70 Fed. Reg. 4875 (Jan. 31, 2005).