



Community Memorial Health System
Where Excellence Begins with Caring

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Compliance Program	APPLIES TO: <input checked="" type="checkbox"/> CMH <input checked="" type="checkbox"/> OVCH <input checked="" type="checkbox"/> CCC <input checked="" type="checkbox"/> CFH
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COMMUNITY MEMORIAL HEALTH SYSTEM
Community Memorial Hospital
Ojai Valley Community Hospital
Centers for Family Health

COMPLIANCE PROGRAM POLICY

UPDATED January 2016

May 14, 2007

To: CMHS Employees

From: Board of Trustees

Subject: CMHS Compliance Program

Community Memorial Health System (CMHS) has a long-standing tradition of high ethical standards in the conduct of its business affairs and in the provision of health care services. These ethical standards are supported by the CMHS mission statement: ***CMHS is dedicated to providing the finest quality health services in a caring and efficient manner.*** Within the meaning of our mission statement, it remains the policy of the CMHS organization to comply with all federal, state and local laws, regulations and statutes applicable to its operations and business dealings with the public and at all governmental levels. This policy applies to all Employees of the CMHS organization and must be strictly observed. CMHS has an established, well maintained and effective compliance program. This compliance program was designed, implemented, and enforced with the purpose of preventing fraud and abuse within the Medicare and Medicaid programs as well as with all third party payors. The establishment and enforcement of this compliance program is the responsibility of the President's Council, Executive Leadership Team, Board of Directors, and all other Department Heads, Managers, and Supervisors throughout the CMHS organization.

The Board of Trustees has established a mechanism for monitoring the compliance program, to include:

- A. Monitoring of management's development and maintenance of a code of conduct and a compliance program relating to the conduct of business to assure that high standards of compliance are met.

- B. Reviewing the activities of the compliance program to ensure that high standards of business, legal, and personal compliance are being met.

Approved by:
CMHS Board of Trustees

**COMMUNITY MEMORIAL HEALTH SYSTEM
COMPLIANCE PROGRAM POLICY**

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I. INTRODUCTION

Community Memorial Health System (CMHS) requires that all employees carry out their duties in an ethical and legal manner. To assure that the Health System and its employees adhere to these standards, the CMHS has established and continues to maintain an effective Compliance Program that ensures compliance with applicable laws and regulations.

The Hospital's Compliance Program includes the following elements:

- Compliance Program Oversight
- Written Policies and Procedures
- Education and Training
- Effective Lines of Communication
- Enforcing Standards Through Well Publicized Disciplinary Guidelines
- Auditing and Monitoring
- Responding to Detected Offenses and Developing Corrective Action Initiatives

II. COMPLIANCE PROGRAM OVERSIGHT

The Compliance Officer and Compliance Committee have the responsibility for the day to day administration, implementation, and oversight of the Compliance Program.

The Board of Directors has appointed a Corporate Compliance Officer, whose responsibilities in this role include oversight and coordination of the following areas:

- Analyzing the medical industry environment as to legal requirements;
- Assessing existing policies and procedures;
- Promoting compliance among the entities and departments of the Community Memorial Health System;
- Recommending and monitoring internal control systems to assure organization-wide compliance;
- Determining the appropriate strategies/approaches to promote the reporting of any potential violations (i.e., hotlines, other reporting mechanisms, etc.);
- Developing a system for evaluating, investigating, and responding to complaints, problems, or potential compliance issues; and
- Any other functions of the compliance program as may be necessary (i.e. integration into system operating structure, risk assessment of new acquisitions).

The Compliance Committee provides cross-functional expertise, oversight and operational assistance in the development and implementation of the Compliance Program initiatives and activities. The responsibilities of the Compliance Committee include:

- Reviewing, updating and recommending changes to the Compliance Program, such as education materials;
- Representing and communicating the Compliance Program to their departments and staff;
- Offering expertise and input on compliance issues, investigations and corrective actions;
- Assessing the effectiveness of the Compliance Program;
- Promoting and facilitating incorporation of compliance activities into operations at departmental and work process levels; and
- Setting and monitoring certain compliance initiatives or goals.

In fulfilling their responsibilities, the Compliance Committee and the Corporate Compliance Officer will maintain an open line of communication to all individuals associated with CMHS to

allow the reporting of violations and for questions you may have concerning the compliance program.

III. WRITTEN POLICIES AND PROCEDURES

A. Code of Conduct

CMHS has developed a Code of Conduct that communicates expectations and provides guidance in performing job responsibilities and providing quality healthcare in accordance with applicable laws and regulations. All employees are required to review and adhere to the Code of Conduct.

B. Policies and Procedures

CMHS maintains written policies and procedures that take into consideration the regulatory exposure for each function or department of the Organization. All employees of the Organization must adhere to all applicable policies and procedures to prevent violation of federal and state laws, Organization policies and rules imposed by other regulatory agencies (e.g. Joint Commission, Centers for Medicare and Medicaid Services). High risk areas are discussed in more detail below.

C. Claims Development and Submission

CMHS generates patient medical information, charges, bills and claims that accurately reflect the services the patient is provided. In support of current and future federal and state statutes and regulations and existing contractual agreements regarding submission of claims for services rendered, CMHS entities do the following:

- Follow policies and procedures to ensure a patient encounter is recorded properly;
- Comply with applicable laws, rules, regulations and program requirements for coding and billing;
- Physicians and other care providers document information in an accurate and timely manner. Documentation includes length of time spent conducting the activity (when appropriate) and the identity of the person providing the service;
- Coding is performed by reviewing the visit specific documentation in order to apply appropriate diagnosis/procedure codes, DRG or APC;
- No financial or other type of incentive is given to upcode claims improperly;
- Claims submission is supported by appropriate documentation. CMHS does not make or present improper, false, fictitious or fraudulent claims or financial reports, including cost reports to any government or private health care program, employee, department or agency.

Medical and business documents and records are maintained in a consistent, legible and organized manner to allow for follow-up audit and review.

D. Guidance for the Coding of Patient Records

CMHS complies with the coding guidelines as promulgated by the Centers for Medicare and Medicaid Services, the American Hospital Association, the American Health Information Management Association and the American Medical Association. Codes are determined and assigned by utilizing the most current version of the following publications: ICD-9-CM, CPT, HCPCS Level II, and Coding Clinic. CMHS adheres to the assignment of codes based on the effective dates published by the U.S. Department of Health and Human Services.

E. Kickbacks, Inducements, and Self Referrals

Individuals associated with CMHS may not offer or provide licensed independent practitioners or allied health professionals with any benefits, compensation or other inducements with the intent of obtaining, or in exchange for, the referral of patients. CMHS shall not enter into any financial relationships that would violate the prohibitions of the federal Anti-Fraud and Abuse Statutes, self-referral prohibitions, Internal Revenue Service rules/regulations or any other related laws.

F. Submission of Reports

CMHS may be required, either by law, statute, regulation or contract, to report information for a prescribed time period. All reporting done by CMHS entities will be done utilizing the following guidance:

Only authorized individuals may submit, report, file, or communicate information on behalf of CMHS. Reports will be submitted within the prescribed time allowed for their submission. Reports will be prepared in a professional manner and include any supporting documentation that may be required. Prior to the submission of any report, it must be reviewed and approved by all appropriate individuals. This guidance is offered in support of CMHS's intent to submit and report only accurate, timely, consistent, and clear information in accordance with defined rules, regulations, directions and/or instructions.

G. Record Maintenance and Retention

Policies and procedures regarding the creation, distribution, retention, storage, retrieval, and destruction of documents have been established. Every employee is responsible for the integrity and accuracy of our organization's documents and records, not only to comply with regulatory and legal requirements but also to ensure that records are available to defend our business practices and actions. No one may alter or falsify information on any record or document.

Medical and business documents and records are retained in accordance with law and our record retention policy. Medical and business documents include paper documents such as letters and memos, computer-based information such as email or computer files on disk or tape, and any other medium that contains information about the organization or its business activities. It is important to retain and destroy records appropriately according to our policy. Records will not be tampered with, removed or destroyed prior to the designated time as specified in the Record Retention Policy.

The Records Retention Policy applies, but is not limited, to the following types of records and documents: (1) all records and documentation related to clinical, medical record, and claims, required either by federal or state law for participation in federal health care program and (2) all records and documents necessary to protect the integrity of the Compliance Program (e.g., documentation of training, hotline reports, results of monitoring and auditing, etc.).

H. Excluded Business Relationships

Any individual, including Director, Trustees, Associates, Physicians, Vendors, Consultants, Contract Individuals or services and other third parties that have been sanctioned by the Medicare, Medicaid, and/or other federal health care programs, are *excluded* from any business or other relationship with any entity of the CMHS organization. Only upon reinstatement by the governing agency can a business relationship be considered. Sanctions represent a full range of administrative remedies and actions available to the government to deal with questionable, improper, or abusive practices under the Medicare and Medicaid programs. Sanction results when a health care provider violates obligations and requirements governing items and services he/she renders bills for and gets paid for on behalf of Medicare or Medicaid beneficiaries.

I. Professional Organizations: Laws, Standards, Oaths, Licensing, Registrations or Other Such Requirements

CMHS requires you to conform to any laws, standards, oaths, licensing, registration, or other such requirements of established professional organizations during your employment to the extent that they do not conflict with CMHS policy. If you have questions or concerns about potential conflicts with CMHS policy contact your supervisor. It is your responsibility to ensure that any required licensure, registration, certification, permit, etc. is maintained in a current status during your association with CMHS and that you perform your job within the requirements of that license, certification, registration, permit, etc.

IV. EDUCATION AND TRAINING

A. Reference Material, Training, and Education

CMHS is committed to providing quality training, education, and reference material to assure that you have access to the required tools and skills to perform your assigned duties. CMHS will provide you with access to a variety of teaching methods that are designed to address the targeted topic. Each area throughout the CMHS organization will have reference materials (e.g. policies and procedures) available that are specific to the functions they perform. It is your responsibility to remain current with all information pertinent to your job responsibilities and to assist CMHS in documenting your education and training. Some of the areas of general importance are listed below; if you have concerns, questions, or need additional information or training on any of the listed topics, contact your supervisor immediately for assistance. At a minimum you should have an understanding of the following areas:

- Government and private payor reimbursement principles;
- General prohibitions on paying or receiving remuneration to induce referrals;
- What constitutes proper confirmation and documentation of diagnoses;
- Provision and submission of claims for physician services when rendered by a non-physician (i.e., the “incident to” rule and the physician physical presence requirement);
- Prescribing medications and procedures without proper authorization;
- Proper documentation of services rendered; and,
- Responsibility to report suspected misconduct.

Participation in continuing education and training is mandatory. Your participation in education and training is an essential component in your performance evaluation.

V. EFFECTIVE LINES OF COMMUNICATION

A. Reporting System

CMHS requests, wants, expects, encourages, and requires that you report any suspected violations of the Code of Conduct and Compliance, laws, statutes, rules, and/or regulations. No concern you may have regarding conduct or compliance policies is too small or unimportant. Several reporting systems are available to all individuals associated with CMHS. Reports can be made to:

- Supervisor
- Compliance officer
- Executive staff member
- Leader

Or through:

- “Hotline”
- E-mail
- Report form sent directly to Compliance Officer
- Telephone
- Fax

Forms for the reporting of violations are available throughout CMHS. Your report of suspected violations may be made anonymously; however, you are encouraged to work with us in developing some method for follow-up should we have questions or need additional information regarding your report. Consistent with our obligations under the law, CMHS will keep confidential the identity of any individuals about whom allegations of violations have been brought, unless or until it has been determined that violations have occurred. Please call CMHS Anonymous Compliance Hotline to report violations, even if only suspected at: **888-261-1773**

B. Non-retaliation/Non-retribution Related to Reports

Reprisals of any nature against individuals reporting suspected violations will not be tolerated. Retaliation or retribution for reporting suspected violations by any individual including but not limited to Directors, Trustees, Executive Staff, Medical Staff, Department Leaders, Managers, Supervisors, Associates, and Volunteers is not only against CMHS policy but in some instances may be a violation of the law.

C. Hotline

“Hotlines” are phone lines established for the reporting of suspected violations of the Code of Conduct and Compliance, laws, statutes, rules, and/or regulations. CMHS will maintain a “hotline” that is available to you for reporting concerns you may have about compliance. In addition, Medicare, Medicaid, and other regulatory agencies have established “hotlines” that are available to everyone with a concern about compliance. Please call CMHS Anonymous Compliance Hotline to report violations, even if only suspected at: **888-261-1773**

D. Proper Use of Reporting System

Internal reporting by individuals of suspected violations is critical to the success of the CMHS Compliance Program. Therefore, as noted above, report all suspected violations promptly. This reporting system serves as a vital link to each of you in CMHS’s efforts to assure compliance in all related system operations. Unfortunately, a reporting system of this type is subject to possible abuse. From time to time, individuals may attempt to harm or slander another individual through false accusations, malicious rumors, or other irresponsible actions. Such attempts, if proven, will be subject to discipline. Failure to report suspected violations may result in disciplinary action and in some instances may be a violation of the law

VI. ENFORCING STANDARDS THROUGH WELL PUBLICIZED DISCIPLINARY GUIDELINES

Failure to comply with the Code of Conduct and Compliance and the related policies and procedures of the CMHS organization will result in disciplinary action. It is CMHS’s responsibility to apply discipline that is sufficient in nature, but not greater than necessary, to ensure that all individuals associated with the organization comply with all federal, state, and local laws, regulations, and statutes applicable to its operations. Therefore, in furtherance of the above responsibilities, CMHS will be guided by the following in determining appropriate discipline for non-compliance:

Discipline should:

- Reflect the seriousness of the offense;
- Promote respect within the organization for the Code of Conduct and Compliance;
- Provide for just punishment for the offense;
- Strive to minimize or eliminate future violations;
- Allow for further education and training as may be necessary;
- Protect the CMHS organization from further violations.

The types of discipline that may be applied are as follows:

- Counseling/warning;
- Reprimand noted in permanent personnel record;
- Reassignment of job responsibilities;
- Probation;
- Demotion;
- Temporary suspension;
- Termination of employment/privileges;
- Any other action as may be deemed appropriate.

In addition, CMHS will, as required by applicable laws and regulations, report violations to the appropriate authorities and pursue any criminal or civil actions that may be required.

VII. AUDITING AND MONITORING

CMHS performs regular, periodic compliance audits by internal and external auditors who have expertise in health care statutes, regulations, and program requirements. The purpose of such monitoring is to ensure that the Compliance Program is effective and to identify outliers and potential risk areas. The Organization's auditing and monitoring efforts focus on kickback arrangements, the physician self-referral prohibition, CPT/HCPCS ICD-9 coding, claim development and submission, reimbursement, cost reporting, and marketing. The audits and reviews may also focus on areas of concern identified by other entities (e.g. federal and state entities).

Auditing and monitoring techniques may include:

- On-site visits;
- Interviews with personnel;
- Questionnaires;
- Reviews of medical and financial records and other source documents that support claims for reimbursement and Medicare cost reports;
- Reviews of written materials and documentation prepared by various departments of the Organization; and
- Trend analyses that seek deviations in specific areas over a given period.

All audit documentation (e.g. findings, reports) are maintained by the Compliance Officer and shared with the Organization's Senior Management and the Compliance Committee.

VIII. RESPONDING TO DETECTED OFFENSES AND DEVELOPING CORRECTIVE ACTION INITIATIVES

A. Internal

Internal investigations will be authorized and directed by the Corporate Compliance Officer and/or the Compliance Committee and/or Administrative Leadership. Your assistance in the conduct of an investigation is essential; failure to do so could result in disciplinary action and in some instances may be a violation of the law. CMHS, based on the facts and on the advice of legal counsel, will comply with all self-reporting requirements for non-compliance as may be necessary upon completion of all internal investigations.

B. External

There are basically two types of externally conducted investigations: first, an investigation conducted by an outside third party at the request of and on behalf of the CMHS; second, an investigation conducted by an outside third party at the direction of a regulatory agency or other government entity to determine compliance with state and federal laws, statutes, rules, and regulations as they relate to CMHS activities. CMHS policy requires that you provide full cooperation with those individuals conducting a third party investigation. In most instances, CMHS has agreed to provide regulatory and government agencies access to relevant data and records as a “condition of participation” in a given program. CMHS has certain legal rights that must be protected in any investigative process, and you must follow all related policies and procedures in your response to subpoenas, search warrants, unannounced site visits, requests for interviews, and any other requests to access CMHS property and information. Prescribed policies and procedures in this area not only protect the rights of CMHS as an organization but also assure that investigators receive the full cooperation necessary to complete their work. CMHS has a responsibility to protect the integrity and confidentiality, as appropriate, of any and all records under its control.

C. Corrective Action

If necessary, the Organization will take appropriate corrective action, including timely identification and restitution of any overpayment to the affected payor and imposition of proper disciplinary action. Failure to return overpayment within a reasonable period of time could be interpreted as an intentional attempt to conceal payment from the payor.

IX. HELP AND INFORMATION

Any questions you may have about the Code of Conduct and Compliance should first be directed to your supervisor or other designated individual within CMHS. The Organization has conducted an organization-wide educational program to inform and educate you concerning the Code of Conduct and Compliance. Attendance is mandatory. However, should you feel that you need additional training, contact your supervisor. The Human Resource Department is an additional resource for you to call upon with questions, as well as the Corporate Compliance Officer. Your understanding of this guide is critical for CMHS to have an effective and successful compliance program.

Keyword Search: compliance program, compliance policy		
Attachments:		
Related Policies:		
References:		
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