

BJC CODE OF CONDUCT AND COMPLIANCE HANDBOOK

BJC HEALTHCARE COMPLIANCE PROGRAM

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BJC CODE OF CONDUCT

BJC HealthCare and its member hospitals and services (together, “BJC” or “BJC HSOs”) are committed to uphold the highest ethical standards and to comply with all laws and regulations. The BJC Code of Conduct provides guidelines, expectations and instructions for all BJC entities, functional areas, and workforce members. This Code of Conduct explains how to perform activities to ensure compliance with all applicable laws, regulations, policies and procedures.



We have an obligation
to act fairly and
honestly at all times.

BJC provides **compliance documents** and **activities** to help workforce members with compliance. BJC compliance activities include:

- Educating workforce members on the BJC Compliance Program and Policies
- Helping workforce members interpret and apply the BJC Compliance Program and Policies
- Encouraging workforce members to report alleged violations of the BJC Compliance Program and Policies

The BJC Compliance Program and Policies are accessible at BJCnet, the BJC employee intranet site. Workforce members are expected to review, understand, and act upon the Program and Policies as required by the BJC Code of Conduct.

BJC's PURPOSE & MISSION:

BJC is committed to improving the health and well-being of the people and communities we serve. We do this through leadership, education, innovation, and excellence in medicine.

BJC's CORE VALUES:

- **Compassion** – We promise to care about you.
- **Respect** – We promise to treat you with dignity.
- **Excellence** – We promise to do our best.
- **Safety** – We promise to keep you safe.
- **Teamwork** – We promise to partner with you.

BJC's GOAL & VISION:

BJC strives to be a national leader in health care delivery.

We support this goal by:

- Advocating for our patients' wellbeing
- Promoting clinical quality and patient safety
- Pursuing medical education and research
- Fostering employee satisfaction
- Maintaining financial stability

BJC's SHARED PRINCIPLES & ETHICAL REQUIREMENTS:

BJC expects all of its workforce members to act with high ethical standards. Workforce members should strive to improve our organization, serve our communities, and provide excellent care to our patients. ***All workforce members of BJC have an obligation to act fairly and honestly at all times.*** BJC employees, contractors, volunteers, trainees, and other persons performing work for BJC are workforce members. That includes unpaid work. Students in training at BJC-affiliated hospitals are also workforce members.

To be compliant, you must:

BE PRINCIPLED

You are expected to know and understand BJC's compliance policies and the laws and regulations that affect your job. If you are unsure about the legality and/or appropriateness of an action or proposed action, ask. Continue to ask questions until you receive an answer that makes sense to you. The goal is to get the right answer, not the easy answer.

As a BJC workforce member, you are expected to act with:

- **INTEGRITY:** You are positive, honest, and committed to BJC's mission.
- **COMPASSION:** You will provide exceptional service to patients, visitors, and colleagues by listening and responding with empathy.
- **ACCOUNTABILITY:** You will have a strong sense of commitment and ownership.
- **RESPECT:** You will treat all patients, visitors, and colleagues with dignity and respect for their cultures and backgrounds.
- **EXCELLENCE:** You are committed to a culture of excellence.

BE PROACTIVE

- Be alert to situations that could result in illegal or unethical conduct.
- Report suspected violations.
- Seek help about following the Compliance Program.

BE SUPPORTIVE

- Support fellow workforce members who report suspected violations of the Compliance Program.
- Never react against someone who reports a suspected violation.

BE INFORMED

- Use BJC's compliance resources to understand the compliance requirements that apply to your job.
- Participate in compliance activities to help understand the Compliance Program and Policies.

Resources are available to help you resolve compliance issues. The BJC Corporate Compliance website has all compliance policies readily available for review. The members of the Corporate Compliance department welcome inquiries from you and your fellow workforce members.

Any workforce member who breaks the law or the BJC Compliance Program will be subject to corrective action and possibly termination. This includes failing to follow the BJC Code of Conduct.

BJC has multiple reporting mechanisms available to assist workforce members with various issues or concerns.

Follow the four-step communication process for raising Compliance concerns, which includes the following options:

- Discuss the issue with a supervisor.
- Speak to your department manager.
- Speak to a Compliance or Privacy Liaison and/or senior manager.
- Bring the matter to the attention of a BJC Corporate Compliance representative.

The BJC Compliance department may be reached via:

- Phone: **1-314-286-0678**
- Email: compliance@bjc.org
- Online through BJC's network at intranet address:
bjc.sharepoint.com/sites/BJCCorporateCompliance

You may also report issues through the following reporting methods. Reports are anonymous and confidential, with no fear of retaliation:

- Call the Ethics and Compliance Hotline at **1-800-525-BJC1**.
- Make a report through the bjc.ethicspoint.com website.

Corporate compliance is about doing what is right for patients and their families, for workforce members and other professional colleagues, and for our BJC organization. We all must strive to proactively prevent the mistakes that lead to compliance problems. Proactive prevention begins with education. Knowledge is the most powerful weapon you can use to prevent compliance mistakes from happening. It is your responsibility to educate yourself about the BJC compliance policies and the basic laws and regulations that affect your job.

This Code of Conduct sets BJC's standard for all workforce members. It highlights the organization's strong commitment to the values of reliability, honesty, trustworthiness, and integrity. These values are vital for a successful health care organization. Each workforce member must promote our shared commitment to compliance in our daily work. Compliance is everyone's responsibility.

THE SEVEN ELEMENTS OF THE BJC HEALTHCARE COMPLIANCE PROGRAM

BJC must follow all laws, regulations and BJC policies. The BJC Compliance Program is designed to promote prevention, detection and resolution of non-compliant conduct.



Compliance
is everyone's
responsibility.

SEVEN ELEMENTS OF THE BJC HEALTHCARE COMPLIANCE PROGRAM

1 Development & Distribution of Written Standards of Conduct & Compliance Policies

BJC Code of Conduct

The Code of Conduct provides guidelines and expectations for all BJC entities, functional areas, and workforce members. The Code of Conduct explains how to perform activities to ensure compliance with all applicable laws, regulations, policies and procedures.

BJC Corporate Compliance & Privacy Policies

The policies apply throughout BJC.

BJC Compliance Handbook

All BJC workforce members have an obligation to understand the laws, regulations and requirements applicable to BJC and their job role. The handbook explains applicable laws, regulations or policies.

Intranet Website

Access to these documents is located on the Compliance department's intranet website, available through [BJCnet](#).

2

Designation of a Chief Compliance Officer & Compliance Committees for the Management of the BJC Compliance Program & Compliance Personnel

Certain persons and BJC departments have been charged with management of the Compliance Program. They must ensure that BJC's Compliance Program is implemented and enforced consistently.

They include:

BJC Compliance & Privacy Officer

BJC's General Counsel serves as the Chief Compliance & Privacy Officer.

BJC Vice President of Corporate Compliance

- Leads the BJC Corporate Compliance department
- Implements, oversees, and enforces compliance activities
- Acts as a resource to the Compliance Officer

BJC Executive Compliance Committee

Members include:

- BJC Corporate Compliance Officer
- BJC Corporate Compliance department leaders
- BJC Audit Services department leaders
- Representatives from BJC departments including:
 - Billing and Reimbursement
 - Finance
 - Human Resources
 - Information Systems
 - Medical Affairs
 - Operations
 - Risk Management
 - Other representatives may be designated by BJC's President and Chief Executive Officer.

BJC Corporate Compliance department

Responsibilities include:

- developing and maintaining compliance policies, documents, and training programs
- establishing and maintaining systems for internal reporting of suspected violations of the law and BJC policies
- providing compliance counseling, investigations, and audits
- providing regulatory, coding, billing, and reimbursement counseling and support

Health Service Organization (HSO)-Specific Compliance & Privacy Liaisons

The Liaison serves as a resource to the HSO's local workforce. They assist in investigating and responding to compliance questions and issues. They supervise compliance activities by the HSO and help distribute compliance documents and training activities.

HSO-Specific Compliance Committees

Each HSO may have a Compliance Committee. The Committee consists of HSO management. This Committee meets regularly to assist the HSO's Liaison and to address compliance issues as they arise.

Managers and Supervisors

They must enforce compliance policies and procedures within their business area.

Workforce Member

All are responsible for detecting, resolving and reporting to BJC management unlawful or non-compliant conduct.

3**Development & Implementation of Regular, Effective Education****Responsible Personnel**

- The Corporate Compliance department:
 - develops educational programs
 - oversees completion
 - keeps attendance records
- Each workforce member:
 - completes required educational programs
 - understands their duty to ensure compliance
- Every manager ensures that his or her workforce members:
 - have completed the education
 - understand the impact on their duties

Required Annual Compliance Education

The education program is designed to raise awareness of the BJC Compliance Program and applicable policies, laws and regulations. The programs stress the importance of each workforce member following the laws, regulations, policies and procedures. The programs may contain information on the potential consequences to the workforce member, the HSO, or BJC for not complying. Annually, BJC workforce members must acknowledge they have access to the BJC Code of Conduct.

New Workforce Members

New workforce members must complete compliance education and acknowledge review of the BJC Code of Conduct within 90 days of hire.

Focused Compliance Training and Education

These programs will be developed in consultation with responsible departments. The programs will be offered for those workforce members whose actions affect the reimbursement received. This includes workforce members involved in the coding, pricing, billing and cost reporting processes. These programs must include topics such as payor reimbursement principles, general prohibitions on paying or receiving something of value to induce referrals, proper confirmation of diagnosis, coding, and documentation of medical records.



We report
any suspected
violations
immediately.

4 Development of Effective Lines of Communication & Process to Receive Complaints

Access to Compliance Personnel

Every workforce member is responsible for addressing, reporting and resolving compliance issues. Every workforce member should assist other workforce members in obtaining answers to compliance questions. Supervisors and managers are responsible for assisting their workforce members.

Each HSO has a designated Compliance Liaison. The Liaison is available to workforce members to help them address any compliance questions, issues, or concerns.

BJC Compliance department Contact Information:

- Phone: 1-314-286-0678
- Email: compliance@bjc.org
- Website: <https://bjc.sharepoint.com/sites/BJCCorporateCompliance>

Ethics and Compliance Hotline

The Ethics and Compliance Hotline is available for workforce members to report compliance concerns in an anonymous and confidential way. The Hotline is available to workforce members who feel they have exhausted the normal channels without resolution. The Hotline is available to workforce members who may feel uncomfortable about bringing an issue to their supervisor or manager or who wish to remain anonymous. The Hotline is intended to supplement existing internal compliance communication channels. It is not intended to replace local management. The Hotline is administered by an independent third party.

BJC will ensure that the existence and availability of the Ethics and Compliance Hotline is publicized to all of its workforce members. The Liaisons will assist the Compliance department in resolving any Hotline issues or concerns in his or her area.

A workforce member may make a report online at bjc.ethicspoint.com or by calling the Ethics and Compliance Hotline at 1-800-525-BJC1.

No Retaliation

No person will be subject to retaliation for bringing forward in good faith a compliance issue or concern. Anyone who attempts to retaliate against a workforce member who has asked in good faith a question or brought forward in good faith a concern will be subject to corrective action, up to and including termination of employment.

5

Enforcement of Standards Through Well-Publicized Disciplinary Guidelines

Disciplinary Policy

The consequences of noncompliance must be appropriate and consistently applied. All levels of the workforce must be subject to the same corrective action for the commission of similar offenses. Corrective action will occur in accordance with applicable human resources policies and procedures. The level and degree of discipline will be based on the facts of the situation.

Any BJC workforce member who does not comply may be subject to corrective action, up to and including termination. Corrective action also may occur when a responsible workforce member's failure to detect and/or correct a violation is a result of his or her negligence or reckless conduct. Any workforce member who is aware of, or reasonably suspects, any violation of an applicable law, regulation, or compliance policy and fails to report it may be subject to corrective action.

Managers and supervisors may be subject to corrective action for a workforce member's violation if they ordered, supported, encouraged, or otherwise fostered an environment that led to the violation. Inadequate training or supervision by a manager and supervisor also may result in corrective action if such inadequacy results in a violation.

Background Checks and Non-Employment of Convicted, Debarred or Excluded Individuals

BJC will conduct a background investigation including a reference check for all new workforce members and appointed or elected members of the BJC Board of Directors and the boards of any BJC HSO. BJC requires any applicant or potential board member to disclose any prior criminal conviction or health care exclusion action. BJC will not employ or appoint to a governing body an individual who has been convicted of certain criminal offenses, including those related to health care, or who is listed as debarred, excluded, or otherwise ineligible for participation in federal health care programs.

Pending the resolution of any criminal charges or proposed debarment or exclusion, an individual will be removed from direct responsibility for, or involvement in, any federal health care program. If resolution of the matter results in conviction, debarment, or exclusion, BJC will terminate its employment or other relationship with such individual.

To identify those who may be excluded from federal health programs thereby prohibiting BJC from receiving federal health care program payments, a comparison to multiple exclusion listings is performed. Covered individuals include all BJC HSOs, all BJC employees (including employed physicians), all professional service providers whose services are billed under a BJC affiliated tax identification number (BJC Professionals), BJC current vendors, BJC credentialed medical staff and referring/ordering providers, and BJC Accountable Care Organization (ACO) participating physicians and providers.



6 Perform Audits and Activities to Monitor Compliance

Responsible Personnel

Every workforce member is responsible for continuously monitoring compliance. The Corporate Compliance department will be available to guide the workforce members with these activities. All audits must be at the direction of the Corporate Compliance Officer.

Annual Compliance Audits

The Corporate Compliance department conducts audits and investigations. The HSOs will cooperate with conducting these audits and investigations. Some departments may need to conduct self-assessments to ensure compliance. The HSO will respond to any requests in a timely manner. The HSO will help in creating and implementing any needed action plans or changes.

On an annual basis, topics for audits, investigations and self-assessments are planned as a result of a formal risk assessment. This process involves BJC Compliance, Legal, Audit departments and HSO management. Throughout the year, this plan is reviewed to ensure audits and investigations remain relevant and current.

Audits and self-assessments may examine BJC's compliance with the laws governing the following:

- practitioner compensation arrangements
- coding and billing of claims
- cost reporting
- quality reporting
- patient privacy
- marketing activities

The audits and self-assessments also may examine BJC's compliance with specific rules and policies that have been the focus of the following:

- Medicare Administrative Contractors (MACs)
- commercial and managed care payors
- HSO-specific area of concern
- federal or state entity
- law enforcement officials

This plan and the results of audits, investigations and self-assessments are communicated to HSO leadership, Executive Compliance Committee, and Board committees when appropriate.

Other examples of compliance activities include:

- Participation on Charge Description Master Committees, Electronic Medical Records work groups, Information Systems committees, Coding & Health Information Management work groups, Virtual Care Advisory Group
- Oversight of the process for identification, disclosure and management of potential or actual conflicts of interest
- Designations as the Section 1557 Grievance Coordinator, Accountable Care Organization Compliance Officer
- Review of HSO's schedule of non-monetary compensation provided to referral sources

7 Respond to Detected Offenses and Develop Corrective Action Initiatives

Everyone must immediately report any compliance issue to the Liaison or the Corporate Compliance department. The Corporate Compliance department will promptly investigate. The Corporate Compliance department must keep the records and documentation for each investigation.

At the end of each investigation, the Corporate Compliance Officer or the VP of Corporate Compliance will determine if a law was broken. They will promptly advise management to make any required repayment or disclosure. They will take all reasonable steps to prevent the recurrence of the offense or any similar offenses.

Compliance Program Changes and Updates

The Program is intended to be a framework for compliance by BJC. It is not intended to list all of the practices that exist to achieve compliance. Additional compliance standards exist by virtue of the many practices, procedures, and policies established by the HSOs, departments and functional areas, which are an integral part of the compliance efforts of BJC.

BJC will continuously monitor and reassess its Compliance Program to ensure that it effectively addresses the issues that may exist at that time.

COMPLIANCE HANDBOOK

This Handbook covers compliance topics for BJC workforce members. All BJC workforce members should get to know this material for their job. Other documents may cover important material not included here. Workforce members should contact a supervisor, Compliance Liaison, or the BJC HealthCare Corporate Compliance department with questions.



We promise
to partner
with you.

Patient Care

BJC workforce members commit to high standards. That includes complying with all health care laws. BJC workforce members must treat all patients with compassion and respect. BJC workforce members should be sensitive to their patients' cultural needs. Every effort should be made to protect the health, safety, and welfare of our patients. Workforce members should watch for and report signs of patient distress caused by others.

BJC will not tolerate any kind of misconduct related to medical services. This includes any activity that may harm patients, BJC, or the public. Workforce members who do not comply with this standard will be subject to corrective action. Corrective actions may include termination.

Freedom of Choice

The BJC HSO must give the patient a written statement of their rights. This statement is required by state and federal laws. These laws dictate what the statement must include. One element is that patients have the final say on what care they receive. The patient always has the right to know what care they will receive and why, and to say yes or no to receiving that care.

The patient has a right to know and make decisions about the following:

- The patient's diagnosis
- Treatment plan
- Right to refuse or accept care
- Care decision dilemmas
- Advance directive options
- Estimates of treatment costs
- Organ donation or procurement
- An explanation of the risks and benefits associated with available treatment options

Patients should also be told that they have the right to request a transfer to another facility.

If the patient requests a transfer, the hospital should explain the benefits, risks, and alternatives to transferring.

Discharge Planning and Ancillary Services Referrals

Federal and state governments set the rules for hospital discharge planning. BJC HSOs must abide by these rules. BJC HSO patients may be discharged to other facilities for services like skilled nursing or inpatient rehabilitation. Discharged patients may also need durable medical equipment, home care, pharmaceuticals, or oxygen. BJC HSO patients, or their legal representatives, are free to select their health care providers and suppliers. Their health insurance plans may put some financial limits on the patient's choices. The patient's physician may provide some guidance as well. However, the patient makes the ultimate decision about which providers or suppliers to use. Discharge planning that undermines the patient's right to choose could present issues for BJC HSOs. This could include losing a license and/or participating in Medicare/Medicaid programs.

Nondiscrimination in Health Programs and Activities-HHS Section 1557

BJC workforce members provide health care to all people. Making care easy to get helps improve our patients' health. Section 1557 of the Affordable Care Act (ACA) is a nondiscrimination law. It forbids discriminating against people because of their race, color, national origin, sex, age, or disability. This applies to all BJC workforce members and patients. Other federal laws also make discrimination illegal.

BJC workforce members should try to speak effectively with all patients. BJC workforce members must tell patients who do not speak English that interpreters are available for free. Patients can also bring their service animals anywhere that is open to the public. All people must be treated in a manner consistent with their gender identity.

A notice of nondiscrimination must be posted where patients can see it. This notice states that BJC does not discriminate on the basis of race, color, national origin, sex, age, or disability. Any person who witnesses suspected discrimination should report a grievance by contacting BJC Corporate Compliance. It is against the law for BJC to retaliate against anyone who acts to prevent or stop discrimination at BJC.

Documentation of Medical Services

A patient's medical record must include all information related to a patient's care. It should also support billing for that care. Information about patient care must be readable, accurate, complete, signed, and timed. The medical record should include at least the following:

- The physician's orders
- Evaluations and assessments
- Nursing notes
- Treatment reports
- Medication records
- Radiology and lab reports
- Vital signs

The Joint Commission, state and federal law, BJC HSO Medical Staff Bylaws, and the Medical Staff Rules and Regulations all require thorough documentation of services. The documentation must clearly show the following:

- Reason for the patient encounter
- Order for the service from a qualified provider
- All the services provided
- Clear explanation of why services were provided
- Assessment of the patient's condition
- Information on the patient's progress and results of treatment
- Plan of care for the patient
- Medical reason for the services and the facility where they were provided
- Enough information that another provider can take over or review the care

Poor documentation can have serious consequences. All medical staff and even administrators can be held accountable for poor documentation. The HSO and individual providers could lose their licenses. Poor documentation can also make providers more vulnerable to lawsuits, including medical malpractice. Health care payers want full documentation for all services. Many will not pay for services with weak documentation. In some cases, payers may audit and force providers to return payment for undocumented services. In extreme cases, providers and even executives could be charged with fraud in civil and criminal court.

BJC policy and state and federal law forbid false information in a medical record. Workforce members who supply false information will likely be fired. Falsifying means directly entering false information in the medical record on purpose. It also means altering or removing correct information, or failing to enter it at all. Workforce members should never hide or disguise who entered information in the record. Copying and pasting generic documentation into the medical record is also forbidden. That practice is a signal to payers that fraud may be occurring and is likely to trigger an audit.

LAWS GOVERNING FRAUD, WASTE, AND ABUSE

Fraud, Waste, and Abuse

FRAUD takes many forms but always involves false actions for money. Examples include billing for services that never happened, or billing more than appropriate for the services that did.

WASTE happens when services are given that are not necessary. Wasteful services do not help patients, and should be stopped. An example is ordering more tests than are actually needed.

ABUSE is when care is provided by mistake and does not make sense for clinical and/or financial reasons. Examples include miscoding or charging too much for services by mistake. While fraud requires that the wrong action happens on purpose, waste and abuse are usually not done on purpose.

Fraud and abuse laws include:

- Laws against false claims for payment
- Laws prohibiting payments of kickbacks or other payments in exchange for referrals
- Self-referral laws restricting a physician from making referrals to an entity in which the physician (or his or her immediate family member) has a financial relationship

The phrase “fraud and abuse laws” describes these and other health care laws that protect patients, the government, and the general public from bad actors. These laws also set possible punishments for those bad actors. Many states have their own fraud and abuse laws in addition to federal fraud and abuse laws.

The federal **Social Security Act** (SSA) contains false claims laws with civil penalties and with criminal penalties. People guilty of breaking civil laws may have to pay big fines. People guilty of breaking criminal laws may go to jail.

The **CRIMINAL** laws forbid health care providers from doing the following:

- Doing something wrong on purpose to get payment from a federal health care program.
- Doing something wrong on purpose to help someone else get payment or other benefits from a federal health care program.
- Doing something wrong on purpose to help a provider participate in a federal health care program.

The **CIVIL** laws (“**Civil Monetary Penalties law**”) forbid providers from doing the following:

- Billing federal programs for care that was given inappropriately or not given at all.
- Billing federal programs for care that those programs do not cover or cover differently than delivered.
- Billing federal programs for care when the provider is not permitted to do so.

Along with the Social Security Act, the “**Civil False Claims Act**,” and the “**Healthcare Fraud statute**” are also important anti-fraud laws. These laws also forbid health care providers and others from billing the federal government for false reasons.

Examples of violations include:

- Billing for services that were not provided
- Billing for different services than the ones provided
- Using fake records to support a claim for payment
- Working with others in secret to submit a false claim
- Other kinds of stealing from a federal program
- Failing to pay or return to a federal program money from a false claim

Anti-Kickback and Self-Referral Statute and Regulations

The Anti-Kickback statute greatly affects the way health care entities do business with each other. The Anti-Kickback statute prohibits knowingly and willfully soliciting, receiving, offering, or paying remuneration to induce referrals or services that are paid under a federal health care program. Trading money or favors is sometimes called a bribe or a kickback.

This statute forbids any person to:

- Give money or other favors to someone to refer patients for a service that can be billed to a federal program.
- Give money or other favors to get someone to purchase, lease, or order something and bill it to a federal health care program.
- Ask for or get money or other favors in exchange for doing any of the above activities.

The following activities are illegal under the Anti-Kickback statute:

- Giving free services to patients in federal programs who are otherwise able to pay their share
- Charging less for services in order to get more patients and payments from federal programs
- Accepting money or other favors from vendors in exchange for pushing their products
- Paying extra to physicians based on the number of referrals they make or how much they bill federal programs

The Anti-Kickback statute is an intent-based statute. That means the forbidden activity must occur on purpose. The government and the courts use a very broad definition of “purpose.” There can be many reasons to do something, but the law is broken if even one reason is to get more money from federal programs. There may be activities that seem common among health care providers, but that does not mean they are legal.

The Stark Law forbids certain financial relationships between health care providers. A “financial relationship” means one provider giving anything valuable to another provider that also benefits oneself. It forbids providers with these relationships from referring health care services to each other. In this case, “services” includes almost any medical service that a hospital typically provides. The law forbids billing federal health care programs for those health care services. For example, if a doctor or his/her spouse owns part of a hospital, the law limits referrals by that doctor to that hospital. The hospital may not bill a federal health care program for a service referred by that doctor.

Because of this law, BJC will not pay doctors for referrals. All referrals must be accepted solely because the patient needs the service and we can provide it. BJC must not give anything of value to any doctor in exchange for referring patients to BJC. On the other hand, BJC HSOs will not accept anything of value when we make a referral to another BJC HSO or outside of BJC. All BJC workforce members are forbidden from giving or receiving anything of value for patient referrals.



Compliance means following the laws and regulations.

Failure to follow the restrictions could lead to:

- The HSO and the doctor getting kicked out of the Medicare and/or Medicaid program
- The HSO and the doctor getting fined
- HSO staff and the doctor getting sued by the federal government and possibly going to jail
- The HSO losing its tax-exempt status

There are important exceptions to these laws, called safe harbors. There are some good reasons for BJC to exchange money with other providers. For example, BJC might employ or contract with doctors to provide services at BJC HSOs, and pay them for their services based on market prices. The laws are very complicated, and the safe harbors are easily misunderstood and misused. BJC HSOs that wish to use a safe harbor to create a new relationship with a doctor should first consult BJC Legal Services and Corporate Compliance departments.

Independent Contractor Arrangements/Personal Services Agreements

A BJC HSO may pay doctors to serve as a Medical Staff Officer, a Medical Director, or a Department Chief within their facility. However, these guidelines must be followed:

- The arrangement must be in writing, and clearly list all services the doctor will perform.
- The arrangement must cover at least one (1) year, and cannot be terminated without cause.
- HSO payments to the doctor must be set at fair market value based on objective evidence and approved by the BJC Legal Services department.
- The total amount of payment for the arrangement must be agreed upon in advance.
- The doctor's services must contribute directly to the HSOs mission and goals.
- The doctor must fully document the time spent performing the agreed services.
- All of these agreements must be reviewed and approved in advance by the BJC Legal Services department.

Employment of Doctors

A BJC HSO may hire doctors to provide clinical services to patients at the HSO's facilities. The general guidelines include the following:

- The doctor's total compensation must be reasonable. That includes their base salary and any other payments for services. The BJC HSO can pay bonuses under some circumstances, so long as amounts are not tied to referrals. The HSO can also pay for things like the doctor moving from another city. The BJC Legal Services department will help determine what is reasonable.
- All employment arrangements with doctors must be approved in advance by the BJC Legal Services department.

Shared Services

A BJC HSO may rent practice space within an independent doctor's office. One of the HSO's employed doctors may use the space to provide medical services to the BJC HSO's patients. A written agreement must last at least one year and cannot be broken without cause. The BJC HSO may not pay the independent doctor more than fair market value. That amount cannot be related to referrals to the BJC HSO. All arrangements must be reviewed and approved in advance by the BJC Legal Services department.

Property Leases

A BJC HSO may lease medical office space to independent doctors. The BJC HSO may also lease space from an independent doctor. Any space that is leased must be used. Leases must last at least one year and cannot be broken without cause. All leases must make financial sense for both parties. The lease amount cannot be based on the volume or value of referrals between the independent doctor and the BJC HSO. There must be a signed, written lease agreement in place before moving into the space. All leases involving doctors must be reviewed and approved in advance by the BJC Legal Services department.

Equipment Leases

A BJC HSO may lease equipment to independent doctors. Independent doctors may lease equipment to the BJC HSO. All equipment leases must make financial sense for both parties. The lease amount cannot be based on the volume or value of referrals between the independent doctor and the BJC HSO. The lease must last at least one year, and cannot be broken without cause. Finally, any option to purchase the equipment must make financial sense for both parties. All equipment leases involving doctors must be reviewed and approved in advance by the BJC Legal Services department.

BILLING MATTERS

Medicare Coverage Policies

Medicare does not pay for every medical service a BJC HSO might perform for a Medicare patient. In general, Medicare limits coverage by excluding some services and capping others.

The law forbids Medicare from ever covering some services. These are called “excluded services.” Common examples include:

- Routine physical checkups
- Eyeglasses or contact lenses
- Hearing aids
- Cosmetic surgery
- Personal comfort services
- Experimental or investigational devices

This is only a partial list, and it could change at any time. **Medicare only covers services that are reasonable and necessary to diagnose or treat a patient.**

Medicare provides only “limited coverage” of some services. Many BJC HSO services fall into this category. The payment conditions are found in a number of places. Some are in Federal statutes set by Congress. Others are in Federal regulations set by the Center for Medicare and Medicaid services (CMS). Others are found in National Coverage Determinations (NCDs) set by CMS in provider manuals and program bulletins. Lastly, some are set in Local Coverage Determinations (LCDs) issued by the local Medicare Administrative Contractor (MAC) in its bulletins.

BJC HSOs must give the patient a “notice of non-coverage” before it provides a “limited coverage” service. The notice must do at least the following:

- Identify the service
- State the coverage limitation
- State that Medicare likely will not pay for the service
- State that the patient must pay if Medicare does not
- Ask the patient to:
 - Decide whether to receive the service anyway
 - Accept responsibility for payment if Medicare does not pay

A proper notice of non-coverage should also include the following:

- The BJC HSO’s name and address
- The patient’s name
- Information about the non-covered service, including:
 - A statement that the BJC HSO believes Medicare will not cover the service
 - The reason why not
 - The date the BJC HSO decided this and gave the notice to the patient
- An area for the patient to acknowledge the notice by signing and dating it

Coding Responsibilities

Coding means using codes to describe medical services. Medical codes are used to bill payers for health care services. Codes can represent diagnoses, services, supplies, and products. Coding is an important part of documenting medical services. Medical record documentation must support the codes used. Correct coding is extremely important for accurate payment. Good coding also helps with billing. Claims that are coded accurately are processed quicker, and are less likely to be audited. Consequences for poor coding are the same as for poor documentation. Because coding is so important, only trained workforce members should do coding work.

Billing

BJC HSOs must bill correctly in order to get paid for their services. Poor billing practices may lead to lost revenue. In addition to lost revenue, careless billing can jeopardize an HSO's participation in Medicare and Medicaid. It can lead to broken contracts and legal disputes with commercial payers. Improper billing may qualify as fraud, with state and federal civil and criminal penalties.

There are a number of ways billing can go wrong. Here are a few examples:

- Billing for items or services that were not actually provided
- Billing for services that were not medically necessary
- Billing for a service using the wrong code. When the wrong code pays more than the right code, it's called "up-coding," which is fraud.
- Billing separate claims for services that should be billed on the same claim. Some examples include:
 - Billing outpatient services that should be included with an inpatient claim (the three-day rule)
 - Billing multiple outpatient services on separate claims to avoid "bundled" payment. The bundled rate is often less than the sum of the individual service rates. This is called "unbundling."
- Billing duplicate claims for the same service. This happens sometimes by mistake and must be corrected. If it happens often or in large volumes, payers will believe its fraud and take action against the provider.
- Billing the full amount for a service that was not provided in full, such as:
 - Billing the full Diagnosis Related Group rate for an inpatient who was transferred to a different hospital and then discharged by that hospital; only the receiving hospital should bill the DRG after discharge. The transferring hospital should only bill a per diem charge.

Cost Reporting

Many government programs pay providers based on the cost of providing a given service. The cost of a service is partly determined based on information the provider reports to the government program. This process is called cost reporting. Medicare's cost report is the most important, but many state Medicaid programs also require a cost report. Each hospital must file a cost report every year. Cost report data is generated in several ways, including through the claims processing systems hospitals use to bill for their services. For BJC hospitals, the Corporate Reimbursement department prepares and submits the Medicare and Medicaid cost reports. BJC Corporate Compliance works with Corporate Reimbursement to resolve disputes related to cost reporting. Revenue Cycle Management may also assist with cost-reporting for issues related to billing.

Doctors at Teaching Hospitals

Medicare Part A covers some of the costs of teaching residents, interns, and fellows. This is done through two different programs. Direct Graduate Medical Education (DGME) funds the salaries of residents and other trainees. Indirect Medical Education (IME) funds part of the salaries of the teaching doctors and other costs like additional equipment and supplies. The teaching doctors receive Medicare Part B payments for services they provide directly. Medicare also pays them for services residents provide under their supervision. In most cases, the teaching doctor must be present while the trainee provides the service. In some cases, it's enough for the teaching doctor to be nearby and able to come quickly.

Teaching doctors must document their services. They must also document any trainee's involvement. Hospital staff should know the requirements and make sure the doctor complies. Hospital workforce members should direct questions to their GME office. They may also contact the BJC Corporate Compliance or Legal departments.

Medicare Secondary Payer (MSP) Rules

Medicare often does not cover services when the beneficiary also has other insurance. These rules are called the "Medicare Secondary Payer" (MSP) Rules. BJC HSOs must find out if the patient has other insurance by completing Medicare's MSP Questionnaire for most admissions and services. HSOs that fail to follow the MSP rules may be audited. If that failure happens regularly it could be considered fraud, which is a crime.


Medicare is always the secondary payer if the services are covered by the following kinds of insurance:

- Automobile insurance
- No-fault insurance
- Liability insurance
- Workers' compensation
- An employer group health plan or disability plan
- The Veterans Administration medical benefit program
- The Public Health Service and other Federal grant programs
- The Federal Black Lung benefit program
- Certain end-stage renal dialysis patients covered by a group health plan

BJC HSOs must be careful to see whether the patient has any of these kinds of insurance. If they do, the HSO must follow the MSP Rules.

Outpatient Services Rendered in Connection with an Inpatient Stay

Medicare has different payment rules for inpatient and outpatient services. In many cases, they are billed separately. However, sometimes Medicare wants hospitals to combine them into a single claim. When a patient receives an outpatient service one day, and then an inpatient service within the next three days, the HSO should combine all of those services into the same claim. Medicare will pay for all of them together as a single inpatient service. This is often called the "Medicare Three-Day Rule." BJC HSOs must have policies and protocols in place to make sure they bill correctly. BJC Corporate Compliance and BJC Revenue Cycle Management can help HSOs understand and comply with the Three-Day Rule.



We are committed
to a culture
of excellence.

Patient Observation Services

Some patients may need to spend time in a hospital bed, but doctors cannot tell for how long. These patients must be observed by doctors and nurses for a while to decide whether the patient should be admitted. This “observation” service is an outpatient service. It requires a physician’s order. Observation services are often provided after a surgery or other outpatient procedure. Observation is also common for Emergency department patients who are waiting for a diagnosis. Medicare’s observation rules are complicated. Hospital staff should work with the BJC Corporate Compliance department and the BJC Center for Clinical Excellence to understand and apply the rules for BJC HSO patients.

General Pricing and Charging Responsibilities

BJC uses a tool called the Charge Description Master (CDM). It is a database of services and the prices HSOs expect payers to pay for them. It is used to generate claims for those services, which are then billed to payers. The CDM is kept by HSO finance departments and the Revenue Cycle Management (RCM) department. The CDM is kept with the following objectives in mind:

- Charges are appropriate for the services provided and the resources involved.
- All services and resources are represented by a charge within the CDM.
- The CDM complies with state and federal laws and payer expectations.
- Patient charges are entered accurately to ensure claims are complete and correct.
- The CDM is kept and used consistently across all BJC HSOs.
- The charge structure will meet the BJC HSO’s financial requirements.
- Charges are based on an HSO’s overall costs, and not a particular service or department.
- Charges reflect industry practice and local market conditions.

PAYER RELATIONSHIPS

Credit Balances and Overpayments

Credit Balances are when a BJC HSO owes money back to the patient or payer. Credit balances are sometimes called “overpayments.” Overpayments happen for many different reasons. The patient or payer may have paid more than we billed for the service. The BJC HSO may have billed too much for the service, or billed for the wrong service. Regardless of the reason, BJC must always monitor for and report and return all overpayments. In most cases the money must be returned within sixty days after the overpayment is discovered. Failure to do so could be considered fraud and abuse. Credit balance reports must be kept current and should be worked daily. All refunds must be properly researched and supported by appropriate documentation.

Adjustments and Write-offs

BJC HSOs should carefully review any amounts owed to the HSO by the payer before that amount is adjusted. These amounts are called balances. An adjustment can mean reducing the balance or eliminating it entirely. Eliminating it is called a “write-off.” The BJC HSO must document the amount adjusted, the reason for the balance, and the reason why it was adjusted.

BJC HSOs may consult the BJC Revenue Cycle Management, Corporate Compliance, or Legal Services departments for guidance on adjustments.

Waiver of Copayments, Coinsurance, and Deductibles

Many insurers make their beneficiaries pay something for their care. Those payments can come in different forms, including copayments, coinsurance, and deductibles. Most insurers want BJC HSOs to collect those payments directly from the patient. BJC’s contracts with private insurers include this requirement. Public programs like Medicare and Medicaid also expect providers to collect patient payments. If an HSO does not collect required payments from Medicare or Medicaid patients it may be charged with fraud. There are very few exceptions to this rule. The patient’s financial hardship is one example. HSOs must follow specific steps to determine whether a financial hardship exists. HSOs should contact BJC Risk Management or Legal Services departments with any questions.

LABORATORY SERVICES

General Laboratory Responsibilities

State and Federal governments are very concerned about waste, fraud, and abuse by labs. Labs must comply with many special rules and regulations. Many of those rules and regulations come from the Clinical Lab Improvement Act (CLIA). CLIA Compliance is mandatory for all BJC HSO laboratories.

Laboratory Scientific Quality

BJC HSO lab tests must be accurate and reliable. Specimens should be collected and analyzed efficiently. Each lab workforce member must work to meet those standards. Any action that might lead to incomplete, fake, or inaccurate test results is considered misconduct. Each lab workforce member is responsible for preventing and reporting any misconduct. Workforce members who do not comply may be fired.



We are positive,
honest, and
committed to
BJC's mission.

Collecting Diagnosis Narratives or Codes

Some payers want an order for a lab service to include information about a diagnosis. That information could be a narrative from the ordering practitioner or it could be a specific code. This must come from the ordering practitioner and not the patient.

The code must be specific to that patient for that date of service. When it's a narrative instead of a code, it may be translated into a code by a workforce member trained and certified by BJC to do so. A lab may not change this information unless approved by the Corporate Compliance department. Lab workforce members should never try to influence which code is used.

Recording and Documenting Diagnosis Narratives or Codes

Codes or narratives must be documented in writing within 30 days. It is best to document it on the test request form, but an attachment to the form is fine. Documentation must be available when someone requests it. If the code or narrative is given over the phone, the phone call must also be documented. The lab may not bill for the test until all of the required documentation is received. The call documentation must include:

- The name and/or ID of the person taking the call to the lab
- The name and/or ID of the person making the call to the lab
- The specific code or narrative diagnosis exactly as given by the ordering practitioner
- The date the code or narrative diagnosis was received

Ambiguous Test Orders

Some orders are not clear about what test to perform. The lab must immediately contact the physician and clarify the ambiguous test order. The clarified order must be documented the same as any other order. The lab should document the clarification. The lab may not bill for the test until the documentation is received from the ordering practitioner. It must include:

- The name and/or ID of the lab staff calling for the clarification
- The name and/or ID of the practitioner staff providing the clarification
- The specific test the practitioner has ordered, including the diagnosis narrative or code
- The date the clarified order was received

Confirmation of Standing Orders

Some lab clients may have regular orders that do not change often over time. These are called “standing orders.” Laboratories must contact those clients and confirm their standing orders at least once every year.

Uniform Fee Schedules, Directories of Services, and Test Request Forms

A published list of tests a lab can perform and the prices it will charge is called a “fee schedule.” It may also be called a “directory of services,” or similar name. A lab fee schedule must follow a specific format, similar to the test order form. Both must use standardized test names, test components, and test current procedural terminology codes used to bill.

Test order forms and fee schedules must meet standards for “availability of choice” and “adequate disclosure.” “Availability of choice” means the ordering practitioner can choose the tests or parts of tests necessary for the patient. A lab’s list of tests and parts of tests are sometimes called lab test “profiles.” “Adequate disclosure” means the order form and fee schedule clearly identify the parts of the listed tests. That includes any confirmation, reflex, or qualitative test that might come with a diagnostic test. All tests and parts of tests must be medically necessary. All test profiles, fee schedules, and order forms must be approved by a HSO Compliance Liaison and the Corporate Compliance department.

Laboratory Profile Policy

Lab profiles make ordering tests convenient for practitioners. However, it is important that this convenience does not lead to carelessness. HSOs should develop lab profiles that help practitioners only order tests that are medically necessary. Laboratories must follow these guidelines for standard profiles and tests:

- All standard profiles must be published in the Lab’s Directory of Services and given to every client.
- The Directory of Services must address billing Medicare and Medicaid.
- Only these kinds of standard test profiles are allowed:
 - American Medical Association (AMA) established organ or disease panels
 - Profiles in which every component is needed to produce a reliable result
- Only these kinds of standard reflex/confirmation tests are allowed:
 - AMA established reflex or confirmation tests
 - Reflex or confirmation tests that are needed to produce reliable result
- All test profile components are published and practitioners can order individual components.
- All standard profiles and related tests are updated and published annually.
- No standard profile can include the complete blood count or an AMA established organ or disease panel.

Labs may not develop customized profiles or tests. There are some exceptions. Labs may customize profiles for a client if the following requirements are met:

- A written request from a physician must describe the components of the profile and the billing methodology.
- Customized profiles cannot include the CBC or an AMA established organ or disease panel.
- The physician must sign off on the custom profile at least once a year.
- The lab must put controls in place to prevent other clients from ordering the customized profile or test.
- Customized profiles cannot be published in any of the standard forms described above.
- The Corporate Compliance department must approve the agreement with the doctor.

Physician Acknowledgment Letters

The lab regularly communicates with its clients about its services. One example is the Physician Acknowledgment Letter (PAL). The PAL must be provided to each new client and resent on an annual basis. The PAL lists the individual components of all the client's profiles. It includes the Medicare reimbursement amounts for the test components. The PAL must also include the following information:

- The Medicare payment amount is limited to the Medicare National Limitation Amount.
- Medicare and Medicaid only cover tests that are medically necessary for each patient.
- Standard profiles may include tests that Medicare or Medicaid will not cover.
- The doctor may order individual tests or a reduced profile if some tests in the profile are not medically necessary.
- The Office of the Inspector General may consider a medically unnecessary test to be fraudulent. Labs providing fraudulent tests may be subject to civil penalties.

Professional Courtesy

BJC HSO labs do not offer professional courtesy testing to clients. Federal law forbids providers from offering almost all free services to patients or other providers. All testing services provided by BJC HSO labs should be billed to the appropriate payer following regular billing processes.

Investigational Use Only (IUO) Tests


Generally, Medicare does not cover investigational tests. Sometimes, the lab may be able to bill the patient. First, the lab should ask the patient to sign a Hospital-Issued Notice of Noncoverage (HINN) or an Advance Beneficiary Notice (ABN). These forms tell the patient that Medicare may not cover the test and, if not, the lab will bill the patient. Next, the lab should bill Medicare for the test. If the patient signed the HINN or ABN, and Medicare denies the claim, then the lab may bill the patient.

Quantity Not Sufficient/Test Not Performed (QNS/TNP) Review and Billing Prevention

The lab may not bill for any test that was not performed as ordered, regardless of reason. When a test is not performed as ordered for any reason, every lab workforce member should work to make sure the test is not billed. If any workforce member learns that an unperformed test was billed, they must immediately tell their supervisor. They could also tell the Compliance Liaison or the Corporate Compliance or Legal Services departments.

Placement and Responsibilities of Phlebotomists and Other Workforce Members

In most cases, a phlebotomist or other lab personnel may not work in a client's office. In some cases, lab phlebotomists may visit a long-term care facility to collect specimens from residents for testing. A lab phlebotomist may visit a homebound patient to collect a specimen for testing. In that case, the phlebotomist's duties are limited to collecting and processing the specimen. They may also help with filling out any paperwork required for testing. Any other work done by the phlebotomist outside of the lab must be reviewed and approved by the lab manager. The HSO lab should direct any questions to the appropriate Compliance Liaison or the Corporate Compliance or Legal Services departments.



Access compliance
resources to
answer questions.

Shared Employment Arrangements

When an HSO lab employee does work on behalf of a client, or the client's employee does work on behalf of the HSO lab, that's called a "Shared Employment Arrangement." These are generally forbidden. There may be some exceptions. HSO labs should contact the Corporate Compliance or Legal Services departments about any arrangements with clients that might involve sharing employees.

Long-Term Care or Physician Office Patient Medical Records

As a general rule, an HSO lab workforce member should not review patient medical records that belong to a client. It could violate the patient's HIPAA rights. It could also be considered a Shared Employment Arrangement. There may be some exceptions where it's okay for lab workforce members to access a client's medical records. HSO labs should consult their Compliance Liaison or the Corporate Compliance or Legal Services departments.

Non-Lab Draws

A patient may need more than one sample drawn for testing by more than one lab. To make this more convenient for the patient, an HSO lab phlebotomist may draw additional samples as needed for testing by multiple laboratories. This may only be done when at least one of the samples will be tested by the HSO lab. Labs should get prior approval from the Corporate Compliance or Legal Services departments before setting up such an arrangement.

Client Supplies

HSO labs may not resell supplies to clients. The lab may give supplies to clients if used solely for specimens being sent to the lab for testing. The lab may not give clients supplies to use in the client's own lab or for any other purpose.

Technical Assistance to Client In-House Lab

Clients may ask the HSO lab to help fix technical issues with their own lab. This could involve services like quality control, safety inspections, or parallel testing of patient specimens. As a general rule, HSO labs should not provide these services. HSO labs should tell the client to contact an independent firm to help with their lab. There may be exceptions, which must be approved by BJC's Corporate Compliance or Legal Services departments. Any non-testing services provided to a client by an HSO lab must be paid for based on fair market value. Compliance or Legal Services will review and approve particular arrangements on that basis. Clients must also sign an agreement limiting the HSO lab's legal liability in the event something goes wrong. The HSO lab may not, under any circumstances, help a client with gaining certification from an official licensing or regulatory agency.

Health Fairs

The lab may participate in health fairs where permitted by state law. All testing must be ordered in advance by a qualified medical practitioner, and test results must be forwarded to them. Health fair testing should not be offered free of charge or at special discounts, except for charitable purposes. State laws might limit the kinds of tests that may be performed for health fairs. HSO labs should consult the Corporate Compliance or Legal Services departments for agreeing to participate in a health fair.

Reactivation of Former Accounts

Labs may end a client relationship when the client does not follow HSO lab policies and regulatory requirements. Dropped clients may not be reactivated unless approved by the Corporate Compliance department. A workforce member of the HSO lab must monitor reactivated clients to assure continued compliance.

Courier Services

HSO labs should reject requests for HSO lab workers to deliver items to clients. HSO labs should refer the client to an independent courier. There are some exceptions to this. When a delivery is convenient for the HSO lab, it may be allowed. For example, if the client's location is on the lab courier's standard route, then items such as x- rays, documents or blood specimens may be transported. In any arrangement like this, the client must pay the HSO lab based on the fair market value for the service. A written agreement with the items and charges must be approved in advance by the Legal Services department.

Disposal of Medical Waste

Strict laws regulate how providers may dispose of medical waste. Compliance with these laws is expensive. Some clients may ask the HSO lab to help dispose of the client's waste. Any request like this should be brought to the attention of the appropriate Compliance Liaison. The follow actions related to waste disposal are always forbidden:

- Offering to transport or dispose of a client's infectious waste
- Paying a waste disposal company to transport or dispose of a client's infectious waste
- Extending to a client a discount the lab or BJC receives from a waste disposal company

EMERGENCY SERVICES

Ambulance Services

Medicare covers ambulance services when all of the following are met:

- The ambulance ride is “medically necessary”;
- The patient is taken to the nearest facility capable of providing the needed service, and;
- The ambulance vehicle and crew must meet licensing and certification requirements.

“Medically necessary” means the patient will get worse without the service. In other words, Medicare pays for ambulance services when doing otherwise would endanger the patient’s health. Medicare will not cover an ambulance ride without a medical reason for it. For example, HSOs should not bill Medicare for an ambulance ride provided because it was convenient for the patient, HSO or other provider.

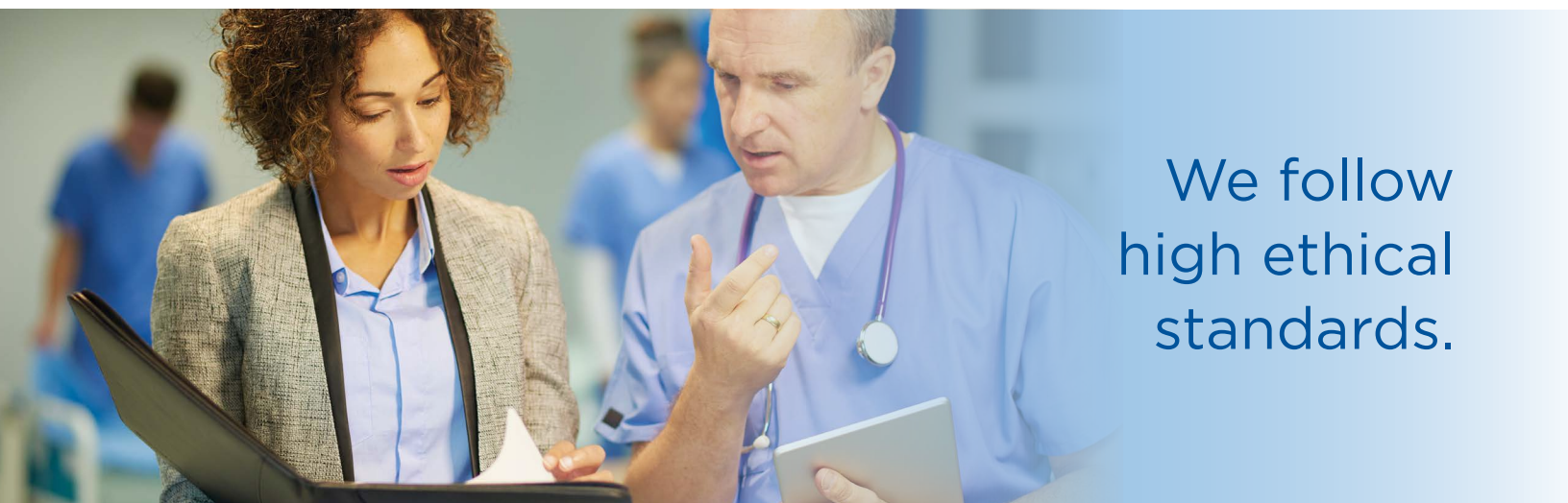
HSOs should follow these general guidelines for billing ambulance services:

- Claims are only submitted for services and supplies actually rendered.
 - The service or supply must be fully documented in the medical record.
- Only bill for transportation to/from qualified destinations.
- Only bill for the actual level of service provided.
- Only bill for medically necessary trips.

HSOs should not give discounts for ambulance services to third parties. This practice is prohibited by the federal laws against waste, fraud, and abuse. There may be some exceptions. HSOs should contact the Legal Services or Corporate Compliance departments for guidance on any arrangement involving discounts for services.

EMTALA Emergency Treatment

Under the Emergency Medical Treatment and Labor Act (EMTALA), hospital emergency departments must serve all patients. They must do so regardless of a patient’s race, religion, national origin, age, gender, physical condition, or ability to pay. In some cases this also applies at hospitals’ off-campus outpatient locations. At a minimum, the hospital must screen each patient and stabilize their condition as well as possible. The hospital needs the patient to sign off on any transfer to a different hospital. The transfer must also be medically necessary for the patient.



We follow
high ethical
standards.

The hospital must provide a medical screening exam to all patients that come to the emergency department. The hospital must determine if the patient has an emergency medical condition. If the patient is pregnant and having contractions, the hospital must determine if the patient is in labor. This should always be done without delay. It should never be delayed for reasons related to payment.

If a patient has an emergency medical condition, the hospital must treat the patient to the best of their ability, until the patient is stable. That may include admitting the patient to the hospital. If the hospital does not have the ability to treat the condition, it should transfer the patient to a different facility that is able to provide the needed care. The hospital may not transfer the patient until they are stable. There are some exceptions to this rule. The physician can certify that the benefits of transferring an unstable patient outweigh the risks. The patient or their legal representative can also make a written request to transfer the unstable patient. The hospital must first inform them of the hospital's EMTALA responsibilities. The hospital must also explain the possible risks and benefits of the transfer before granting it.

The hospital emergency department must post an EMTALA notice. The hospital must follow written policies and procedures that describe how it meets the EMTALA requirements. The hospital must maintain a central log of each patient that seeks care at the emergency department. It must also establish a policy for providing on-call coverage for all services offered by the hospital.

CONFIDENTIALITY OF INFORMATION

Confidentiality of Medical Information – HIPAA & Patient Confidentiality

Patient health information is highly sensitive. BJC workforce members must work to keep it confidential. BJC workforce members may only access the minimum patient information necessary to do their job. No workforce member should ever release or discuss patient-specific information with others. There are exceptions. It's okay to share patient information to provide appropriate medical care to the patient. It's also okay if the patient has consented to its use in writing. The HSO may also share patient information if it is required by law.

The Health Insurance Portability and Accountability Act (HIPAA) governs patient health information. The department of Health and Human Services, Office for Civil Rights (OCR) is responsible for enforcing HIPAA rules and regulations. HIPAA specifically applies to Protected Health Information (PHI). PHI is defined by the Standards for Privacy of Individually Identifiable Health Information. These standards are commonly known as the "HIPAA Privacy Regulations." The HIPAA Privacy Regulations apply to "Covered Entities." Covered Entities include hospitals and other health care providers. Insurers are also HIPAA-covered entities. All covered entities must have privacy policies and procedures that protect PHI and patient privacy. BJC's privacy policies and procedures are found on the BJC Corporate Compliance intranet page on BJCnet. Workforce members must review the Privacy Policies. Any questions about PHI or HIPAA should be sent to the Corporate Compliance department.

HIPAA applies to all PHI, including, but not limited to written, spoken or electronic formats.



We are alert to situations that could result in illegal or unethical conduct.

Any health information that might be used to identify someone is considered PHI. It includes any demographic data related to the following:

- The past, present or future physical or mental health condition of a patient
- Care provided to a patient
- Payment for a patient's care

Only the patient and the patient's personal representative have a right to view the patient's PHI. Anyone directly involved in the patient's treatment or payment for that treatment also has the right to view the patient's PHI. Lastly, any workforce member directly involved in "health care operations" related to the patient may view the patient's PHI. Even if the patient is a family member, work colleague, or celebrity, accessing their PHI for any other reason is still forbidden. Workforce members must review the BJC Privacy Policies if they have any questions or issues about PHI.

Only the minimum necessary amount of PHI to do the required task should be shared. The PHI must be delivered in a secure manner, and only to the authorized recipient.

The BJC Secure Messaging Process should be used to send secure email messages to non-BJC email addresses (#bjcsm in the subject line). Workforce members should never text PHI except through BJC-approved security and secure messaging applications. Workforce members should make sure PHI is only sent to others authorized to view it. Workforce members must not leave patient information where unauthorized persons may access it. That includes unsecured devices, email or other messaging apps, and social media sites. Workforce members must not provide or post confidential information about patients on social media. Workforce members with access to BJC computer systems must keep their password and user ID secure.

A breach occurs when PHI is not secured and can be accessed by those who should not. HIPAA defines a breach as, "the unauthorized acquisition, access, use, or disclosure of PHI which compromises the privacy or security of the PHI." All actual and suspected breaches of PHI must be reported to the BJC Compliance department immediately. Immediately means no later than twenty-four (24) hours after learning about a possible breach. BJC HSOs will not retaliate against workforce members for reporting potential breaches.

Any HIPAA-related contact by federal or state governments should be immediately referred to BJC's Legal Services or Corporate Compliance departments.

Medical Records Management/Health Information Management

Federal and state governments set many rules about medical information, including PHI. There are rules BJC HSOs must follow about what information to keep and for how long. There are rules BJC HSOs must follow about when and how documents can be destroyed. These rules apply to PHI and many other kinds of medical information. For example, documents with confidential information like PHI must be shredded or destroyed. Please see the BJC HealthCare Corporate Compliance Policy entitled “Retention and Destruction Policy for Medical and Business Records and Documents” or contact the Corporate Compliance department for help.

The Health Information Management department (HIM) is responsible for helping HSOs comply with these rules and regulations. HIM does this with written policies and procedures that HSOs must follow. BJC Corporate Compliance, Risk Management, and Legal Services departments help HIM as needed. In certain cases, HIM may permit another department to retain certain documents when they show they can follow all of the rules and regulations. HIM policies and procedures cover the following requirements:

- Specify where, when and how documents are kept
- Make documents easy to find
- Make it easy to enter new documents into the system
- Track who gets what documents and when

Documents that must be kept for a long time can be stored digitally. However, the responsible department must confirm that the whole document has been digitized and meets all requirements.

Any document might be needed for an investigation. If you think that might be the case, please notify the BJC Legal Services, Risk Management, or Corporate Compliance departments. Do not destroy documents unless told to do so by one of those BJC departments.

Confidentiality of Business Information

Confidential business information is valuable. Workforce members use this information to do their jobs. However, it must not be shared outside of BJC. There may be some exceptions. A non-BJC person or organization may see confidential BJC business information if there is a need and they agree to keep it confidential.

Confidential information generally includes, but is not limited to:

- Workforce member lists and data
- Patient lists and other clinical information
- Pricing and cost data
- Information about BJC-member HSOs and other BJC partner organizations
- BJC and HSO financial data
- BJC and HSO research data
- BJC and HSO quality control initiatives
- BJC and HSO strategic plans
- BJC and HSO marketing strategies and techniques
- Supplier, contractor and subcontractor information
- Proprietary computer software

All BJC financial and clinical matters should not be shared outside BJC. All other proprietary information is confidential.

Business Records Management

Many of the rules and standards for medical information also apply to BJC and HSO business records. Business records must be kept for specific lengths of time. Usually they must be destroyed when that time runs out. Confidential business information must be shredded or destroyed. Please see the BJC HealthCare Corporate Compliance Policy entitled “Retention and Destruction Policy for Medical and Business Records and Documents” or contact the department for help.

The Finance and Revenue Cycle Management departments are generally responsible for keeping business records. Sometimes these departments may let another department keep their records. This is only allowed when the other department is capable of complying with all requirements. The Finance and Revenue Cycle Management departments are responsible for developing and implementing written policies to manage business records. The BJC Legal Services and Corporate Compliance departments must approve those policies. Business Records policies and procedures cover the following requirements:

- Specify where, when and how documents are kept
- Make documents easy to find
- Make it easy to enter new documents into the system
- Track who gets what documents and when

Documents that must be kept for a long time can be stored digitally. However, the responsible department must confirm that the whole document has been digitized and meets all requirements.

Any Business Record might be needed for an investigation by an authority. If you think that might be the case, please notify the BJC Legal Services, Risk Management, or Corporate Compliance departments. Do not destroy documents unless told to do so by one of those BJC departments.



We safeguard
the protected
health information
of all patients.



We protect
information and
communications.

INFORMATION TECHNOLOGY

Business Support

Electronic equipment like computers, software programs, and electronic media are fundamental to our business. Many medical and business records are only digital. BJC HSO's coding and billing is done through computers and software programs. These systems also help BJC HSOs to comply with government and internal BJC policies. While electronic tools are powerful and valuable, they also come with risk. Computer and software errors, unlike manual errors, may cause other problems that quickly add up. For example, errors in billing software can lead to filing incorrect claims. Filing bad claims can lead to significant financial losses for the BJC HSO. Regular errors could trigger fraud investigations by payers.

The BJC Information Technology (IT) department helps BJC HSOs comply with government and internal BJC policies. The IT department works with other departments to fix any problems with BJC IT resources. Problems that could jeopardize HSO compliance will be treated with high importance.

Information Security

The Information Technology (IT) department is responsible for BJC's IT assets. IT develops and carries out the policies, processes, and procedures to protect those assets. Here are some examples:

- Security standards to protect electronic information assets
- Effective physical and environmental controls and virus protections
- Appropriate backup and recovery plans
- Contingency plans to keep critical systems running after a serious disruption
- Appropriate monitoring measures

IT security procedures are in place to manage requests for access to IT assets. Requests are reviewed to make sure the requestor is allowed to access and use the asset. The request may be approved if it meets the following criteria:

- The requestor's identity is confirmed.
- The requestor has a business or care-related need for the asset.
- Only the minimum access necessary for the business/care need is granted.

IT also tracks when requests are made and when they are approved or denied. Once access is granted, the workforce member must comply with all IT policies and procedures. They must keep any passwords or other asset safeguards confidential. They also must protect any electronic information assets residing on their personal computer systems. Customers and users must cooperate with IT to protect BJC's electronic assets.

Electronic Communications Systems

All communications systems are BJC property. That includes electronic mail, intranet, internet access, and voicemail systems. These systems should only be used for business purposes. However, BJC recognizes that workforce members may need to conduct personal business at the office. This is only acceptable if it's limited and reasonable. BJC communications systems may never be used for the following purposes:

- Harass, intimidate, or threaten another person
- Distribute obscene, abusive, libelous, or defamatory material
- Distribute unauthorized copyrighted materials
- Pretend to be someone else
- Access someone else's e-mail account
- Bypass the system's security measures
- Distribute chain letters
- Participate in political or religious debate
- Communicate on behalf of BJC unless given permission first
- Pursue personal business interests not related to BJC
- Conduct any type of personal solicitation
- For any purpose that is illegal, or might undermine BJC in any way

Lastly, workforce members must use IT-approved secure methods to share confidential information using BJC systems.

Workforce members should not assume privacy when using BJC devices. BJC may monitor their use, including what is said or done with them. BJC does this mainly to review and improve how well devices work. However, if bad behavior is found it will be reviewed with the workforce member, his/her supervisor, and the BJC Legal Services or the Corporate Compliance departments.

Email

BJC email must be used responsibly. Do not say anything in an email that you don't want to be public. Confidential or privileged matters should not be discussed in email. Email messages are recorded on your computer, the servers it passes through, and the computer of the recipients. The retraction or deletion of an email message may be very difficult. Carefully think through any email message since the message may be misinterpreted. As a general rule, complicated issues are best handled in person or over the phone.

BUSINESS RELATIONSHIPS

Solicitation and Acceptance of Gifts and Gratuities

Exchanging gifts can lead to trouble under antitrust and other laws. That includes gifts given to or received from BJC HSOs and other organizations or people. It includes gifts given to or received from one BJC HSO to another, or between BJC workforce members. BJC has policies HSOs and workforce members must follow to avoid trouble. The following standards apply to gifts given to BJC workforce members:

- Workforce members must not ask for anything from any person or organization that does business with BJC or a BJC HSO that benefits themselves.
 - That includes asking for anything from a patient.
- Anything with a monetary value can be a gift. Some examples include:
 - Goods and services
 - Discounts on good and services
 - Use of facilities or equipment
 - Loans or direct payments
- Workforce members may not accept gifts of money. That includes gift cards.

Here are examples that are prohibited:

- Loans:
 - Workforce members and their families cannot lend or borrow money from BJC suppliers or customers.
 - Loans between BJC and financial businesses for business purposes are acceptable.
- Property of BJC:
 - Nobody may use BJC property for personal gain.
- Outside Employment:
 - BJC workforce members may also work for other organizations.
 - Working for the other organization must never interfere with the workforce member's BJC duties.
- Business Opportunities:
 - Workforce members may not use their relationship with BJC to pursue other business opportunities.
 - There may be some exceptions. The BJC Chief Compliance Office must review and approve individual cases.
- Diversion of Business:
 - Workforce members must never do anything to redirect BJC business to a non-BJC organization.
- Confidential Information:
 - Workforce members must not use confidential BJC information for personal advantage.
 - Workforce members must not release any confidential information without permission.
- Agents and Consultants:
 - All of the above also applies to anyone who is a BJC workforce member including agents and consultants.

Solicitation and Acceptance of Entertainment

Many of the rules about gifts of money, goods, and services also apply to gifts of entertainment. Workforce members may not ask for entertainment from any individual or company that does business with BJC. Accepting gifts of entertainment may be allowed, but only under the following conditions:

- It does not happen often;
- It's a normal part of a business relationship, and;
- The kind of entertainment is business appropriate.
 - Examples include sporting events, dining, or other cultural activities.

Limitations on Gifts to Government Employees and Agents

Workforce members may not exchange gifts with any government employee or agent. There are no exceptions. Any activity like this must be reported to the BJC Legal Services or Corporate Compliance departments.

Dealing with Patients and Other Customers

All BJC business dealings must be fair and legal. All terms of BJC business relationships must be transparent and above board. Any direct or indirect agreement to exchange money, goods, or services must be disclosed. It cannot result in the personal benefit of a BJC workforce member.

The following guidelines must be followed when dealing with patients and other customers:

- Workforce members must not provide incentives that influence a patient or customer's choice of provider. Incentives can include the following:
 - Discounts or rebates
 - Unrelated supplies and equipment
 - Improper write-offs of money owed to BJC or a BJC HSO
- Workforce members cannot give gifts including meal vouchers, utility assistance, etc., to patients or customers unless the gifts meet standards set by the U.S. Department of Health and Human Services Office of Inspector General.
 - These should be approved in advance by management.
 - Questions about gifts should be discussed with the BJC Corporate Compliance or Legal Services department beforehand.
- Patient and customer entertainment must fit the regular business practices of BJC, the BJC HSO, and the health care industry.
 - The rules about workforce members that receive entertainment also apply to workforce members who entertain patient or customers.
 - Any entertainment must be related to the patient's treatment or customer's business.
 - Gifts of entertainment must be documented.
- Any questions concerning these laws should be addressed to the BJC Corporate Compliance or BJC Legal Services departments, as appropriate.

Dealings with Suppliers and Vendors

BJC Workforce members must treat all suppliers and vendors equally and with respect.

The following guidelines will help build good relationships with suppliers and vendors:

- All bids and proposals should be judged on quality, service, price, and suitability. Criteria must be established before the HSO requests a quote from a supplier or vendor. This will help make sure each bidder is treated fairly. All bidders in a first round must be allowed to re-bid if there's a second or third round.
 - In general, any workforce member who is offered or who receives a gift of more than nominal value should politely refuse it or return it to the giver. The workforce member should explain the BJC HSO's policy against accepting gifts. Gifts of nominal value are ok, but should be shared with co-workers.
 - Generally, BJC workforce members should not accept gifts of travel. That includes travel to conferences or other business events. BJC will pay for workforce members' approved travel expenses.
 - BJC workforce members should understand that vendor bids are confidential business information.
 - Workforce members must treat all suppliers and vendors fairly and courteously. Workforce members should strive to resolve problems accordingly.
 - Treating one vendor better than others because they are also a customer is called "reciprocity." Reciprocity may result in legal sanctions against BJC or the BJC HSO due to its potential to restrict trade. Workforce members who deal with vendors and suppliers should avoid making vendor decisions based on whether the vendor is a customer.
 - Direct any questions about these concerns to the BJC HealthCare Corporate Compliance or Legal Services departments, as appropriate.

Prohibition against Employing or Contracting with Sanctioned Individuals and Companies

People and companies can be kicked out of federal health care programs for committing waste, fraud, or abuse. This is called an exclusion. Excluded people and companies should not be allowed to serve Medicare and Medicaid patients. Business with an excluded individual or company may result in the BJC HSO paying Civil Monetary Penalties. In certain cases, the BJC HSO also may be excluded from participating in any federal health care program.

BJC has a general policy against doing business with any excluded person or company. BJC must check the exclusion status of people or companies we might do business with. The BJC Human Resources department will do this for an employee. The BJC Legal Services department will do this for a contractual agreement. Any business with excluded people or companies must be approved by the BJC Corporate Compliance department.

Political Activities and Contributions

BJC or BJC HSO resources may not be used for political purposes. Workforce members may participate in politics on their own time. In addition, workforce members may use personal leave time to participate in the election process. Workforce members who express their political opinions publicly should not presume to speak for BJC or BJC HSOs. The BJC HSO must follow rules limiting the ability of charitable organizations to participate in politics.



We treat all patients, visitors, and colleagues with dignity and respect for their cultures and backgrounds.

Insider Trading

Workforce members may learn information about BJC that is secret to the general public. This is called inside information. Inside information may include the following:

- Information about BJC
- A BJC HSO's or another company's financial performance
- Significant mergers or acquisitions
- Significant customer or supplier problems
- Marketing plans
- New products or services
- Pending contract awards or cancellations
- Changes in leadership

Workforce members may not use this information for “insider trading.” Insider trading happens when a workforce member uses their inside information for personal gain. For example, a workforce member may not use insider information to buy or sell stocks. Similarly, a workforce member may not give insider information to another person, such as a friend or relative. This is called “tipping.” If a person uses a “tip” from a workforce member to buy or sell stocks, both could be in serious legal trouble. This restriction applies until the inside information is made public.

A workforce member who wants to buy stocks based on insider information must ask permission from the BJC HealthCare Legal Services department. They may be able to confirm whether the information is “insider information,” and cannot be used for personal gain. Workforce members who do insider trading will be punished, and may even be fired. In addition, the workforce member may be subject to civil or criminal sanctions.

Research Compliance

BJC HSOs receive money from private companies and governments to do medical research. HSOs must comply with the many rules and regulations that apply to medical research. There are significant issues related to research activities. HSOs must be aware of the following:

- Human research protection requirements
- Institutional Review Board (IRB) review requirements
- Billing and payment requirements
- Potential violations of the anti-kickback law related to payment for research
- Financial conflicts of interest in connection with research grant funding

Research of human subjects must be supervised by an IRB. The Food and Drug Administration and the department of Health and Human Services have specific requirements for IRBs. These regulations govern several aspects of the IRB:

- The composition of IRB membership
- The nature of the review an IRB must conduct
- Required patient protections
- Other procedures relating to the IRB

Researchers must submit details of their proposed research to the IRB in advance. The IRB must review the human protection safeguards for study participants. That includes the policies and documents used to inform patients and get their consent to participate in the research.

Compliance research projects must have the following in place:

- Informed consent documents that explain to participants the potential benefits and risks of the research
- Oversight to limit any potential harm to research participants
- Strictly adhere to organizational and procedural formalities of IRB oversight, like voting quorum requirements
- Select IRB members with diverse expertise, interests and perspectives on the research
- Keep accurate records of IRB meetings, and
- Identify and properly manage conflicts of interest held by members of the IRB

HSOs should educate IRB members about these standards. IRB members should also understand the many ethical issues involved in human subjects research.

There are specific regulations on billing federal programs for research services. HSOs may not bill Medicare or Medicaid for services or supplies that are funded by private or government research grants. The BJC HSO must take care to account for all research costs so that Medicare, Medicaid or other payers are not billed for services. The BJC HSO must identify those services provided to patients as part of the research study. That includes services like lab tests, imaging studies, medical procedures and physician services. Charges for these services should only be billed to the organization funding the research. Workforce members involved in research are responsible for compliance with research regulations. HSOs should notify the BJC Legal Services or Corporate Compliance departments of any research activity.

Federal anti-kickback laws are important for HSOs conducting research activities. Those laws forbid researchers from getting paid by the research sponsor when some part of the research will be

billed to Medicare or Medicaid. There are some exceptions related to “fair market value.” There is no clear test for “fair market value.” Every financial arrangement related to medical research must be reviewed by the BJC Legal Services or Corporate Compliance department. HSOs and others who break these laws may face civil and criminal penalties.

Conflicts of interest issues are also common with medical research. Here are some examples of possible conflicts of interest in medical research:

- Payment for saying positive things in public about the study sponsor or their products
- A financial stake in the Study Sponsor’s company
- Payment for participating on a board of directors or other study sponsor committee
- Intellectual property rights in the drug or device under study
- Payment for training, proctoring, or teaching about the use of the Study Sponsor’s products

Some of the above might be acceptable. All possible conflicts of interest must be reported to the IRB. The IRB application and review process will determine whether a potential conflict is acceptable. Research-related activities cannot begin until this review process is complete and all conflicts are addressed. HSOs must accurately account for all financial aspects of the research. HSOs should document all arrangements, including IRB decisions about conflicts of interest.

Studies funded by the National Institutes of Health, the National Cancer Institute, and the National Institutes for Mental Health carry significant regulatory burdens. There are special rules relating to record keeping, reporting, and inspection/audit requirements. There may be special rules governing conflicts of interest in the conduct of research. Questions about complying with these regulations should be directed to the BJC Legal Services department or BJC Grants Management Office. Failure to comply could lead to fines as well as exclusion from future research activities.

Antitrust

BJC has many market competitors. BJC must follow the laws that protect market competition. These laws are often called “antitrust laws.”

Antitrust laws enforce the idea that people and businesses should be able to buy and sell things to each other without interference by other people or businesses. The laws also enforce the idea that prices and other terms of a sale are based on competition between sellers. Any agreement between BJC and another person or business that undermines these ideals may violate the antitrust laws.

Here are some examples of agreements that likely violate antitrust laws:

- Agree which markets each party will enter, or which buyers they will sell to
- Agree on the prices each party will charge
- Agree on the services each party will offer
- Share confidential information about private business matters

Illegal activity may not be obvious. Actions that only seem suspicious can trigger antitrust enforcement. The courts can infer bad behavior without hard evidence. Any activity with a competitor could be used as evidence. Workforce members should assume activity with competitors will be a problem. They should report it immediately to the BJC Legal Services or Corporate Compliance departments.

Marketing and Advertising

The BJC HSO may use marketing and advertising activities for several purposes. Here are a few examples:

- Educating the public
- Informing the local community
- Increasing awareness of the BJC HSO's services
- Recruiting workforce members

All marketing and advertising materials must be truthful. They must provide all relevant information. They should not be used to deceive patients or the public.

Copyrights

Many published works are protected by copyright law. Published "work" includes written, visual, or vocal. It may be prepared or delivered on paper, on film, or electronically/digitally. Copyright law gives the creator control over their work. Creators can control whether and how anyone else can use the work. In many cases, the creator may have to give permission before someone else can use their work. Failure to get required permission may result in fines. BJC's copyright policy respects the laws, especially permission requirements. Copyright law is very complex with many specific rules, and sometimes exceptions to those rules. When in doubt, please contact the BJC Legal Services department for assistance.

Copyright laws also apply to computer software. Some software may be subject to patent protection as well. Most software used by BJC is licensed from the owner. BJC holds License Agreements or similar terms with the software owner. Workforce members may not copy or share computer software, software manuals, or other materials protected by copyright. Workforce members may not share software with others. Workforce members cannot use BJC equipment to copy or share other computer software for personal benefit. That includes software or other copyrighted materials available over the internet. For example, a workforce member uses material from sources BJC has licensed. But, they may not use BJC computers to use materials available online that BJC has not licensed.

Fundraising

BJC is a charitable organization. To help with this mission, BJC may try to raise money from people and other organizations. This is called "fundraising." All fundraising activity must comply with federal and state laws. Each BJC HSO's fundraising activities must occur through its related Charitable Foundation. These are also sometimes called Development Organizations. No workforce member or other person may use the BJC HSO's name to do fundraising without approval by the BJC HSO's Charitable Foundation.

Any material used to raise any funds for a BJC HSO must be truthful. Money raised through a sponsorship or endorsement of a BJC HSO must be approved by the BJC HSO's Charitable Foundation or Development Organization. BJC HSOs that violate these rules could lose the HSO's charitable status. Workforce members could face individual civil or criminal penalties.

Conflicts of Interest

Workforce members should forego other business that might conflict with the interests of BJC. A conflict of interest occurs when something good for one interest is bad for the other interest. This should be avoided, especially with decisions about purchasing anything for BJC and caring for BJC patients. Some conflicts of interest may be unavoidable. If there is a conflict, or the appearance of a conflict, it must be disclosed to the appropriate level of BJC management. HSOs and workforce members must take action to prevent conflicts of interest from influencing HSO decisions.

Any situation where a workforce member can use their BJC connection to benefit only themselves is a potential conflict of interest. Same goes when their self-interest could harm BJC's interests. This is called conflicting loyalty. This may lead a workforce member to act against BJC's interest in order to help themselves. Here are some examples:

- Any outside interest that distracts a workforce member from their BJC HSO duties
- A personal or family investment in a BJC HSO customer, supplier or competitor
- Receiving some kind of payment from a customer, supplier, or competitor

As a general rule, workforce members may not have a business relationship with any entity that does business with BJC. Workforce members generally may not invest in any entity that does business with BJC. There are some exceptions. For example, owning a financial product with a stake in an entity that does business with BJC is likely okay.

As a general rule, workforce members should not have other outside employment or business interests that place them in a position of:

- Falsely representing BJC or the BJC HSO
- Diverting business from BJC or the BJC HSO
- Reducing the performance of their BJC HSO duties

Workforce members may not use BJC assets for personal benefit or personal business purposes. Workforce members should also avoid speculating in markets that may be affected by BJC or HSO business decisions.

In some cases, the BJC HSO and/or BJC may act even though a conflict of interest may exist. For that reason, any potential conflicts of interest must be reviewed and approved by HSO management and the BJC Corporate Compliance department.

Conflicts of interest in research create additional concerns. Researchers must not have a financial interest in the outcome of the research. The researcher should not have any financial interest in the company providing funds for the research. They should not receive any personal benefit from the research. Areas of concern include consulting agreements, stock options, trips to meetings, and other payments to the researcher. All researchers should complete an annual conflict of interest disclosure form supplied by the Research Affairs Office. For more detailed information, please refer to the policies maintained by BJC's Research Affairs Office.

HUMAN RESOURCES AND PERSONNEL POLICIES

BJC is an equal opportunity employer. BJC prohibits discrimination or harassment of any kind. All BJC workforce members must follow all BJC Human Resources policies including the Equal Employment Opportunity (EEO), No discrimination, No Harassment policy, and all applicable federal, state and local employment laws.

As stated in the BJC Code of Conduct, the BJC core values commit to treating all employees with respect. BJC will not tolerate harassment or discrimination by or against any person in any BJC facility. All discrimination and harassment is unacceptable in the workplace.

“Harassment” means any unwelcome verbal or physical conduct by one person against another person that denigrates or shows hostility or aversion towards that person based upon that person’s race, color, ancestry, national origin, sex, religion, age, disability, sexual orientation, gender identity, genetic information, military or veteran status, or any other legally protected class when such conduct is made explicitly or implicitly a term or condition of employment, submission to or rejection of such conduct is used as the basis for employment decisions, or such conduct has the purpose or effect of substantially interfering with an individual’s work performance or creating an intimidating, hostile or offensive working environment. Harassment may include unwelcome, offensive slurs, jokes, or similar conduct. Harassment is unacceptable at BJC and will not be tolerated.

Sexual harassment includes any unwelcome sexual advances, requests for sexual favors, or any verbal or physical conduct of a sexual nature. Here are some examples:

- Approaching someone in an unwelcome sexual way
- Requests or demands for sexual favors tied to employment
- Joking about sex
- Talking about sex in an aggressive or hostile way
- Obscene comments, gestures or actions
- Displaying sexually suggestive objects or pictures in the workplace

Workforce members must report any discrimination or harassment to their supervisor. Workforce members can also make such a report to any other manager or executive. Workforce members may also report concerns directly to BJC Security or Human Resources if they are uncomfortable reporting to management.

BJC promptly investigates all reports of discrimination or harassment. Employees who are found in violation of BJC’s EEO Policy and/or the BJC Code of Conduct will be disciplined, up to and including termination of employment. BJC does not tolerate discrimination or harassment of workforce members against other workforce members, of workforce members against patients or their families, or of workforce members against any other person or company with which BJC does business.

BJC will not tolerate or condone any action by any person, including employees, physicians, patients, visitors, vendors, agents, or other third parties which constitutes illegal harassment or discrimination of any BJC employee.

Workforce members will be disciplined if they do not act on a credible discrimination or harassment report. People who discriminate will be disciplined. If one person falsely accuses another of discrimination, the accuser could be disciplined. This applies to discrimination by workforce members



We prevent,
detect and correct
non-compliance..

against other workforce members. It applies to discrimination by workforce members against patients or their families. It applies to discrimination by workforce members against any other person or company BJC does business with. BJC prohibits any retaliation against any employee who makes a complaint of discrimination, harassment, or retaliation in good faith or participation in investigation of any such complaint.

Equal Opportunity Employment Practices

BJC treats all employees equally. Current and future employees are judged only on how well they perform their job duties. BJC does not discriminate based on race, sex, religion, or any other protected category. BJC follows all laws and regulations related to discrimination in the workplace. BJC has internal policies to follow and enforce those laws and regulations. Questions should be directed to the BJC Human Resources or Legal Services departments.

Substance Abuse

Substance abuse means the inappropriate or illegal use of controlled substances. BJC conducts pre-employment drug testing to help prevent substance abuse by employees. Applicants who engage in substance abuse are not hired. Workforce members may be drug tested if an accident happens at work. Workforce members may be punished, or even fired for substance abuse. Here are some examples of activity that could get you fired:

- Making, using, or selling any drugs or alcohol without permission
- Coming to work drunk or on drugs
- Any other mishandling of drugs while on the job

Employment of Relatives

Decisions about who to hire should be based on merit. BJC has policies in place to make sure that happens. A BJC HSO may hire relatives of current workforce members. However, they cannot work in departments where one can influence the work of the other. The employment of relatives will not be permitted if there is a potential conflict of interest. Immediate relatives of Senior Executive Officers and the Executive Leadership Team of BJC will not be employed by any entity within BJC.

Background Checks

The Human Resources department does a background check on every candidate offered a job. The background check intensity is based on the levels of responsibility of the job. The background check must include whether the applicant has been kicked out of any federal health care program.

Workforce Member Reimbursement Requests

Workforce members may submit claims for reimbursement for work expenses. Requests must be accurate. The expenses must be documented. Supporting documentation must be submitted with the request. Only certain expenses can be reimbursed. Workforce members should use good judgment in seeking reimbursement for these expenses. Meals without a proper business purpose are not reimbursable. More detail is found in the Travel & Expense Policy. Any workforce member that files a false expense report on purpose will be fired.

ENVIRONMENTAL COMPLIANCE AND WORKPLACE SAFETY

Protection of the Environment

BJC HSOs produce hazardous materials, including medical waste. BJC and HSOs have internal policies and procedures for safely dealing with these materials. Those policies and procedures follow state and federal laws. That includes the Clean Air and Clean Water Acts and many others. Every BJC workforce member must follow the policies and procedures. Workforce members should report problems to a supervisor, the BJC HSO, or BJC Safety department.

Controlled Substances

BJC HSOs handle narcotics and other controlled substances. Improper handling is illegal and dangerous. BJC HSO pharmacies must comply with federal and state laws and regulations. Federal laws are enforced by the Drug Enforcement Administration (DEA). All workforce members must comply with controlled substance laws. Only licensed persons with prior approval may handle them. Health care practitioners may dispense controlled substances if they have a license to do so. Workforce members must follow record-keeping policies and procedures. Unauthorized activity with controlled substances is strictly prohibited. Workforce members should report any problems to their supervisor, BJC Legal Services, or Corporate Compliance departments.

Workplace Safety/OSHA

BJC is responsible for providing a safe work environment. Each facility has policies and procedures to help deal with safety issues that may occur. Supervisors must make sure workforce members complete the proper training in health and safety practices. All workforce members must know and follow safety policies and procedures. All workforce members are responsible for using safe work practices to protect themselves, their co-workers, and patients. Workforce members should discuss health and safety issues at departmental meetings. Workforce members must report any accidents or unsafe circumstances.

TAX-EXEMPT REQUIREMENTS

General Principles

BJC and its HSOs do not pay federal income taxes. They are exempt under Section 501(c) (3) of the Internal Revenue code. BJC qualifies for this exemption because it is operated for charitable purposes. BJC and HSOs do pay taxes on activities not related to their charitable purposes. The exemption can be lost if BJC or HSOs do not meet the standards for a charitable organization.

Private Inurement

BJC and its HSOs may not do things that result in “inurement” of insiders. Insiders are people with a special relationship to BJC that they can use to benefit themselves. The IRS uses the term “insiders” to mean corporate officers, directors and physicians. “Inurement” means a benefit beyond the normal relationship between the person and BJC. An example is payment beyond the normal wage or salary for that person’s role.



We follow all
rules governing
charitable
organizations.

Private Benefit

Private benefit is similar to private inurement. The private benefit restriction applies to all individuals, not just BJC or HSO insiders. The private benefit limit requires the BJC HSO serve public interests instead of private interests. There are some exceptions. Incidental private benefit is acceptable. Here are a few examples:

- Contracts with vendors and suppliers
- Compensation packages of non-insiders
- Joint ventures or partnerships with non-BJC HSO people or organizations

Any of these must primarily benefit the BJC HSO's charitable functions, rather than private interests. They should be reviewed and approved by the BJC Legal Services or Corporate Compliance departments.

Intermediate Sanctions

The IRS may place "intermediate sanctions" on charitable hospitals that break private inurement or benefit rules. These sanctions are taxes that must be paid by any "disqualified person" that receives "excess benefits" from the BJC HSO. A "disqualified person" is anyone who can influence BJC HSO decisions. Examples include:

- The BJC HSO's officers, directors, trustees, and some of their family members
- Substantial BJC or HSO donors
- The five highest-paid workforce members

Doctors may also qualify if they possess substantial influence over the BJC HSO. An "excess benefit" is a financial gain that exceeds whatever the other party gives in return. Here are some examples of where the IRS might look for an excess benefit:

- Compensation packages for disqualified individuals
- Sales, leases, or exchanges of BJC HSO property and assets
- Joint ventures or partnerships with private individuals or entities

To help avoid trouble, all deals must be based on fair market value of whatever the parties are exchanging. Certain deals must be approved by the BJC HSO Board of Directors. Any proposed deal with a disqualified person must be reviewed in advance by the BJC HSO's senior management and BJC's General Counsel.

Physician Recruitment, Practice Acquisitions, and Disengagements

The IRS pays close attention to charitable hospitals and doctors. The IRS pays extra close attention when a hospital buys a physician practice. Deals that create private inurement or private benefit are illegal. The IRS could fine the hospital executives that approved the deal. The IRS may even revoke the BJC HSO's tax exemption and make the HSO pay taxes. In some circumstances the same analysis applies when a doctor leaves BJC. Here are some examples of deals that could trigger IRS review:

- Buys practice assets from the BJC HSO
- The BJC HSO pays the doctor for severance
- Enters into a continuing contractual relationship with the BJC HSO
 - Leases office space
 - Leases management services

Any deals to buy or sell doctor practices must be reviewed and approved by the BJC Legal Services department.

Unrelated Business Income Tax (UBIT)

BJC HSOs will be taxed on unrelated business income (UBI). UBI is any activity performed by a tax-exempt organization that is not related to the reason it is exempt. For BJC HSOs, this means any activity not related to medical care. UBI does not include any activity that is done for free. It also excludes activity done for the convenience of the BJC HSO's patients, workforce members, or corporate officers.

The following types of activities are usually exempt under the "convenience" exception, but not always. They should be carefully reviewed to determine if any UBI is being generated:

- Lab services
- Pharmacy sales to nonmembers
- Leasing of medical buildings
- Parking facilities
- Laundry services
- Cafeterias, coffee shops, and gift shops
- Income from medical research

Questions about tax issues should be directed to the BJC HealthCare Legal Services department.

RELATIONSHIPS WITH REGULATORY AND ACCREDITING AGENCIES

State and federal agencies investigate health care providers and review their records. These agencies should be dealt with in a direct, open, and honest manner. BJC's policy is to cooperate to the full extent required by law. Workforce members should never act to mislead a government agency in any way. Workforce members must consult with the BJC Legal Services, Risk Management, or Corporate Compliance departments before responding to agency requests.

This **Code of Conduct and Handbook** does not address every conceivable situation. They summarize basic standards and expectations for workforce member conduct. All workforce members should understand those standards and expectations. Workforce members should direct questions to their supervisor. They can also contact their HSO Compliance Liaison or the BJC Corporate Compliance department.



Compliance intranet site: bjc.sharepoint.com/sites/BJCCorporateCompliance

Compliance phone number: 1-314-286-0678

Compliance email: compliance@bjc.org

Ethics and Compliance Hotline: 1-800-525-BJC1

Ethicspoint website: bjc.ethicspoint.com

[BJC.org](https://bjc.org)

BJC HealthCare complies with applicable federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability or sex.

Atención: hay servicios de asistencia de idiomas disponibles a su disposición sin costo. Llame al 314-273-1487 (TTY: 1-800-735-2966).

注意：免费提供语言协助服务，如有需要敬请致电 314-273-1487 (TTY: 1-800-735-2966)。