

**CAPITAL HEALTH SYSTEM
CORPORATE COMPLIANCE PROGRAM
POLICY AND PROCEDURE**

TITLE: Reporting, Confidentiality and Non-Retaliation		NO: CCP-AD-005
ORIGINATING SOURCE: Corporate Compliance		EFFECTIVE DATE: March 1, 2010
APPROVALS: Al Maghazehe, Ph.D., CHE President and CEO Stephen A. Miller, JD Chief Compliance and Privacy Officer	PERSONNEL: All Personnel	SUPERSEDES: December 1, 2006
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I. PURPOSE

To promote the reporting of suspected instances of non-compliance, including known or suspected fraud, abuse or waste related to Capital Health System's (Capital) participation in Federal Health Care Programs, to protect the confidentiality of individuals making reports on non-compliance and to ensure that individuals who report suspected non-compliance do not suffer retaliation.

II. FORMS/EQUIPMENT

None.

III. POLICY

Capital is dedicated to avoiding instances of non-compliance, remedying non-compliance where it occurs and preventing non-compliance in the future. Capital recognizes that identification of potential instances of non-compliance is an integral part of actively preventing compliance violations and ensuring ethical business practices. Capital employees report suspected violations of its compliance standards, including any known or suspected fraud, abuse or waste related to Capital's participation in Federal Health Care Programs, to the Chief Compliance Officer.

Capital is committed to a work environment that encourages employees to report all potential instances of non-compliance to the Chief Compliance Officer. Individuals who report suspected instances of non-compliance are protected against retaliatory actions.

IV. DEFINITIONS

- A. Instance of Non-Compliance: Any violation of the System's Code of Ethics, Corporate Compliance Policies and Procedures, or Federal, State or Local law or regulation, including any known or suspected fraud, waste or abuse associated with Capital's participation in Federal Health Care Programs.

V. PROCEDURE

A. Reporting Suspected Instances of Non-Compliance

1. Capital employees know of, or suspect, an Instance of Non-Compliance report the known or suspected non-compliance to the Chief Compliance Officer within 24 hours.
2. Reports to the Chief Compliance Officer are made through the Compliance Hotline at (609) 815-7494 or (877) 482-2908, through Capital Health's anonymous e-reporting mechanism or directly to the Chief Compliance Officer via telephone (609) 394-6783, e-mail at Smiller@capitalhealth.org or in person.
3. Employees who know of, suspect, or reasonably should know of non-compliance, and do not report to the Chief Compliance Officer in accordance with this policy are subject to disciplinary action, up to and including termination of employment.

B. Awareness of Reporting Obligation and Protection From Retaliation

1. To support awareness of compliance standards and to assist employees in recognizing Instances of Non-Compliance, Capital provides employees with education regarding the System's Code of Ethics and its Corporate Compliance Policies and Procedures that are applicable to the employee's position.

Education is provided in accordance with Capital's policy on compliance education and training (CCP-AD-001).

Training includes a discussion of each employee's obligation to report suspected instances of non-compliance and Capital's policy against retaliation.

2. Capital provides copies of its Code of Ethics training booklet to all employees and maintains copies of all Corporate Compliance Policies and Procedures are on the CHS Intranet site, CHS World.

3. Capital posts in conspicuous places throughout its facilities, a notice informing Capital employees of their rights under the Conscientious Employee Protection Act, P.L. 1986. c.105 (C.34:19-1 et seq.).
4. Capital's Employee Handbook explains:
 - a. The Federal False Claims Act;
 - b. Administrative remedies for false claims and statements under 31 U.S.C. Chapter 38;
 - c. Any New Jersey laws pertaining to civil or criminal penalties for false claims and statements;
 - d. Whistleblower protections under laws referenced in a-c above;
 - e. Capital's policies and procedures for preventing fraud waste and abuse;
 - f. Employees' duty to report known or suspected fraud waste and abuse to the Chief Compliance Officer.

C. Confidentiality of Individuals Making Reports to the Chief Compliance Officer

1. Confidentiality cannot be guaranteed in all circumstances, however, when requested by the individual making the report the Chief Compliance Officer will keep the individual's identity confidential to the extent practicable.
2. When confidentiality is requested by an individual making a report under this policy, unless otherwise required by law, the identity of reporting individuals will not be disclosed to third parties without advance notice to the reporting individual.

D. Non-Retaliation

1. Capital and its employees may not retaliate against individuals who make good faith reports of Instances of Non-Compliance either to appropriate Capital personnel (i.e. supervisor, the Chief Compliance Officer) or to a governmental agency.
2. Any personnel who retaliate against individuals are subject to appropriate discipline, up to and including termination from employment.

3. Individuals who believe that they have suffered retaliation as a result of a report of a known or suspected instance of non-compliance report the suspected retaliation to the Chief Compliance Officer within 24 hours of becoming aware of the retaliation.

VI. REFERENCES

Federal Sentencing Guidelines, Sentencing Manual, Chapter 8, Sentencing Organizations, U.S.S.G. §8, November 1, 2006

United States Department of Health and Human Service, Office of Inspector General's Supplemental Compliance Guidance to Hospital, January 27, 2005, 70 F.R. 4858

United States Department of Health and Human Service, Office of Inspector General's Compliance Guidance to Hospital, February 23, 1998, 63 F.R. 8987

Deficit Reduction Act of 2005, S. 1932 (February 8, 2006)

VII. COMMITTEE APPROVAL

Corporate Compliance Executive Steering Committee 2/18/2010