



Hospital Sisters

HEALTH SYSTEM



**Hospital Sisters Health System
System Responsibility Program Plan**

Submitted by: Mark A. Novak, System Responsibility Officer and Vice President

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**Hospital Sisters Health System
System Responsibility Program Plan**

Introduction

In order for Hospital Sisters Health System (HSHS) to carry out its health ministry consistent with its Mission, Vision, Values and Philosophy, an effective System-wide System Responsibility Program Plan (SRP) will be maintained.

The System Board of Directors, through its Audit and Integrity Committee, are responsible for the oversight of the SRP with day-to-day administration being assigned to the System Responsibility Officer and Vice President (SRO), which includes activities associated with Local System Boards and Board committees. Each Local System Board through its respective Chief Executive Officer is responsible for oversight of their SRP, with compliance for the day-to-day administration delegated to the Local Division Director of System Responsibility.

In recognition of our corporate responsibilities and in alignment with our vision of being a value driven health system, HSHS has developed a System-wide SRP. It is the policy of HSHS to comply with all applicable federal, state, and local laws as well as standards of ethical business conduct.

The purpose of this SRP Plan is to provide instruction and serve as a resource for Local System Leaders who have compliance responsibility. This SRP Plan explains the infrastructure of the HSHS System Responsibility Program, identifies roles and functions, describes compliance processes at HSHS, and provides direction about where to find additional detailed information. The content of this SRP Plan is intended to complement, not replace, other HSHS policies.

The term "System Responsibility" entails recognizing and following all federal and state laws. The purpose of our SRP is to assist with the establishment of a culture within HSHS that promotes prevention, detection, and resolution of conduct that does not conform to established standards, regulatory requirements, and HSHS's mission and ministry, ethical and business policies. Our SRP is a living document which provides us with the structure for continually learning about applicable laws and regulations, identifying emerging issues, and developing and implementing plans of correction.

Our SRP also makes good business sense because it helps us fulfill our fundamental care giving mission to patients and the community. It helps us identify and improve weaknesses in internal systems and operations. The SRP has been approved by the HSHS Board of Directors (Board) and applies to HSHS and its 13 Local Systems which is organized into a divisional structure to better serve each of the local ministries. These include:

Southern Illinois Division

- St. Elizabeth' Hospital O'Fallon

- St. Joseph's Hospital Breese
- St. Joseph Hospital Highland
- St. Anthony's Memorial Hospital Effingham
- HSHS Holy Family Hospital Greenville

Central Illinois Division

- St. Mary's Hospital Decatur
- St. John's Hospital Springfield
- St. Francis Hospital Litchfield
- HSHS Good Shepherd Hospital

Eastern Wisconsin Division

- St. Mary's Hospital Medical Center Green Bay
- St. Vincent Hospital Green Bay
- St. Nicholas Hospital Sheboygan
- St. Clare Memorial Hospital Oconto Falls

Western Wisconsin Division

- Sacred Heart Hospital Eau Claire
- St. Joseph's Hospital Chippewa Falls.

It also applies to HSHS medical groups such as Hospital Sisters Health System Medical Group; Prevea Health, HME Home Medical and Prairie Cardiovascular Consultants. Also included are all those entities that are part of Kiara, Inc., Hospital Sisters Services, Inc. and the Hospital Sisters of St. Francis Foundation, Inc. This System Responsibility Program Plan involves Board members, management, colleagues, physicians and other agents. On August 9, 2010, the HSHS Board of Directors unanimously adopted this SRP.

The outline of this SRP Plan is based upon the 7 elements of an effective compliance program as recommended by the Office of Inspector General (OIG). These elements provide the basis for organizing and focusing our written standards, policies and procedures. The first 7 sections of this SRP Plan correspond with these elements:

1. Oversight Responsibility
2. Compliance Standards of Conduct and Policies and Procedures
3. Open Lines of Communication

- 4. Effective Training and Education
- 5. Monitoring and Auditing Systems
- 6. Response to Detected Deficiencies
- 7. Enforcement of Disciplinary Standards

Section 8 addresses the handling of specific compliance issues regarding Medicare and Medicaid.

Section 1: System Responsibility Oversight

SRP Oversight provides a focal point for all compliance activities. To establish this oversight, HSHS has designated the Audit and Integrity Committee of the Board (Board Committee) to oversee and monitor the organization's commitment to compliance regulations, policies and standards.

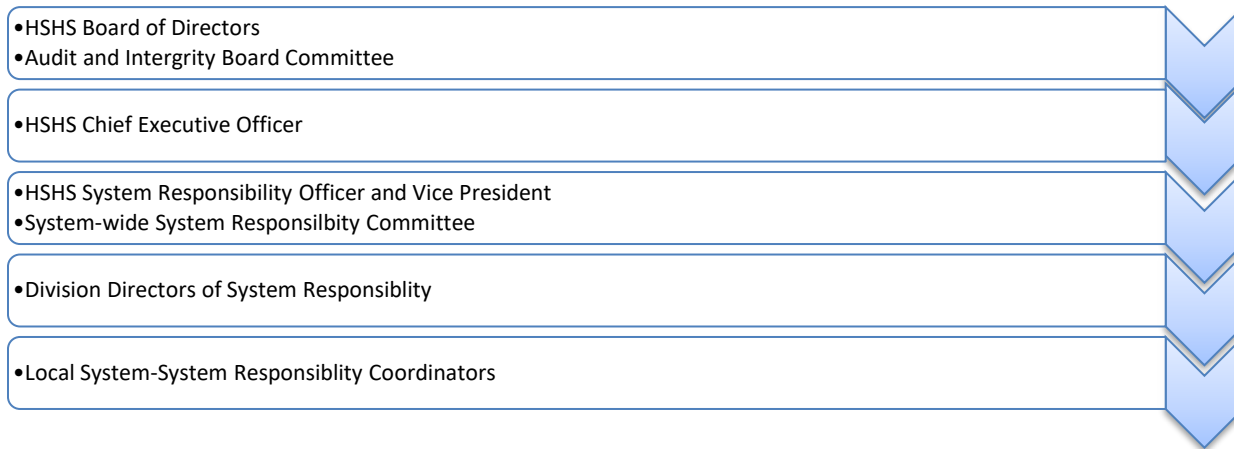


Figure 1: Defined Roles of System Responsibility

A. Board of Directors

The Members appoints the President and Chief Executive Officer who shall appoint the SRO and establishes the Board’s Audit and Integrity Committee to monitor and evaluate the SRP's effectiveness. The Board Committee provides oversight to the System

Responsibility Program. The Board committee receives quarterly updates from the SRO that summarize compliance activity including monitoring and results, investigations and a summary of any disciplinary actions.

B. Hospital Sisters Health System Chief Executive Officer

The Chief Executive Officer (CEO) is responsible for allocating appropriate resources for effective implementation of the SRP. The CEO maintains direct communication with the Board and the SRO.

C. System Responsibility Officer and Vice President

The SRO reports to the President and Chief Executive Officer and shall have access to the Audit and Integrity Committee and works in collaboration with the Audit and Integrity Committee of the Board and Internal/External Auditors. Access shall be defined as having the authority to approach the board committees without the approval of the CEO.

The SRO is responsible for guiding and monitoring the HSHS Systems compliance activities, implementing and enforcing the SRP; maintaining a current knowledge of laws and regulatory requirements; updating, coordinating, and formulating system responsibility policies; disseminating related information and updates throughout the HSHS System to ensure that HSHS is addressing compliance issues; coordinating with Human Resources to promote due care in hiring all colleagues, independent contractors, and medical staff applicants; and developing and overseeing methods which encourage colleagues to report suspected fraud and other improprieties without fear of retaliation. The essential functions and responsibilities of the SRO are to:

1. Strengthen HSHS’s culture of compliance by monitoring the compliance value line and developing fraud awareness at all levels within HSHS.
2. Coordinate with the HSHS Legal Counsel on issues and legal analysis including compliance investigation and the management thereof.
3. Collaborate on the development and implementation of system-wide and entity specific policies and appropriate standards to ensure integrity of financial reporting with the HSHS Chief Financial Officer; in conjunction with the Director of Internal Audit in the facilitation of the internal and external audit process consistent with goals established by the Audit and Integrity Committee.

4. Design, implement and evaluate the components of the annual System Responsibility Plan for approval by the Audit and Integrity Committee of the Board of Directors.
5. Maintain specific technical knowledge and skills related to the Centers for Medicare and Medicaid Services (CMS), HIPAA, OIG Reports [e.g., fraud alerts, advisory opinions, audit reports, annual work plan, etc.], and others in order to support the System Responsibility Program Plan and Standards of Conduct.
6. Interpret content of Department of Health and Human Services, CMS, OIG, Medicare, Medicaid and other such publications to determine application of various standards to HSHS.
7. Design, implement and evaluate the components of various compliance strategies, and provide specialty area education for those departments that may require more in-depth compliance education, e.g., billing, coding, contracting, human resources.
8. Motivate staff using a variety of media to create an atmosphere of teamwork and common goal achievement.
9. Ensure the staff receives continuing education to maintain a high level of proficiency and accuracy in the performance of duties and their professional credential maintenance requirements.
10. Provide in-service and continuing education on compliance issues/regulations to senior leadership, physicians, allied health practitioners, administrative personnel, billing personnel and all other colleagues to increase knowledge of the relationship between services provided to patients, medical record documentation and reimbursement.

D. Division Directors of System Responsibility

The Division Directors of System Responsibility will have direct line accountability to the SRO and an indirect (dotted) line relationship with the Divisional Presidents and Local System Chief Executive Officers. These positions assist the SRO in the oversight of the SRP, including but not limited to, facilitating the development of Divisional Systems SRPs, education and training programs in response to identified compliance issues, assisting with investigations, and monitoring of program effectiveness. The essential functions and responsibilities of the Division Directors of System Responsibility are to:

1. Complete the assessment of organizational risk for misconduct and noncompliance within their respective divisions.
2. Assist in the establishment of organizational objectives for ethics and compliance throughout the HSHS system.
3. Assist in the management of the entire System Responsibility program and to
 - a. Revise, distribute and enforce standards of conduct
 - b. Train Board members, colleagues and vendors on ethics and compliance
 - c. Values Line (hotline)
 - d. Audit and monitor
 - e. Conduct investigations
 - f. Provide guidance and support
4. Implement initiatives to foster an ethical culture throughout the division.
5. Supervise ethics and compliance staff; both direct and indirect reports; as appropriate.
6. Make frequent reports to the SRO on ethics and compliance risks, incidents and activities.
7. Maintain visibility throughout the division, including attending senior leadership meetings.
8. Ensure program consistency throughout the division.
9. Ensure resolution of all reported compliance issues in a timely manner.
10. Collaborate with various departments including legal, human resources, risk management and internal/external audit as appropriate.

E. System Responsibility Coordinators

In designated or key hospitals within the HSHS System there may be individuals who will serve as the System Responsibility Coordinator (Coordinator) and assume primary responsibility for the oversight of regulatory compliance at the hospital level. This entails

acting as the System Responsibility liaison to the SRO and the Division Director of System Responsibility and assisting with the development and implementation of hospital policies and procedures, training, monitoring, and enforcement. The Coordinator will have direct line accountability to their respective CEO and an indirect (dotted) line relationship with the Divisional System Responsibility Officer. The Coordinator assists the System Responsibility Department in communicating the initiatives of the SRP to hospital staff and is responsible for staying abreast of applicable laws and regulations. The Coordinator has the authority to effect change at the hospital level and has the support of the SRO and Audit and Integrity Committee senior management. The essential functions and responsibilities of the Coordinators are to:

1. Assist in assessing organizational risk for misconduct and noncompliance;
2. Assist in the establishment of organizational objectives for ethics and compliance;
3. Assist in the administration of the local ethics and compliance program
 - a. Train colleagues and vendors on ethics and compliance, as requested
 - b. Values Line (hotline), as necessary
 - c. Auditing and monitoring, as necessary
 - d. Investigations, as necessary
 - e. Guidance and support, as necessary
4. Assist in implementing initiatives to foster an ethical culture throughout the local organization
5. Maintain visibility throughout the division, including attending senior leadership meetings.

F. System-Wide System Responsibility Committee

The System Responsibility Committee of HSHS helps to assure that all Leadership understands its responsibilities and plays an active role in ensuring individual and organizational ethical and legal business practices. The Committee also provides oversight of the SRP in the Local Systems, System Services Center (SSC) and other HSHS controlled entities, in support of Executive Leadership's and the Audit and Integrity Committee's expectation for an effective SRP. The Committee provides advice and support to the SRO and to management.

Responsibilities

The responsibilities of the Committee center on building key elements of an effective SRP throughout HSHS. This includes, but is not limited to, addressing the following areas:

1. **Program Management:** assuring high level accountability for the program, developing a structure for executive leadership to take a multidisciplinary approach to compliance; conducting system-wide risk assessment activities; and implementing System Responsibility Plans throughout HSHS
2. **Standards, Policies and Procedures:** assuring system-wide policies and procedures are in place and current; updating and communicating the HSHS Standards of Conduct; and maintaining a current and comprehensive SRP Plan
3. **Education and Communication:** assuring comprehensive, appropriate and timely education concerning the system responsibility expectations of colleagues, physicians and HSHS agents, system-wide
4. **Oversight, Monitoring, Auditing and Reporting:** assuring appropriate processes are in place throughout HSHS so that potential deviations from HSHS standards are tracked and promptly addressed in an integrated fashion
5. **Response, Enforcement and Prevention:** assuring that standardized protocols are followed throughout HSHS in the event of reported, suspected, or confirmed corporate responsibility exceptions

These responsibilities are exercised by facilitating communication, sharing compliance concerns across the organization, and leveraging knowledge and best practices. It also includes assuring there is a process for appropriate investigation and follow up of issues throughout HSHS that are identified through the Values Line and other methods of internal reporting such as anonymous letters.

Performance Evaluation and Continuous Improvement

The Committee will:

1. On an annual basis, review its responsibilities and charter and recommend appropriate changes, if any, to Executive Leadership;
2. Conduct an annual performance evaluation of the Committee;
3. Develop an annual improvement plan for the Committee; and
4. Develop an annual calendar which reflects recurring responsibilities as well as work toward achievement of the Committee's annual improvement plan.

Composition

The composition of the Committee includes system-level representatives from finance, operations, legal, mission integration, human resources, internal audit, quality improvement, risk, revenue cycle, medical group and a divisional representative. Other individuals and/or functional areas will be incorporated into the work of the Committee as may be necessary or appropriate to accomplish Committee objectives. Members are appointed by the CEO, upon recommendation by the SRO. The SRO serves as Chair.

Meetings and Reporting

The Committee meets a minimum of four times per year. Members are expected to attend each meeting, in person or via tele- or video-conference. The work of the Committee is periodically communicated to the HSHS Audit and Integrity Committee through a written report presented by the SRO.

Relationship with Division Committees

Each division will have a Division Responsibility Committee. The minutes from these Division Responsibility Committees are forwarded to the HSHS SRO, who may include topics for consideration by the HSHS System Responsibility Committee.

Other

The Committee shall perform other activities consistent with this Charter and HSHS's governing documents as the Committee, Executive Leadership or the Audit and Integrity Committee deems necessary or appropriate.

G. Division System Responsibility Committee

The Division System Responsibility Committee is a multi-disciplinary team that meets regularly and is responsible for implementing the compliance process and ensuring that the appropriate level of compliance activity exists. The Division System Responsibility Officer serves as chairperson of this committee. The Division Area CEO appoints the members of the committee with advice and counsel from the System Responsibility Officer. The core committee consists of management within areas substantially impacted by compliance issues. Membership is evaluated on a regular basis and may be expanded to include ad hoc members as needed.

The Division System Responsibility Committee is responsible for serving as messengers of compliance initiatives, implementation of SRP elements and appropriate training. The Committee's functions include:

1. analyzing the environment in which entities within the Division do business, the legal requirements with which the Committee must comply and specific risk areas;
2. assessing existing policies and procedures that address these areas for possible incorporation into the SRP;

3. working with designated System Responsibility Coordinators to develop and champion HSHS Sponsored System Responsibility policies and procedures;
4. recommending and monitoring, in conjunction with the relevant departments, the development of internal systems and controls to carry out compliance standards, policies and procedures as part of its daily operations;
5. determining the appropriate strategy/approach to promote System Responsibility with the SRP and detect potential violations;
6. developing a system to solicit, evaluate, and respond to complaints and problems; and
7. monitoring internal and external audits and investigations for the purpose of identifying areas which need improvement in implementing corrective and preventive action.

The Division System Responsibility Committee may also address other functions as the SRP is integrated into and becomes part of the overall operating structure and daily routine of the respective HSHS Division. The Division Responsibility Officer will make periodic reports to the SRO of its finding, proceedings, and actions. These reports are intended to be privileged to the fullest extent permitted by law.

Performance Evaluation and Continuous Improvement

The Committee will:

1. Standardize System of System Responsibility;
2. Develop a widespread understanding by business unit personnel through the use of standardized education and training;
3. Develop and implement Board level education and training in order to enable Board members to fulfill new System-sponsored requirements;
4. Conduct an annual performance evaluation of the Committee;
5. Develop an annual improvement plan for the Committee; and
6. Develop an annual calendar which reflects recurring responsibilities as well as work toward achievement of the Committee's annual improvement plan.

Composition

The composition of the Committee includes the Division System Responsibility Officer who serves as Chair, System Responsibility Coordinators, and should include representatives from finance, operations, legal, mission integration, human resources services, internal

audit, quality improvement, risk management, revenue cycle, medical group and a divisional representative. Other individuals and/or functional areas will be incorporated into the work of the Committee as may be necessary or appropriate to accomplish Committee objectives. Members are appointed by the Division CEO, upon recommendation by the Division System Responsibility Officer.

Meetings and Reporting

The Committee meets a minimum of four times per year. Members are expected to attend each meeting, in person or via tele- or video-conference. The work of the Committee is periodically communicated to the HSHS System Responsibility Committee through a written report presented by the Division System Responsibility Officer.

Relationship with Division Committees

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Other

The Committee shall perform other activities consistent with this Charter and HSHS’s governing documents as the Committee, Executive Leadership or the Audit and Integrity Committee deems necessary or appropriate.

Section 2: System Responsibility Standards of Conduct and Policies & Procedures

System Responsibility Standards of Conduct, and policies and procedures, are intended to articulate HSHS's commitment to comply with all federal and state laws, with an emphasis on preventing fraud and abuse. HSHS is committed to having written policies and procedures in place throughout the system and to providing all colleague access to these while performing their duties. Many of these system-wide policies and procedures are referenced in Sections 3-7, below, and are reviewed regularly by the SRO. In addition, specific hospital policies and procedures are regularly reviewed and updated by the Division Directors of System Responsibility and the System Responsibility Coordinators with input from the SRO. Affected personnel are advised of any changes.

A. Communication Regarding System Responsibility Program

The SRP is communicated to all colleagues and agents of HSHS through new colleague orientation and through training for existing colleagues and agents of HSHS (See Section 4 - Effective Training and Education).

B. Communication Regarding Code of Conduct Guidelines

HSHS has developed *Code of Conduct Guidelines* (Code) to explain our ethical and legal obligations, and professional conduct standards. The Code is intended to serve as a resource for all colleagues and agents and is reinforced through ongoing communication, performance evaluation, and monitoring activities. The Code is distributed to all colleagues, independent contractors, vendors, and physicians and is regularly reviewed and updated based on emerging issues and organizational changes. Each colleague must sign an acknowledgement of receipt of and compliance with the Code.

C. Records Management

HSHS has developed policies and procedures that require proper and timely documentation of all physician and other professional services and inclusion of this documentation in the patient's medical records prior to billing, to support accuracy. All records are retained in accordance with all state and federal laws. The retention periods are listed in the HSHS Record and Retention and Retrieval Policy. Destruction of records takes place pursuant to HSHS's record retention policy to avoid allegations that HSHS deliberately destroyed records in anticipation of an impending investigation.

Section 3: Due Care in Hiring

Due care in hiring means that HSHS engages and hires only those individuals who meet our professional and ethical standards. HSHS policies prohibit the hiring of individuals who have been excluded from or are otherwise ineligible for participation in federal health care programs.

A. Colleague Hiring

HSHS conducts background checks of all colleagues, which include verification from the OIG's List of Excluded Individuals/Entities and Cumulative Sanctions List and the General Services Administration (GSA) Excluded Parties List System. HSHS accesses these lists through the OIG and GSA websites, and determines each individual's status. Any individual who is being considered for HSHS employment is required to submit to a drug and alcohol test as a condition of employment and as an integral part of the pre-employment physical assessment process. In addition, upon reasonable suspicion, any colleague may be required to submit to drug and/or alcohol screening; also any colleague or group of colleagues required by law to be tested are tested.

B. Hiring of Senior Staff

Hiring of Senior Executive Staff includes additional background checks, such as licensing (if applicable) and a review of appropriate experience and education for leadership positions. Executive Offer Letters of Employment are approved and executed, and are terminable at will by the CEO.

C. Physician Background Checks

HSHS conducts a background check on physicians as part of its credentialing, recredentialing, and employment procedures. At a minimum, this includes: verification of current licensure, a criminal background check through the Illinois and Wisconsin State Police, inquiry to the National Practitioner Data Bank and verification that the physician is not listed on the OIG's List of Excluded Individual's/Entities or the GSA Excluded Parties List System.

D. Independent Contractors and Vendors

HSHS makes reasonable inquiry into the background of prospective independent contractors whose job functions or activities may materially impact the Medicare/Medicaid claim development and submission process, the organization's relationship with physicians, or referral patterns between providers. HSHS does not knowingly contract with or retain on its behalf any person or entity which has been convicted of a criminal offense related to healthcare or listed by a federal agency as disbarred, or is listed on the OIG's List of Excluded Individual's/Entities or the GSA Excluded Parties List System.

E. Due Care in Contracting

All contracts are drafted, reviewed and approved in accordance with HSHS's contract management policies. All contracts meeting pre-determined criteria are reviewed by the General Counsel or his/her designee prior to execution. Any proposed compensation arrangement with physicians (i.e., employment arrangements, medical director agreements, leases, independent contractor agreements) must be reviewed in accordance with the Financial Transactions with Physicians Policy and be approved by legal counsel or his/her designee prior to execution.

Section 4: Conduct Effective Training and Education

Ongoing education and training is a significant element of the HSHS SRP. The training programs include sessions highlighting the SRP, fraud and abuse laws, coding requirements, claim development and submission processes, and marketing practices that reflect current legal requirements and program standards. Documentation of formal training undertaken as part of the SRP is retained by the SRO and

reflected in the colleague's education record. Each person is held accountable for compliance with all applicable regulations that affect their job.

A. Orientation to Compliance

Members of the Board and executive leadership team are educated on their compliance leadership role and responsibilities. The System Responsibility Committee members are educated on the necessity to incorporate compliance principles into operational practices, risk areas and their potential impact on the organization, and how to develop and implement educational programs and monitoring processes. Management and colleagues (including employed physicians) are trained on compliance principles, the SRO elements, which include the Code of Conduct Guidelines, and high-risk issues relevant to their specific department and job function. After initial compliance training of management and colleagues, compliance training is incorporated into the orientation program for all new colleagues. Employed or contracted physicians are provided with appropriate resource training to understand applicable compliance regulations and requirements. Physicians also acknowledge their agreement to abide by the Code of Conduct Guidelines and applicable regulations, requirements, and medical staff bylaws. Independent contractors, whose activities or services fall within the framework of the System Responsibility Program Plan, are provided with a copy of the Code of Conduct Guidelines. The contractor's agreement to abide by these standards is incorporated into the terms of their contract with HSHS.

B. Targeted System Responsibility Education

Certain functional and departmental areas have specific regulations with which they must abide, for example, medical records, patient accounts, patient registration, radiology, emergency care, surgery, laboratory, physician practices, home health, hospice, pharmacy. Each colleague receives specific training on the regulations and organizational policies and procedures applicable to his or her job function.

C. Ongoing System Responsibility Training and Education

On an ongoing basis, management, colleagues, and physicians receive information and training updates on the SRP and emerging issues. This information will be disseminated by the System Responsibility Department through methods such as flyers, fraud alerts and monographs.

D. Supervisory Responsibility

Each supervisor ensures the appropriate colleagues under his/her supervision to receive training in the principles articulated in the Code on an annual basis. The System Responsibility Department assists in the preparation and presentation of training seminars. Colleagues are required to attend the training program as a condition of continued employment. Participation in training and assistance with the program are factors in performance reviews for colleagues.

E. Subject Matter of Educational Training

The educational program explains the applicability of pertinent laws, including, without limitation, applicable provisions of False Claims Act, the civil and criminal provisions of the Social Security Act, the patient anti-dumping statute, laws pertaining to the provision of medically necessary items and services that are required to be provided to members of an HMO with which HSHS contracts, criminal offenses concerning false statements relating to health care matters, the criminal offense of health care fraud, the Federal Anti-Referral Laws, the Anti-Kickback Laws and the Sherman Antitrust Act. As additional legal issues and matters are identified by the System Responsibility Officer, those areas are included in the educational program.

Section 5: Monitoring and Auditing Systems

HSHS performs regular auditing and monitoring in order to demonstrate compliance with all regulatory requirements and Compliance Program Plan elements.

A. Internal Reviews

The SRO and the Division Directors of System Responsibility establish procedures for conducting regular compliance audits. These ongoing audits focus on compliance with program elements. If a material variance is detected, an investigation occurs and, if so indicated, corrective action is taken. At a minimum these audits address our compliance with laws governing kick-back arrangements, the physician self-referral prohibition, CPT/HCPCS ICD-9 coding, claim development and submission, reimbursement, cost reporting, and marketing. Periodic audits and spot checks help to establish that billing, claims processing, and reimbursement practices and non-billing procedures, such as contract management, adhere to federal and state regulations. Audit results are reported to the System Responsibility Committee and the Board Committee, as appropriate. Periodic audits are performed to detect "Prohibited Activities." Potential areas for audit are:

1. Improper Claims Submission
Duplicate Billing

Balance Billing
Overpayments
Unbundling
Upcoding
Computer Information Integrity
Improper use of Modifiers
Waiver of Co-payments
Medically Unnecessary

2. False Statement in Determining Rights to Benefits
3. Conspiracy to Defraud
4. Patient Dumping
5. Health Care Fraud/False Statements Relating to Health Care Matters
6. "Kickbacks" Knowingly and willfully:
 - A. Soliciting or receiving any remuneration (including any kickback, bribe, or rebate) directly or indirectly, overtly or covertly, in cash or in kind either:
 - 1) In return for referring individual to a person for the furnishing of any item or service for which payment may be made in whole or in part under a Federal health care program; or
 - 2) In return for purchasing, leasing, ordering or arranging for or recommending purchasing, leasing, or ordering, any good, facility, service, or item for which payment may be made in whole or in part under a Federal health care program; or
 - B. Offering or paying any remuneration (including any kickback, bribe or rebate) directly or indirectly, overtly or covertly, in cash or in kind to any person to induce such person either:
 - 1) To refer an individual to a person for the furnishing or arranging for the furnishing of any item or service for which payment may be made in whole or in part under a Federal health care program; or

2) To purchase, lease, order or arrange for or recommend purchasing, leasing, or ordering any good, facility, service, or item for which payment may be made in whole or in part under a Federal health care program.

B. External Reviews

The SRO consults, as necessary, with legal counsel, external auditors or consultants engaged by HSHS to audit and monitor high exposure practices or program elements that cannot be effectively reviewed internally. Audit results are reported to the System Responsibility Committee and if necessary the Board Committee.

C. Self-disclosure to Government Authorities

Any detected violations that result in improper overpayments are processed according to law. Legal counsel is consulted to assist HSHS to comply with all applicable legal obligations. As necessary, the System Responsibility Officer, in consultation with executive leadership, consults with legal counsel to determine if a systemic problem exists and if the appropriate authorities should be notified. The Board is apprised of the facts and makes the final determination on self-disclosure.

Section 6: Reporting Mechanisms

A. Open Door

HSHS has an “open door policy” that permits colleagues, independent contractors and agents to present to management personnel any suspected violation of the Code of Conduct and related policies. Any Colleagues may feel free to directly contact their Manager, Director, Division Responsibility Officer or the SRO regarding questions relating to System Responsibility.

B. Values Line

In addition HSHS has established an external Values Line to encourage colleagues to report knowledge of illegal or unethical acts. HSHS will protect to the fullest extent permitted by law the identity of callers who desire to remain anonymous. HSHS will not tolerate retaliation against callers who report in good faith concerns or suspected problems. Colleagues are free to call the SRO or Division System Responsibility Directors directly or call the External values Line.

External Values Line

When calling the external Values Line, colleagues are greeted by a neutral third party who will ask for detailed information about their concern so that a report can be forwarded to administration and/or legal counsel. Callers wanting to remain anonymous will receive a caller I.D. number to be used when calling back to report more details or receive a response follow-up.

To call the external Values Line dial: 866-435-5777

When submitting a concern via Email, the colleagues will be asked for detailed information about their concern so that a report can be forwarded to administration and/or legal counsel.

To submit a concern via Email goes to: <http://hshsvalueline.ethicspoint.com>

C. Communicating and Publicizing

All colleagues and independent contractors are informed of the Values Line through training and receipt of the Code. In addition, the SRO publicizes information regarding the Values Line to all colleagues and agents of HSHS through other methods such as newsletters, posters, and training. Colleagues are encouraged to report any reasonable suspected violation of federal and state laws to their supervisors and follow the normal chain of command unless circumstances indicate the need to bring the situation directly to the attention of the System Responsibility Officer.

Section 7: Response and Enforcement

A. Job Descriptions & Performance Reviews

Adherence to the Code and all laws, regulations, and policies is a formal and significant part of every colleague's performance evaluation. As appropriate to the position, job descriptions include compliance-related responsibilities. Colleague performance reviews include a rating related to compliance. When a colleague is terminated or resigns, an exit interview is completed to gather pertinent compliance-related information.

B. Failure to Report or Detect an Offense

All HSHS colleagues and agents have a duty to report conduct to HSHS that is unlawful. Consequences for failure to report are addressed in accordance with HSHS disciplinary procedures. Management is expected to discuss with colleagues the compliance policies and

legal requirements applicable to their function and explain that strict compliance with these policies and requirements is a condition of employment. Members of management have a duty to report any potential violation of the Code to the System Responsibility Department. Failure to adequately instruct colleagues or to detect non-compliance, where a reasonable diligence on the part of the supervisor should have led to discovery of any problems or violations, will result in disciplinary procedures and will be reflected in the individual's performance evaluation.

C. Reporting False Information

It is a violation of the Code to knowingly report false information to HSHS or a government agency. Consequences for reporting false information are addressed in accordance with HSHS disciplinary procedures.

D. Colleague Violations

HSHS documents the reasons for disciplinary actions taken against its personnel for violations of the Code and related policies. The determination of the appropriate discipline is made in accordance with HSHS policy. All persons subject to disciplinary action are treated commensurate with the conduct. Administered discipline is documented in the colleague's personnel file. The following factors, among others, may be taken into account by HSHS in its discretion in determining the appropriate disciplinary action to be imposed for a violation of the Code or related policies:

1. The nature of the violation and the ramifications of the violation to HSHS;
2. The disciplinary action imposed for similar violations;
3. Any history of past violations;
4. whether the violation was willful or unintentional;
5. Whether the individual was directly or indirectly involved in the violation;
6. Whether the violation represented an isolated occurrence or a pattern of conduct;
7. If the violation consisted of the failure to supervise another individual who violated the Code or related policies, the extent to which the circumstances reflect lack of diligence;
8. If the violation consisted of retaliation against another individual for reporting a violation or cooperating with an investigation, the nature of such retaliation;
9. Whether the individual in question reported the violation; and
10. The degree to which the individual cooperated with the investigation.

E. Non-colleague Violations

All physicians, independent contractors, and vendors are expected to adhere to the ethical and legal principles set forth in the Code, and related laws and regulations. Violations may result in termination of HSHS's relationship with that person or entity. HSHS may also institute legal action to address resulting losses.

F. Investigation of Reported Violations

The System Responsibility Department initiates investigations of reported violations and implementation of corrective action, if appropriate. The System Responsibility Department will take appropriate steps to secure or prevent the destruction of documents or other evidence relevant to the investigation. The System Responsibility Department may consult with legal counsel regarding questions raised by the report of a violation of the Code or related policies. The issues that may need to be addressed when a violation is reported include the following:

1. Should an internal investigation be conducted?
2. Should outside counsel conduct the investigation?
3. Should a disclosure be made to the appropriate government agency?
4. Do colleagues need separate counsel?
5. Should HSHS provide separate counsel for colleagues?

Upon receipt of reports of reasonable indications of suspected noncompliance, the System Responsibility Department or other management officials are expected to promptly investigate the conduct in question to determine whether a material violation of applicable law or program requirements has occurred. Instances of non-compliance need to be evaluated on a case-by-case basis. The internal investigation may include interviews and a review of relevant documents. If and as appropriate, records of the investigation contain documentation of the alleged violation, a description of the investigative process (including objectivity of investigators and methodologies utilized), copies of interview notes and key documents, a log of witnesses interviewed and the corrective action taken.

If an investigation of an alleged violation is undertaken and the System Responsibility Department or internal/external auditor believes the integrity of the investigation may be at stake because of the presence of colleagues under investigation, the colleague(s) allegedly involved in the misconduct may be removed from his/her/their current work activity until the investigation is completed. In addition, HSHS takes all appropriate steps necessary to prevent destruction of documents or other evidence relevant to the investigation.

G. Corrective Action

HSHS responds quickly and appropriately to all reported violations. Program related policies and procedures may be modified to guard against further violations. All violations of law or regulations are processed through established disciplinary procedures. If HSHS has completed its internal investigation and determines that a violation of the Code has occurred, HSHS will take corrective actions. In determining the appropriate corrective action, HSHS, in its discretion, considers, among other things, the following:

1. The extent to which any person knowingly, intentionally or with reckless disregard or deliberate indifference acted contrary to Medicare or Medicaid laws, regulations or program requirements;
2. The nature and extent of potential civil or criminal liability of individuals or HSHS;
3. The nature and extent of a resulting government overpayment, if any;
4. The impact the problem or incident had on the quality of services provided to physicians; and
5. The extent to which the problem or incident reflects a systemic or departmental failure to comply with the Code.

After consideration of these and other factors, HSHS determines the appropriate corrective action, which may require HSHS to take one or more of the following steps:

1. Correct the practices within the department which led to the violation as soon as possible;
2. Initiate appropriate disciplinary action against the colleague, if any, involved in the violation;
3. Undertake a program of education within the appropriate department or unit to prevent similar violations in the future;
4. If there is a possibility that HSHS received an overpayment, calculate the amount and repay the appropriate government entity or insurer; and
5. If there is a possibility that criminal conduct has occurred, suspend all billing related to the violation in the department or unit where the problem exists until the problem is corrected and notify appropriate government authorities.

If the investigation reveals that there is systemic non-compliance with the requirements contained in the Code, the System Responsibility Department may consult with legal counsel and the System Responsibility Committee to evaluation (a) what form of corrective action HSHS should take, if any, and (b) whether HSHS should modify the Code and/or the SRP to address such non-compliance.

H. Government Investigation

If the government institutes an investigation, it may be appropriate to inform HSHS personnel that the government is conducting an investigation of certain matters and that government investigators may contact colleagues in connection with the investigation. If such an investigation occurs, the SRO or Legal Counsel may inform colleagues of their rights and obligations with respect to requests for

interviews from governmental investigators, which information shall conform to the HSHS policy entitled "Guidance for Government Investigation". Colleagues should refer any contact from a government official regarding an investigation to the System Responsibility Department.

Section 8: Medicare/Medicaid Compliance Issues/OIG Work Plan

The OIG identifies targeted Medicare/Medicaid compliance issues and communicates them through distribution of its Annual OIG Work Plan and Special Fraud Alerts. HSHS is committed to reviewing the OIG's Annual Work Plan, Special Fraud Alerts and conduct annual risk assessments that includes but not limited to physician contracting. Targeted issues will be incorporated into the monitoring and audit process of the SRP. Special areas of concern applicable to HSHS are identified and explained in the Code. These are distributed to colleagues, agents, and independent contractors. Focused education is provided as appropriate. Code and SRP initiatives are updated in response to changes in the OIG Annual Work Plan.

Section 9: Health Insurance Portability and Accountability Act (HIPAA)

The purpose of the HIPAA compliance program is to prevent and detect unauthorized uses and/or disclosures of confidential information by:

1. Appropriately identifying and mitigating threats and vulnerabilities associated with accessing confidential information;
2. Providing access to confidential information only when appropriate and necessary;
3. Safeguarding information systems from tampering, malicious software, intrusion, and unauthorized access;
4. Maintaining the confidentiality, availability, and integrity of all sensitive information; and
5. Providing the training and education necessary for all workforce members to carry out their job duties while complying with all applicable laws, rules, and regulations.

Should you have any questions about the HIPAA or other compliance concerns, please contact your local HIPAA Privacy/Security Officer. Alternatively, you may contact the System Responsibility Officer or address your concerns to the Values Line at 866-435-5777 or on line at <http://hshsvalueline.ethicspoint.com>. Remember, when reporting compliance concerns, you can remain anonymous should you so desire.

Section 10: Gifts

Colleagues may never accept gifts of Cash or Cash Equivalents and may not solicit tips, personal gratuities or Gifts from patients, health plan members or family members. Colleagues may accept unsolicited gifts from patients, health plan members or family members only if the gifts are perishable/consumable and shared with a department (for example, flowers, cookie tins, fruit baskets, etc.). If an individual wishes to give a monetary or non-perishable gift, he/she should be directed to the Hospital Sisters Health Foundation.

Updates & Modifications

To assist the Board, the SRO will review annually the SRP and the Code to determine if revisions and/or updates are necessary to address new issues encountered, the enactment of new laws and/or the promulgation of new regulations, or other relevant changes. The Board of Directors of HSHS (or the Audit and Integrity Committee who may be empowered by the Board) must approve all amendments and modifications to the SRP and the Code.

DISCLAIMER

This SRP is not intended to and does not create contract rights in any person. It is informational in nature and is used by HSHS to guide it in the exercise of its discretion. It is subject to change or revocation without prior notice.