

# TIDEWATER PHYSICIAN MULTISPECIALTY GROUP, P.C. COMPLIANCE POLICY

## I. INTRODUCTION

Tidewater Physicians Multispecialty Group, P.C. (“**TPMG**” or “**Company**”) is subject to a multitude of federal, state, and local laws and regulations. These laws and regulations are voluminous, complex and change periodically. TPMG is committed to compliance by all TPMG employees, including all physicians and providers who deliver health care services at TPMG sites (“**All TPMG Personnel**”). In order to enhance our collective efforts to comply, prevent fraud, waste, and abuse, and advance our mission of providing quality patient care, TPMG, by action of the Board of Directors, has adopted this Corporate Compliance Policy (this “**Compliance Plan**” or “**Plan**”). All TPMG Personnel are required to comply with this Plan and all associated policies and procedures such as TPMG’s Standards of Conduct and Conflict of Interest Policy.

This Plan supersedes all previously adopted compliance plans and establishes the overall framework for internal policies, procedures, and mechanisms to help guide and assist each of us in complying with the applicable laws and regulations. The Plan is a resource designed to provide a roadmap to TPMG’s compliance efforts coupled with the additional detailed policies and procedures that promote compliance and ethical conduct. Specifically, this Plan provides a structure for ongoing compliance planning and activities and also establishes a mechanism for reporting and resolving potential problems and concerns. Existing policies and/or plans (such as the OIG Laboratory Compliance Plan) will be revised and incorporated as addendums to this Compliance Plan.

The Plan is designed to incorporate recommendations enumerated in the Department of Health and Human Services Office of Inspector General’s (“**OIG**”) Compliance Program Guidance for Group Physician Practices. The Plan also explains fraud and abuse as it relates to the provision and billing of health care services, the applicable laws, and the enforcement procedures which may be utilized should such activities be determined. The claims and billing processes have been the focus of governmental oversight because it is especially susceptible to fraud and abuse.

We are guided by a core value and commitment to provide compassionate healthcare that is responsible, physician-directed, and dedicated to keeping our patients’ best interests foremost. Therefore, it is paramount that our team of expert physicians, nurse practitioners, physician assistants, nurses, medical assistants, diagnostic staff, and non-clinical staff all work together to provide consistent high-quality medical care. While TPMG is committed to providing patients with high quality care to help them maintain optimal health, TPMG is also committed to providing those services pursuant to the highest ethical, business, professional, and legal standards. Our compliance efforts are designed to perpetuate a culture of honesty, integrity and ethical conduct within TPMG that promotes the prevention, detection, and resolution of conduct that does not conform to federal, state, and local laws and regulations. Compliance is an integral aspect of all that we do at TPMG.

## II. KEY ELEMENTS OF COMPLIANCE PLAN

The purpose of the Compliance Plan is to guide TPMG in its management and operation of compliance-related activities. TPMG is committed to due diligence in the prevention, detection, and resolution of nonconforming conduct through this Compliance Plan. To ensure effectiveness, the Compliance Plan is based on the following seven elements:

1. **Written Standards of Conduct.** TPMG's Employee Handbook and Written Standards of Conduct have been developed to promote TPMG's commitment to compliance with applicable laws and regulations. All TPMG Personnel are expected to follow all applicable laws, guidelines, regulations and company policies intended to reduce fraud, waste, and abuse related to the provision of medical care. Any person found engaging in these or similar activities will be disciplined up to and including termination. To assist in this effort, this Compliance Plan has been implemented throughout TPMG. Strict compliance with the Plan's legal and compliance standards is a condition of employment and the responsibility of All TPMG Personnel. Failure to comply with any applicable laws and regulations, the Standards of Conduct and associated policies, or this Compliance Plan may result in disciplinary action up to and including termination of employment.
2. **Oversight.** The Executive Committee at TPMG is charged with oversight of the Compliance Plan and all internal and independent auditing activity. The Committee is comprised of the following three (3) physicians: (i) the President, (ii) the Executive Vice President, and (iii) the Executive Secretary, who have an understanding of compliance issues delineated in this Plan and those that affect TPMG so as to ensure compliance with legal and regulatory requirements. The Executive Committee has created a compliance team consisting of the Chief Legal Officer, the Chief Medical Officer, the Chief Financial Officer, the Chief Operations Officer, the Quality Assurance and Compliance Manager, and the Chief Revenue Cycle Officer (the "**Compliance Team**") to assist with the coordination, development, implementation, communication, and monitoring of the Compliance Plan. The Chief Legal Officer is designated as the Chief Compliance Officer.

Responsibilities have been delegated by the Executive Committee as set forth in **Appendix A**.

3. **Education and Training.** TPMG has various policies and education programs designed to teach personnel about compliance and their individual compliance responsibilities. The policies establish an initial, mandatory training program for new personnel as well as mandatory training for current personnel on an annual basis. A part of the educational process involves the dissemination of regulatory advisements, changes in coverage policies and similar materials and is intended to update critical TPMG personnel so that they can perform their jobs within a compliant framework. This will include training in federal and state statutes, regulations, program requirements, policies of private payors, and corporate ethics. The training will emphasize TPMG's commitment to compliance with these legal requirements and policies. The training programs will include sessions highlighting TPMG's compliance program, summaries of fraud and abuse laws, discussions of coding

requirements, claim development, claim submission processes, and marketing practices that reflect current legal and program standards. In addition, all sites that undergo scheduled or investigative audits conducted by members of the Compliance Team will receive specialized training to implement all recommendations from the final audit report. All TPMG personnel are responsible for incorporating into practice TPMG's sponsored education and training sessions. Participation in training may be a factor in each employee's performance appraisals. Advance notice of training programs will be given to ensure attendance.

- 4. Complaints and Open Channels of Communication.** TPMG is committed to upholding the highest standards of ethical conduct. Therefore, All TPMG Personnel are expected to report actual or suspected violations of law or regulations and to cooperate in the investigation of any reported violations. Reports will be directed to TPMG's Chief Legal Officer for review and response. TPMG Personnel are also expected to seek guidance if there is ever any doubt as to what the proper course of conduct might be in a specific situation. An employee always takes the risk of not doing so. Even if non-compliance is unintentional or results from a lack of knowledge or understanding on the part of the person involved, the individual may still be subject to legal or disciplinary action.

We rely heavily on open lines of communication to help us comply with all of the applicable legal and regulatory requirements by identifying potential problems, reporting them, and asking questions. These reporting channels are critical to the effectiveness of the Compliance Plan. Our policies also emphasize confidentiality, non-retribution, and non-retaliation for all employees who make reports or seek compliance guidance.

The first option for asking questions or making reports is typically to discuss the situation with a supervisor or a site's managing physician. If an individual is uncomfortable doing so or does not receive a satisfactory response, the next option, depending on the issue involved, is to contact the Chief Legal Officer at (757) 273-7096 or the Chief Medical Officer at (757) 232-8799 or the Quality Assurance and Compliance Manager at (757) 232-8813.

We are also committed to protecting the anonymity of complainants to the extent the individual wishes to remain anonymous. Employees are, therefore, encouraged to use EthicsPoint, an online reporting hotline to ask a question or submit a complaint anonymously. EthicsPoint is a service administered by a company by the name of Navex-Global. The EthicsPoint reporting link may be accessed on the intranet at <https://mytpmg.ethicspoint.com/>. This link permits any TPMG employee or physician to report instances of actual or suspected violations of this Compliance Plan or TPMG's other policies. Individuals may also make a report by calling (844) 950-2837. Navex Global ensures the anonymity of each person who makes a report. As detailed in the EthicsPoint FAQs, <https://secure.ethicspoint.com/domain/media/en/gui/76548/faq.pdf> EthicsPoint is contractually committed not to pursue or disclose a reporter's identity to TPMG.

To allow for proper investigation of any reported non-compliance, as much information as possible should be provided to assist with the review process. Individuals may also choose

not to remain anonymous and can voluntarily agree to provide their email or other contact information.

5. **Investigation.** Identified problems are promptly investigated under the direction of the Chief Legal Officer. The Chief Legal Officer will involve some or all of the members of the Compliance Team as needed based on the nature of the complaint. The Chief Legal Officer will also retain outside counsel, as necessary, to provide assistance with instances of possible non-compliance which come to the attention of the Company. The Chief Legal Officer will establish and maintain a record keeping system in connection with the Compliance Plan and any investigation. These records shall include, but not be limited to, instances of possible non-compliance which come to the Company's attention, a record of disposition of these matters, and all documents submitted to the Chief Legal Officer in connection with the administration of the Compliance Plan. All records shall be kept in a secure location to protect their confidentiality and shall be retained in accordance with TPMG's Record Retention Policy.
6. **Response.** In the event that investigation reveals that there has been non-compliance with laws, regulations, or other provisions of TPMG's Compliance Plan, the Chief Legal Officer shall report to the Compliance Team. The Compliance Team will recommend appropriate corrective action and remediation measures to the Executive Committee. Appropriate steps to remediate the violation may include, but are not be limited to, recommending changes in policies or procedures to prevent recurrence; training or other mandatory education; or recommending appropriate disciplinary action against personnel who have violated internal compliance policies, applicable statutes, regulations, or government health care program requirements. Verified overpayments will be repaid, as required by law. There may be additional reporting to and cooperating with governmental authorities with respect to violations of law or regulation in appropriate circumstances after obtaining the advice of legal counsel.
7. **Monitoring and Audit Compliance.** The Compliance Team is responsible for monitoring compliance practices in relation to applicable laws and regulations to determine if those activities are being conducted in a compliant manner. The Company's monitoring activities include the following:
  1. On an annual basis, the Compliance Team will submit for approval to the Executive Committee a work plan designed to assess and monitor compliance of the various TPMG practice sites and departments by performing a series of scheduled proactive audits. The work plan is developed using a variety of sources and inputs, including authoritative publications from the Office of the Inspector General, the Centers for Medicare and Medicaid Services, and the Medicare Contractors, Medicare and Medicaid coverage decisions. The work plan will include reporting metrics to help the Company identify potential compliance issues and problem areas. For example, physician coding and diagnosis distribution and denials should be compared for physicians in the same specialty to identify variances. The purpose of monitoring is to provide an opportunity to identify and correct any problems or misunderstandings

about regulatory requirements. This promotes continued compliance and helps to prevent reoccurrence.

2. The Quality Assurance and Compliance Manager and direct reports will conduct various audits to measure and ensure compliance. Such activities include but are not limited to unannounced audits of certain patient records, and periodic and systematic auditing of various areas. To ensure that new providers understand and can effectively navigate the complexities of billing and coding, new providers will have an initial audit between 3 and 6 months after beginning their employment with TPMG.
3. The Chief Medical Officer will establish a schedule for randomly reviewing patient charts of all providers.
4. The Chief Legal Officer or designee shall maintain a disclosure log which will include a record and summary of each disclosure (whether anonymous or not), the status of the respective internal review, and any corrective action taken in response to the internal review. Additional procedures have been established so that reports and any accompanying information are handled and maintained in a manner to ensure confidentiality to the extent possible, consistent with TPMG's obligations of investigation and remediation.

All TPMG Personnel are expected to fully cooperate with any and all monitoring activities. It is also important that there are regular evaluations of the effectiveness of the Compliance Program, including assessments of corrective action plans in response to audits and investigations.

### **III. GENERAL POLICIES**

**Billing Compliance.** All billing must be accurate, timely, and truthful, and no person should ever misrepresent charges to, or on behalf of a patient, to any third-party payor. TPMG bills only for those services that were actually and appropriately rendered and ordered by individuals licensed to do so. False statements or intentional omissions of material information by any personnel to a government agency or other payor will not be tolerated. All TPMG Personnel must avoid not only intentional misstatements, but reckless statements or omissions as well. It is, of course, illegal to intentionally falsify billing documents submitted to the government or documents supporting such bills. Additionally, it is illegal to supply false information with either deliberate ignorance or a reckless disregard of its falsity or truth. The government enforces these laws and regulations with strict fines to penalize offenders. Thus, if there is any question as to the truth or accuracy of the documentation for billing purposes, or if there is material information that is missing, the bill for the services in question should be held until the uncertainties are resolved. Anything less can result in over billing, is strictly prohibited, and may result in discipline. The Company's annual audit plan may look at one or more of the following:

- **Medical Necessity for Services.** TPMG will submit claims to Medicare or Medicaid (or any other federally funded health care program or private insurers) only for services believed to be

medically necessary or that otherwise constitute a covered service. Medical necessity will be determined individually for each service or test provided or ordered by the responsible physician or other individual licensed to do so. A medically necessary service or test is defined as one that is reasonable and necessary for the diagnosis or treatment of an illness, injury, or to improve the functioning of a malformed body member. The government will generally only pay for services and tests that are medically necessary and will deny payments for those that are not medically necessary, such as routine physicals, many screening tests or tests conducted for research purposes. Every governmental claim form should be supported by a physician certification that the services were medically necessary for the health of the patient. For any screening tests and those that may not be covered patients must sign a waiver or Advanced Beneficiary Notice (ABN) so that denied charges may be transferred to the patient. Other carriers may have the same or similar criteria. In any screening situation, the patient should always be asked to sign a waiver. Medicare may also deny payment when documentation in the entire patient record, including that maintained in the physician's records, does not support that the tests were reasonable and necessary for a given patient.

- **Billing for Items or Services Not Actually Rendered.** Submitting a claim representing that a provider performed a service all or part of which was simply not performed, is inappropriate, at a minimum, and likely illegal. Only those medical services to patients that are consistent with acceptable standards of medical care may be billed. TPMG will only bill for the actual services rendered, and only when those services were consistent with accepted standards of medical care. The billing for such services must comply with all applicable rules and regulations governing correct documentation, coding, and billing.
- **Billing without Adequate Documentation.** Billing should be based upon adequate documentation of the medical justification for the service provided and for the bill submitted, and this medical documentation must comport with all applicable regulations. A bill should not be submitted to a payor if the documentation of the nature or scope of the service is unclear or if it is otherwise unclear what the appropriate CPT billing code is. Adequate documentation includes the provider reviewing and signing the note prior to submission to the payor.
- **Timely Coding and Billing.** Adequate documentation includes the provider reviewing and signing the note prior to submission to the payor for reimbursement. All TPMG Personnel are required to comply with TPMG's coding and billing processes and procedures as set forth in its coding and billing policy attached as **Appendix B**.
- **Correct Coding.** All federal and state regulations governing billing procedures, including but not limited to correct use of incident-to billing rules, are to be followed and all personnel responsible for billing will be trained in the appropriate rules governing billing, coding, and documentation. If the documentation in the medical record is unclear, then billing personnel must request clarification or additional information from the physician or provider of services. This includes when the appropriate code or diagnosis is unclear. Billing personnel cannot create coding or diagnostic information based upon their own interaction with the patient, from information provided from an earlier date of service, or based on what they might conclude is the probable or most likely diagnosis.

- **Upcoding and Clustering.** Upcoding reflects the practice of using a billing code that provides a higher payment rate than the billing code that actually reflects the services provided to the patient. Clustering reflects the practice of billing all patients using a few middle levels of service codes, under the assumption that it will average out to the appropriate level of reimbursement. TPMG Personnel shall not knowingly engage in any form of upcoding and/or clustering. All federal and state regulations governing billing procedures will be followed.
- **Cloning.** Cloned documentation is discouraged. It does not meet medical necessity requirements for coverage of services. Identification of this type of documentation will lead to denial of services for lack of medical necessity and recoupment of all overpayments made.
- **Duplicate Billing.** This occurs when a provider submits more than one claim for the same service, or the bill is submitted to more than one primary payor at the same time. Although duplicate billings can occur due to simple billing error, systemic or repeated double billing may be viewed as a false claim, particularly if the overpayment is not properly refunded. It is TPMG's policy to never intentionally submit duplicate billings and to correct any inadvertent duplicate billings.
- **Cost Reports.** TPMG cost reports will be prepared in compliance with all applicable state and federal regulations. Costs will be claimed when based upon appropriate and accurate documentation. Unallowable costs will not be claimed for reimbursement and all costs will be properly allocated to the appropriate cost centers based on verifiable information and data.

#### **Fraud and Abuse Compliance:**

- **Anti-Kickback:** TPMG is committed to complying with all laws that prohibit illegal remuneration, such as kickbacks, bribes, improper or excessive payments, free or below market rents or fees for administrative services, or interest-free loans. TPMG's Conflicts of Interest Policy prohibits All TPMG Personnel from offering, providing, accepting, or asking for anything of value with the intent to influence or be influenced by patients, their families, suppliers, contractors, vendors, physicians, third-party payors, managed care organizations, or government officials. TPMG personnel may not offer, provide, accept, or ask for anything of value for the referral of individuals for services covered by Medicare, Medicaid, or other federal health care programs. TPMG personnel are also prohibited from accepting or requesting payment for the purchase or lease of any good, item, or service covered under any federal health care program.
- **Stark Law and Standards Relating to Referrals:** The federal Stark physician self-referral law generally prohibits a physician from referring a Medicare or Medicaid patient to an entity for certain "designated health services" if the physician (or an immediate family member) has a financial relationship with the entity providing the "designated health services" unless certain limited exceptions apply. A prohibited financial relationship includes both an ownership or investment interest and a compensation arrangement. Additionally, many states may have similar or broader self-referral prohibitions. To ensure compliance with these self-referral prohibitions, TPMG's Conflict of Interest Policy requires that all financial relationships

between TPMG and any referring physician (or his or her immediate family members) as well as Medical Director agreements must be reviewed and approved by the Chief Legal Counsel.

TPMG does not pay physicians, or anyone else, either directly or indirectly, on any basis that takes into account the volume or value of patient referrals. The decision to refer patients is a separate and independent clinical decision made by the referring physician.

### **General Compliance:**

- **Reliance on Standing Orders.** Standing orders will not be prohibited for an extended course of treatment. However, when standing orders are utilized, the ordering physician should prescribe a fixed term of validity, must renew the order upon its expiration if continued treatment is indicated, and should periodically confirm in writing the need for continued treatment.
- **Compliance with Applicable HHS Fraud Alerts.** TPMG's Quality Assurance Manager and Chief Compliance and Legal Officer will review the Medicare Fraud Alerts. The respective officer will terminate any conduct highlighted by the Fraud Alert immediately, implement corrective actions, and take reasonable actions to ensure that future violations do not occur.
- **Marketing.** TPMG will promote only honest, straightforward, fully informative, and non-deceptive marketing.
- **Retention of Records and Documentation.** TPMG will ensure that all records required by federal or state law are created and maintained. All medical records will be maintained for a period of no less than 10 years from the last patient encounter or as specified in TPMG's Record Retention Guidelines. Electronic records may be kept permanently. Documentation of compliance efforts will include staff meeting minutes, memoranda concerning compliance protocols, problems identified and the corrective actions taken, the results of any investigations, and documentation supportive of assessment findings, diagnoses, treatments, and plan of care.
- **Financial Reporting.** TPMG is committed to ensuring that the Company's financial statements provided to internal or external parties are presented fairly in all material respects, and that these statements are in conformity with GAAP. All reporting entries must be accompanied by sufficient supporting documentation and approved in accordance with TPMG's journal entry policy.

## **IV. INDIVIDUAL INTEGRITY POLICY AND DISCIPLINARY STANDARDS FOR COMPLIANCE VIOLATIONS**

All TPMG personnel will deal with other personnel, Professional Staff, and third parties with whom they have contact on behalf of TPMG with honesty and integrity. They will provide

sufficient information in any such dealings so as not to be misleading. In addition, all TPMG personnel shall perform in the workplace in accordance with TPMG's Conflict of Interest Policy.

## **V. CREDENTIALING**

In accordance with federal law, the Compliance Team will recommend to the Executive Committee appropriate changes in personnel policies and procedures for screening of prospective employees to prevent the hiring of persons with a history of non-compliant activities. TPMG will not employ or enter into contracts to do business with any individual or entity that is currently excluded by the Office of Inspector General (OIG) and/or the General Service Administration (GSA) from participation in federal health care programs.

All prospective contracted and employed applicants are screened to identify any prior history of non-compliance with laws, regulations, and applicable policies as well as exclusion or sanctions from Medicare, Medicaid, or other federal health care programs. The employment process requires the applicant to notify TPMG about prior criminal convictions. Once employed through TPMG, All TPMG Personnel are required to notify TPMG of any exclusion from the Medicare, Medicaid or other federal health care programs. Human Resources in conjunction with the Credentialing Department of TPMG proactively screens employees for exclusions at hire and then yearly thereafter. TPMG will not knowingly employ or retain persons or entities with such identified history. Intentional or repeated unintentional legal violations, dishonesty, non-disclosures and other acts and omissions (including compliance training sessions) of current employees which violate the letter or spirit of this Compliance Plan are considered equally significant. Adherence to this Compliance Plan is an important element in the periodic evaluation of all personnel, supervisors, and managers. Violations of the Compliance Plan and/or related subject matter plans and policies may result in disciplinary action, up to and including termination.

## **VI. CONCLUSION**

In conclusion, the success of TPMG depends on the personal and professional integrity of All TPMG Personnel. TPMG has made a commitment by instituting this Plan, apart from applicable laws and regulations, to conduct its business in accordance with the highest ethical and professional standards. Honesty, integrity, respect, and justice are expected when dealing with patients, physicians, fellow employees, visitors, auditors, and those who have business relationships with TPMG. All TPMG personnel are required to cooperate with, and abide by, the Compliance Plan.

## Appendix A

### COMPLIANCE TEAM RESPONSIBILITIES

- **Chief Legal and Compliance Officer.** The Chief Legal Officer will generally oversee and coordinate all compliance activities and is vested with the power to investigate instances of possible non-compliance with law or regulations or other provisions of the Compliance Plan. The Chief Legal Officer reports directly to the Executive Committee and will have access to the Committee and to Committee members with respect to compliance issues at all times. All TPMG Personnel are required to cooperate fully with the Chief Legal Officer in connection with any such investigative activities. The Chief Legal Officer shall consult with outside counsel when appropriate in connection with the administration of the Compliance Plan.
- **Chief Medical Officer.** The Chief Medical Officer directs standards for patient care, monitoring clinical care and provider documentation, and facilitating physician education and training with compliance standards.
- **Quality Assurance and Compliance Manager.** The Quality Assurance and Compliance Manager is responsible for providing documentation, coding and payer guidelines to TPMG providers, clinical and administrative staff. Working directly with and reporting to the Chief Medical Officer, the Quality Assurance and Compliance Manager is responsible for maintaining the Audit schedule and ensuring that internal Audits are performed on a yearly basis
- **Chief Operating Officer.** The Chief Operating Officer has been designated by TPMG's Board as the HIPAA Compliance Officer to oversee the coordination, development, implementation, communication, and monitoring of the Compliance Plan pertaining to the Health Insurance Portability and Accountability Act (HIPAA). TPMG's Board has also designated a Patient Information Security Manager & Patient Advocate reporting to the Chief Operating Officer to monitor HIPAA compliance and to help ensure a standard of high quality patient care.
- **Chief Financial Officer.** The Chief Financial Officer is responsible for ensuring that adequate controls and policies are in place for the timely preparation, review, and submission of all required financial reports.
- **Chief Revenue Cycle Officer.** The Chief Revenue Cycle Officer is responsible for monitoring and implementing billing controls and metrics to identify possible fraud, waste or abuse.

## **Appendix B**

### **Provider Medical Record Completion Policy** **Effective Date: November 1, 2020**

#### **I. Scope**

This policy applies to all providers and to each claim submitted to a payer for reimbursement.

#### **II. Purpose**

To define the expectations for the completion and signoff of medical records prior to submission to the applicable payer for reimbursement and to ensure legal compliance with timeliness standards for submission of claims for payment.

#### **III. Policy**

A complete provider note must include all aspects of the patient's encounter to support a well-informed assessment. The note must be entered into NextGen within 72 hours of the patient encounter and providers should generate, review and sign the Master I/M within this time frame. In no case should the final review and sign off of the note occur more than seven days after the date of the encounter, unless a NextGen system issue or circumstance beyond the reasonable control of the provider occurs. A charge cannot be submitted for reimbursement until the note is completed and signed.