



HOSPITAL COMPLIANCE PLAN

SECTION 1 — COMPLIANCE PROGRAM SUMMARY

Definitions of Commonly Used Terms

A list of words that are commonly used in this Compliance Program and their meanings follows:

- **“Hospital”** means Good Samaritan Hospital.
- **“Personnel”** means all employees and volunteers of the Hospital, and all contractors or others who are required to comply with this Compliance Program..

Purpose of this Compliance Program

The Hospital is committed to ensuring compliance with all applicable statutes, regulations and policies governing our daily business activities. To that end, the Hospital created this Compliance Program to serve as a practical guide to assist our Personnel to perform their job functions in a manner that complies with applicable laws and policies. This Compliance Program is intended to further our day-to-day commitment that our operations comply with federal and state laws, to provide guidance for all Personnel, to help prevent any violation of those laws or policies and to allow for reporting and detection of any violations so they can be corrected.

It is the policy of the Hospital that:

- All employees are educated about applicable laws and trained in matters of compliance;
- There is periodic auditing, monitoring and oversight of compliance with those laws;
- An atmosphere exists that encourages and enables the reporting of noncompliance without fear of retribution; and
- Mechanisms exist to investigate, discipline and correct noncompliance.

Who is Affected

Everyone employed by the Hospital is required to comply with the Compliance Program. Because not all sections of the Compliance Program will apply to all job functions, employees will receive training and other materials that are specific to the portions of the Compliance Program that apply to them.

While this Compliance Program is not intended to serve as the compliance program for all of our contractors, it is important that all contractors perform services in a manner that complies with the law. To that end, agreements with contractors may incorporate certain provisions of this Compliance Program.

This Compliance Program is effective only if everyone takes it seriously and commits to comply with its contents. It is important that employees not only understand and comply with the written words of this Compliance Program, but that they also understand and appreciate the spirit and purpose of this Compliance Program. When in doubt, employees should contact their supervisor, review the appropriate section of this Compliance Program, or take other steps to ensure that they are following the Compliance Program.

Compliance requirements are subject to change as a result of new laws or changes in the Hospital policies. When there are changes, Personnel should be informed about the updated Compliance Program.

How to Use This Compliance Program

The Compliance Program has four major section: .

Section I – Compliance Program Summary

Section II – Code of Conduct

This section provides an overview of the Hospital policies that establish standards for employees' conduct while performing their job functions. The primary objective of these policies is to create a work environment that promotes cooperation, professionalism and compliance with the law. Compliance with the Code of Conduct is a significant factor in employee performance evaluations. All Personnel will receive training on this section.

Section III – Compliance Program Systems and Processes

This section explains the roles of the Compliance Officer and the Compliance Team. It also contains information about Compliance Program education and training, auditing and corrective action. Most importantly, this section explains how to report violations anonymously, either in writing or by calling the Hospital's Compliance Hotline at 1-866-294-9592. All Personnel will receive training on this section.

Section IV – Compliance Policies

This section provides an overview of the policies that govern various aspects of the Hospital's business and operations. Many Personnel will not be performing job functions that are covered by these policies, but it is still important for Personnel to be aware of their existence and importance. All Personnel will receive training regarding the policies that apply to job functions they will perform.

Here are some tips on how to effectively use this Compliance Program:

- **Refer to Table of Contents.** The Table of Contents contains a thorough list of topics covered in this Compliance Program. Use the Table of Contents to quickly locate the topic of interest.
- **Important Reference Tool.** This Compliance Program should be viewed as an important reference manual that can be referred to regularly to answer questions about how Personnel should perform their jobs. More information then is available in the Hospital policies, which are online to assure access for all employees.
- **Read it in Context.** The Hospital has created this Compliance Program to cover numerous policies, many of which apply to functions performed by just some employees. When reviewing this Compliance Program and the policies referenced in it, keep in mind that the policies are to be applied in the context of each employee's job. Employees who are uncertain about if or how a policy applies to them should ask their supervisor or Director for clarification.

SECTION II — CODE OF CONDUCT

Our Compliance Mission

In concert with our medical staff, the Hospital strives to provide comprehensive quality health care to our community. Our team of dedicated health care professionals shall provide a compassionate and caring environment for patients, and their families and friends, while continuously striving to improve the quality of care and assure such care is accessible and affordable.

The Hospital shall collaborate with its medical staff and affiliated organizations to improve health outcomes, en-

hance quality of life, and promote human dignity through health education, prevention and services across the health care continuum.

The Hospital's Board of Trustees (referred to herein as the "Governing Board") adopted the Compliance Program, including the Code of Conduct, to provide standards by which Personnel must conduct themselves in order to protect and promote the Hospital's integrity and to enhance the Hospital's ability to achieve its objectives. The Hospital believes this Code of Conduct will significantly contribute to a positive work environment for all.

No written policies can capture every scenario or circumstance that can arise in the workplace. The Hospital expects Personnel to consider not only the words written in the Code of Conduct, but the meaning and purpose of those words as well. Employees are expected to read the Hospital's Code of Conduct and exercise good judgment. Employees are encouraged to talk to their supervisor or the Hospital's Compliance Officer if they have any questions about this Compliance Plan or the Code of Conduct or what is expected of them.

All Personnel are expected to be familiar with the contents of the Code of Conduct. Training and education will be provided periodically to further explain the Code of Conduct and its application.

Compliance With Laws

It is the policy of the Hospital, its affiliates, contractors and employees to comply with all applicable laws. When the application of the law is uncertain, the Hospital will seek guidance from legal counsel.

Open Communication

The Hospital encourages open lines of communication between Personnel. If employees are aware of an unlawful or unethical situation, there are several ways to bring this to the Hospital's attention. The supervisor is the best place to start, but employees can also contact the Hospital's Compliance Officer or call the Compliance Hotline to report concerns. All reports of unlawful or unethical conduct will be investigated promptly. The Hospital does not tolerate threats or acts of retaliation or retribution against employees for using these communication channels.

Your Personal Conduct

The Hospital's reputation for the highest standards of conduct rests not on periodic audits, but on the high measure of mutual trust and responsibility that exists between Personnel and the Hospital. It is based on the employees, as individuals, exercising good judgment and acting in accordance with the Code of Conduct and the law.

Ethical behavior on the job essentially comes down to honesty and fairness in dealing with other Personnel and with patients, vendors, competitors, the government and the public. It is no exaggeration to say that the Hospital's integrity and reputation are in the hands of our employees.

The Hospital's basic belief in the importance of respect for the individual has led to a strict regard for the privacy and dignity of Personnel. When management determines that personal conduct adversely affects job performance, that of other Personnel, or the legitimate interests of the Hospital, the Hospital may be required to take action.

The Work Environment

The Hospital strives to provide Personnel with a safe and productive work environment. All Personnel must dispose of medical waste, environmentally sensitive materials, and any other hazardous materials correctly. Employees should immediately report to their supervisors any situations that are likely to result in falls, shocks, burns, or other harm to patients, visitors, or Personnel.

The work environment also must be free from discrimination and harassment based on race, color, religion, sex, sexual orientation, age, national origin, disability, veteran status or other factors that are unrelated to the Hospital's le-

itimate business interests. The Hospital will not tolerate sexual advances, actions, comments or any other conduct in the workplace that creates an intimidating or otherwise offensive environment. Similarly, the use of racial or religious slurs — or any other remarks, jokes or conduct that encourages or permits an offensive work environment — will not be tolerated.

If employees believe that they are subject to such conduct, they should bring such activity to the attention of the Hospital, either by informing the supervisor, the Hospital's Compliance Officer, or by calling the Compliance Hotline. The Hospital considers all complaints of such conduct to be serious matters, and all complaints will be investigated promptly.

Some other activities that are prohibited because they clearly are inappropriate are:

- Threats;
- Violent behavior;
- The possession of weapons of any type;
- The distribution of offensive jokes or other offensive materials via e-mail or any other manner; and
- The use, distribution, sale or possession of illegal drugs or any other controlled substance, except to the extent permitted by law for approved medical purposes.

In addition, Personnel may not be on the Hospital premises or in the Hospital work environment if they are under the influence of or affected by illegal drugs, alcohol or controlled substances used other than as prescribed.

Employee Privacy

The Hospital collects and maintains personal information that relates to staff's employment, including medical and benefit information. Access to personal information is restricted solely to people with a need to know this information. Personal information is released outside the Hospital or to its agents only with employee approval, except in response to appropriate investigatory or legal requirements, or in accordance with other applicable law. Employees who are responsible for maintaining personal information and those who are provided access to such information must ensure that the information is not disclosed in violation of the Hospital's Personnel policies or practices.

Use of Hospital Property

Hospital equipment, systems, facilities, corporate charge cards and supplies must be used only for conducting Hospital business or for purposes authorized by management.

Personal items, messages or information that is considered private should not be placed or kept in telephone systems, computer systems, offices, work spaces, desks, credenzas or file cabinets. Employees should have no expectation of privacy with regard to items or information stored or maintained on Hospital equipment or premises. Management is permitted to access these areas. Employees should not search for or retrieve articles from another employee's workspace without prior approval from that employee or management.

Since supplies of certain everyday items are readily available at Hospital work locations, the question of making personal use of them frequently arises. The answer is clear: employees may not use Hospital supplies for personal use.

Use of Hospital Computers

The increasing reliance placed on computer systems, internal information and communications facilities in carrying out Hospital business makes it absolutely essential to ensure their integrity. Like other Hospital assets, these facilities and the information they make available through a wide variety of databases should be used only for conducting Hospital business or for purposes authorized by management. Their unauthorized use, whether or not for personal

gain, is a misappropriation of Hospital assets.

While the Hospital conducts audits to help ensure that Hospital systems, networks and databases are being used properly, it is the employee's responsibility to make sure that each use of any Hospital system is authorized and proper.

Personnel are not allowed to load or download software or data onto Hospital computer systems unless it is for business purposes and is approved in advance by the appropriate supervisor. Personnel shall not use Hospital e-mail systems to deliver or forward inappropriate jokes, unauthorized political materials, or any other potentially offensive materials. Personnel are strictly forbidden from using computers to access the Internet for purposes of gambling, viewing pornography or engaging in any illegal activities.

Employees should have no expectation of privacy with regard to items or information stored or maintained on Hospital premises or computer, information, or communication systems.

Use of Proprietary Information

Proprietary Information

Proprietary information is generally confidential information that is developed by the Hospital as part of its business and operations. Such information includes, but is not limited to, the business, financial, marketing and contract arrangements associated with Hospital services and products. It also includes computer access passwords, procedures used in producing computer or data processing records, personnel and medical records, and payroll data. Other proprietary information includes management know-how and processes; Hospital business and product plans with outside vendors; a variety of internal databases; and copyrighted material, such as software.

The value of this proprietary information is well known to many people in the Hospital industry. Besides competitors, they include industry and security analysts, members of the press, and consultants. The Hospital alone is entitled to determine who may possess its proprietary information and what use may be made of it, except for specific legal requirements such as the publication of certain reports.

Personnel often have access to information that the Hospital considers proprietary. Therefore, it is very important not to use or disclose proprietary information except as authorized by the Hospital.

Inadvertent Disclosure

The unintentional disclosure of proprietary information can be just as harmful as intentional disclosure. To avoid unintentional disclosure, never discuss with any unauthorized person proprietary information that has not been made public by the Hospital. This information includes unannounced products or services, prices, earnings, procurement plans, business volumes, capital requirements, confidential financial information, marketing and service strategies, business plans, and other confidential information. Furthermore, employees should not discuss confidential information even with authorized Hospital employees if they are in the presence of others who are not authorized — for example, in an elevator, at a conference reception or in any public area. This also applies to discussions with family members or with friends, who might innocently or inadvertently pass the information on to someone else.

Direct Requests for Information

If someone outside the Hospital asks questions about the Hospital or its business activities, either directly or through another person, employees should not attempt to answer them unless they are authorized to do so. If they are not authorized, they should refer the person to the appropriate source within the Hospital. Under no circumstances should employees continue contact without guidance and authorization. If employees receive a request for information or to conduct an interview from an attorney, investigator, or any law enforcement officer, and it concerns the Hospital's business, they should refer the request to Administration or appropriate representative. Similarly, unless employees have been authorized to talk to reporters, or to anyone else writing about or otherwise covering the Hospital or the

industry, the employees should not provide information and should direct the person to Administration.

Disclosure and Use of Hospital Proprietary Information

Besides the obligation not to disclose any Hospital proprietary information to anyone outside the Hospital, employees are also required to use such information only in connection with the Hospital's business. These obligations apply whether or not the employee developed the information themselves.

Proprietary and Competitive Information About Others

In the normal course of business, it is not unusual to acquire information about many other organizations, including competitors (competitors are other hospitals and health facilities). Doing so is a normal business activity and is not unethical in itself. However, there are limits to the ways that information should be acquired and used. Improper solicitation of confidential data about a competitor from a competitor's employees or from patients is prohibited. The Hospital will not tolerate any form of questionable intelligence gathering.

Recording and Reporting Information

Employees should record and report all information accurately and honestly. Every employee records information of some kind and submits it to the Hospital (for example, a time card, an expense account record, or a report). To submit a document that contains false information — an expense report for meals not eaten, miles not driven, or for any other expense not incurred — is dishonest reporting and is prohibited.

Dishonest reporting of information to organizations and people outside the Hospital is also strictly prohibited and could lead to civil or even criminal liability for the employee and the Hospital. This includes not only reporting information inaccurately, but also organizing it in a way that is intended to mislead or misinform those who receive it. Personnel must ensure that they do not make false or misleading statements in oral or written communications provided to organizations outside of the Hospital.

Exception

Nothing contained herein is to be construed as prohibiting conduct legally protected by the National Labor Relations Act or other applicable state or federal law.

Gifts and Entertainment

The Hospital understands that vendors and others doing business with the Hospital may wish to provide gifts, promotional items and entertainment to Hospital Personnel as part of such vendors' own marketing activities. The Hospital also understands that there may be occasions where the Hospital may wish to provide reasonable business gifts to promote the Hospital's services. However, the giving and receipt of such items can easily be abused and have unintended consequences; giving and receiving gifts, particularly in the health care industry, can create substantial legal risks.

General Policy

It is the general policy of the Hospital that neither employees nor any member of their family may solicit, receive, offer or pay any money or gift that is, or could be reasonably construed to be, an inducement in exchange for influence or assistance in conducting Hospital business. It is the intent of the Hospital that this policy be construed broadly such that all business transactions with vendors, contractors and other third parties are transacted to avoid even the appearance of improper activity.

Spending Limits — Gifts, Dining and Entertainment

The Hospital has developed policies that clearly define the spending limits permitted for items such as gifts, dining

and entertainment. All Personnel are strictly prohibited from making any expenditures of Hospital or personal funds for gifts, dining or entertainment in any way related to Hospital business, unless such expenditures are made in strict accordance with Hospital policies.

Marketing and Promotions in Health Care

As a provider of health care services, the marketing and promotional activities of the Hospital may be subject to anti-kickback and other laws that specifically apply to the health care industry. The Hospital has adopted policies that are reviewed elsewhere in this Compliance Program to specifically address the requirements of such laws.

It is the policy of the Hospital that Personnel are not allowed to solicit, offer or receive any payment, compensation or benefit of any kind (regardless of the value) in exchange for referring, or recommending the referral of, patients or customers to the Hospital.

Marketing

The Hospital has expended significant efforts and resources in developing its services and reputation for providing high-quality patient care. Part of those efforts involve advertising, marketing and other promotional activities. While such activities are important to the success of the Hospital, they are also potential sources of legal liability as a result of health care laws (such as the anti-kickback laws) that regulate the marketing of health care services. Therefore, it is important that the Hospital closely monitor and regulate advertising, marketing and other promotional activities to ensure that all such activities are performed in accordance with Hospital objectives and applicable law.

The Hospital policies prohibit Personnel from engaging in any advertising, marketing or other promotional activities on behalf of the Hospital unless such activities are approved in advance by the appropriate Hospital representative. Employees should ask their supervisor to determine the appropriate Hospital representative to contact. In addition, no advertising, marketing or other promotional activities targeted at health care providers or potential patients may be conducted unless approved in advance by the Hospital's legal counsel.

All content posted on Internet websites maintained by the Hospital must be approved in advance by the Hospital's Compliance Officer or legal counsel.

Conflicts of Interest

A conflict of interest is any situation in which financial or other personal considerations may compromise or appear to compromise any Personnel's business judgment, delivery of patient care, or ability of any Personnel to do his or her job or perform his or her responsibilities. A conflict of interest may arise if employees engage in any activities or advance any personal interests at the expense of the Hospital's interests.

An actual or potential conflict of interest occurs when any Personnel is in a position to influence a decision that may result in personal gain for that Personnel, a relative or a friend as a result of the Hospital's business dealings. A relative is any person who is related by blood or marriage, or whose relationship with the Personnel is similar to that of persons who are related by blood or marriage, including a domestic partner, and any person residing in the Personnel's household. Employees must avoid situations in which their loyalty may become divided.

An obvious conflict of interest is providing assistance to an organization that provides services and products in competition with the Hospital's current or potential services or products.

Outside Employment and Business Interests

Employees are not permitted to work on any personal business venture on the Hospital premises or while working on Hospital time. In addition, employees are not permitted to use Hospital equipment, telephones, computers, materials, resources or proprietary information for any outside work. Employees must abstain from any decision or discussion affecting the Hospital when serving as a member of an outside organization or board or in public office, except when

specific permission to participate has been granted by the Hospital's Compliance Officer or legal counsel.

Contracting with the Hospital

Employees may not contract with the Hospital to be a supplier, to represent a supplier to the Hospital, or to work for a supplier to the Hospital while an employee of the Hospital. In addition, employees may not accept money or benefits, of any kind, for any advice or services they may provide to a supplier in connection with its business with the Hospital.

Required Standards

All decisions and transactions undertaken by Personnel in the conduct of the Hospital's business must be made in a manner that promotes the best interests of the Hospital, free from the possible influence of any conflict of interest of such Personnel or the Personnel's family or friends. Personnel have an obligation to address both actual conflicts of interest and the appearance of a conflict of interest. Employees must always disclose and seek resolution of any actual or potential conflict of interest — whether or not they consider it an actual conflict — before taking a potentially improper action.

No set of principles or standards can cover every type of conflict of interest. The following standards address conduct required of all Personnel and provide some examples of potential conflict of interest situations in addition to those discussed above.

1. Personnel may not make or influence business decisions, including executing purchasing agreements (including but not limited to agreements to purchase or rent equipment, materials, supplies or space) or other types of contracts (including contracts for personal services), from which they, a family member, or a friend may benefit.
2. Personnel must disclose their "significant" (defined below) financial interests in any entity that they know to have current or prospective business, directly or indirectly, with the Hospital. There are two types of significant financial interests:
 - a. Receipt of anything of monetary value such as salary, royalties, gifts and payments for services including consulting fees and honoraria; and
 - b. Ownership of an equity interest exceeding five percent (5%) in any single entity, excluding stocks, bonds and other securities sold on a national exchange; certificates of deposit; mutual funds; and brokerage accounts managed by third parties.
3. Personnel must disclose any activity, relationship or interest that may be perceived to be a conflict of interest so that these activities, relationships and interests can be evaluated and managed properly.
4. Personnel must disclose any outside activities that interfere, or may be perceived to interfere, with the individual's capacity to satisfy his or her job or responsibilities at the Hospital. Such outside activities include leadership participation (such as serving as an officer or member of the board of directors) in professional, community or charitable activities; self-employment; participation in business partnerships; and employment or consulting arrangements with entities other than the Hospital.
5. Personnel may not solicit personal gifts or favors from vendors, contractors, or other third parties that have current or prospective business with the Hospital. Personnel may not accept cash gifts and may not accept non-monetary gifts including meals, transportation or entertainment from vendors, contractors or other third parties that have current or prospective business with the Hospital.
6. Any involvement by Personnel in a personal business venture shall be conducted outside the Hospital work environment and shall be kept separate and distinct from the Hospital's business in every respect.
7. Personnel should not accept employment or engage in a business that involves, even nominally, any activity

during hours of employment with the Hospital, the use of any of the Hospital's equipment, supplies or property, or any direct relationship with the Hospital's business or operation.

8. Personnel must guard patient and Hospital information against improper access or use by unauthorized individuals.
9. The Hospital's materials, products, designs, plans, ideas and data are the property of the Hospital and should never be given to an outside firm or individual, except through normal channels with appropriate prior authorization.
10. Personnel must avoid any appearance of impropriety when dealing with clinicians and referral sources.
11. All vendors and contractors who have or desire business relationships with the Hospital must abide by this Code of Conduct. Personnel having knowledge of vendors or contractors who violate these standards in their relationship with the Hospital must report these to their supervisor or manager or the Compliance Hot Line.
12. Personnel shall not sell any merchandise on Hospital premises and shall not sell any merchandise of a medical nature that is of a type or similar to what is sold or furnished by the Hospital, whether on or off Hospital premises, unless prior approval is obtained from the Hospital's Compliance Officer or legal counsel.
13. Personnel shall not request donations for any purpose from other Personnel, patients, vendors, contractors or other third parties, unless prior approval is obtained from the Hospital's Compliance Officer or legal counsel.
14. Personnel may not endorse any product or service without explicit prior approval to do so by the Hospital's Compliance Officer or legal counsel.

Disclosure of Potential Conflict Situations

Employees must disclose any activity, relationship, or interest that is or may be perceived to be a conflict of interest and complete the Conflict of Interest Certification Form within 90 days of being subject to the Code of Conduct (that is, being hired by the Hospital, beginning to volunteer at the Hospital, or assuming any responsibilities at the Hospital). At least annually thereafter, employees must review this Code of Conduct. At any time during the year, when an actual, potential, or perceived conflict of interest arises, employees must revise their certification form and contact the Hospital's Compliance Officer.

All certification forms must be sent to the Hospital's Compliance Officer. The Compliance Officer will review all disclosures and determine which disclosures require further action. The Compliance Officer will consult with the Hospital's Chief Executive Officer or legal counsel if it is unclear whether an actual conflict of interest exists or if the Compliance Officer determines that an actual conflict of interest exists. The outcome of these consultations will result in a written determination, signed by all decision-makers involved, stating whether or not an actual conflict of interest exists. If a conflict of interest is determined to exist, the written determination shall set forth a plan to manage the conflict of interest which may include that:

1. The conflict of interest is permitted;
2. The conflict of interest is permitted with modification or oversight, including such steps as reassignment of responsibilities or establishment of protective arrangements;
3. The conflict of interest will require the Personnel to abstain from participating in certain governance, management or purchasing activities related to the conflict of interest; or
4. The conflict of interest must be eliminated or, if it involves a proposed role in another organization or entity, must not be undertaken.

The Compliance Officer will review any written determination and discuss any necessary action to be taken. The signed written determination will be kept with the certification form.

Anti-Competitive Activities

If an employee works in sales or marketing, the Hospital asks these employees to perform their job not just vigorously and effectively, but fairly, as well. False or misleading statements about a competitor are inappropriate, invite disrespect and complaints, and may violate the law. Be sure that any comparisons made about competitors' products and services are fair and accurate. (Competitors are other hospitals and health facilities.)

Reporting Violations

The Hospital supports and encourages each employee and contractor to maintain individual responsibility for monitoring and reporting any activity that violates or appears to violate any applicable statutes, regulations, policies or this Code of Conduct.

The Hospital has established a reporting mechanism that permits anonymous reporting, if the person making the report desires anonymity. Employees who become aware of a violation of the Hospital Compliance Program, including the Code of Conduct, must report the improper conduct to their departmental compliance officer or the Compliance Officer. That officer, or a designee, will then investigate all reports and ensure that appropriate follow-up actions are taken.

Hospital policy prohibits retaliation against an employee who makes such a report in good faith. In addition, it is the policy of the Hospital that no employee will be punished on the basis that he/she reported what he/she reasonably believed to be improper activity or a violation of this Program.

However, employees are subject to disciplinary action if after an investigation the Hospital reasonably concludes that the reporting employee knowingly fabricated, or knowingly distorted, exaggerated or minimized the facts to either cause harm to someone else or to protect or benefit themselves.

SECTION III — COMPLIANCE PROGRAM SYSTEMS AND PROCESSES

This Compliance Program contains a comprehensive set of policies. In order to effectively implement and maintain these policies, the Hospital has developed various systems and processes. The purpose of this section of the Compliance Program is to explain the various systems and processes that the Hospital has established for the purpose of providing structure and support to the Compliance Program.

Compliance Officers and Committee

Compliance Officer

The Hospital has a Compliance Officer who serves as the primary supervisor of this Compliance Program. The Hospital's Compliance Officer occupies a high-level position within the organization and has authority to carry out all compliance responsibilities described in this Compliance Program. The Compliance Officer is responsible for assuring that the Compliance Program is implemented to ensure that the Hospital at all times maintains business integrity and that all applicable statutes, regulations and policies are followed.

The Compliance Officer provides frequent reports to the Governing Board about the Compliance Program and compliance issues. The Governing Board is ultimately responsible for supervising the work of the Compliance Officer, and maintaining the standards of conduct set forth in the Compliance Program. The Governing Board oversees all of the Hospital's compliance efforts and takes any appropriate and necessary actions to ensure that the Hospital conducts its activities in compliance with the law and sound business ethics.

The Compliance Officer and Governing Board shall consult with legal counsel as necessary on compliance issues raised by the ongoing compliance review.

Responsibilities of the Compliance Officer

The Compliance Officer's responsibilities include the following:

- Overseeing and monitoring the implementation and maintenance of the Compliance Program.
- Reporting on a regular basis to the Governing Board (no less than annually) on the progress of implementation and operation of the Compliance Program and assisting the Governing Board in establishing methods to reduce the Hospital's risk of fraud, abuse and waste.
- Periodically revising the Compliance Program in light of changes in the needs of the Hospital and changes in applicable statutes, regulations and government policies.
- Reviewing at least annually the implementation and execution of the elements of this Compliance Program. The review includes an assessment of each of the basic elements individually and the overall success of the program, and a comprehensive review of the compliance department.
- Developing, coordinating and participating in educational and training programs that focus on elements of the Compliance Program with the goal of ensuring that all appropriate Personnel are knowledgeable about, and act in accordance with, this Compliance Program and all pertinent federal and state requirements.
- Ensuring that independent contractors and agents of the Hospital are aware of the requirements of this Compliance Program as they affect the services provided by such contractors and agents.
- Ensuring that employees, independent contractors, and agents of the Hospital have not been excluded from participating in Medicare, Medicaid (Medi-Cal) or any other federal or state health care program.
- Ensuring that the Hospital does not employ or contract with any individual who has been convicted of a criminal offense related to health care within the previous five years, or who is listed by a federal or state agency as debarred, excluded, or otherwise ineligible for participation in Medicare, Medicaid (Medi-Cal), or any other federal or state health care program.
- Coordinating internal compliance review and monitoring activities.
- Independently investigating and acting on matters related to compliance, including design and coordination of internal investigations and implementation of any corrective action.
- Maintaining a good working relationship with other key operational areas, such as internal audit, coding, billing and clinical departments.
- Designating work groups or task forces needed to carry out specific missions, such as conducting an investigation or evaluating a proposed enhancement to the Compliance Program.

The Compliance Officer has the authority to review all documents and other information relevant to compliance activities, including, but not limited to, patient records, billing records, records concerning marketing efforts and all arrangements with third parties, including without limitation employees, independent contractors, suppliers, agents and physicians.

The Compliance Officer has direct access to the Governing Board, Chief Executive Officer and other senior management, and to legal counsel. The Compliance Officer has the authority to retain, as he or she deems necessary, outside legal counsel.

Compliance Team

The Hospital has established a Compliance Team to advise the Compliance Officer and assist in monitoring this Compliance Program. The Compliance Team provides the perspectives of individuals with diverse knowledge and responsibilities within the Hospital.

Members of the Compliance Team

The members of the Compliance Team include those individuals designated below and other members, including representatives of senior management, chosen by the Compliance Officer:

- Compliance Officer
- Privacy Officer
- Medical Staff Director
- Human Resources Director
- Risk Management Coordinator
- Quality Management Director
- Information Services Director
- Technology Security Officer

The Compliance Officer serves as the chairperson of the Compliance Team. The Compliance Officer will consult with members of the Compliance Team on a regular basis and may call meetings of all or some members of the Compliance Team.

Functions of the Compliance Team

The Compliance Team's functions include the following:

- Assessing existing and proposed compliance policies for modification or possible incorporation into the Compliance Program.
- Working with the Compliance Officer to develop further standards of conduct and policies to promote compliance.
- Recommending and monitoring, in conjunction with the Compliance Officer, the development of internal systems and controls to carry out the standards and policies of this Compliance Program.
- Reviewing and proposing strategies to promote compliance and detection of potential violations.
- Assisting the Compliance Officer in the development and ongoing monitoring of systems to solicit, evaluate and respond to complaints and problems related to compliance.
- Assisting the Compliance Officer in coordinating compliance training, education and other compliance-related activities in the departments and business units in which the members of the Compliance Team work.
- Consulting with vendors of the Hospital on a periodic basis to promote adherence to this Compliance Program as it applies to those vendors and to promote their development of formal Compliance Programs.

The tasks listed above are not intended to be exhaustive. The Compliance Team may also address other compliance-related matters as determined by the Compliance Officer.

Compliance Committee

The Board of Trustees has appointed members of their group to serve on the Compliance Committee to assure an effective compliance program is maintained. No less frequently than annually, select members of the Compliance Team, along with the Compliance Officer meet with these members to provide an update on the compliance program for the Board.

Compliance as an Element of Performance

The promotion of, and adherence to, the elements of this Compliance Program is a factor in evaluating the performance of all Hospital employees. Personnel will be trained periodically regarding the Compliance Program, and new compliance policies that are adopted. In particular, all managers and supervisors involved in any processes related to the evaluation, preparation, or submission of medical claims must do the following:

- Discuss, as applicable, the compliance policies and legal requirements described in this Compliance Program with all supervised Personnel.
- Inform all supervised Personnel that strict compliance with this Compliance Program is a condition of continued employment.
- Inform all supervised Personnel that disciplinary action will be taken, up to and including termination of employment or contractor status, for violation of this Compliance Program.

Managers and supervisors will be subject to discipline for failure to adequately instruct their subordinates on matters covered by the Compliance Program. Managers and supervisors will also be subject to discipline for failing to detect violations of the Compliance Program where reasonable diligence on the part of the manager or supervisor would have led to the discovery of a problem or violation and thus would have provided the Hospital with the opportunity to take corrective action.

Training and Education

The Hospital acknowledges that this Compliance Program will be effective only if it is communicated and explained to Personnel on a routine basis and in a manner that clearly explains its requirements. For this reason, the Hospital requires all Personnel to have specific training programs on a periodic basis. Training requirements and scheduling are established by the Hospital for its departments and affiliates based on the needs and requirements of each department and affiliate. Training programs include appropriate training in federal and state statutes, regulations, guidelines, the policies described in this Compliance Program, and corporate ethics. Training will be conducted by qualified internal or external personnel. New employees are trained early in their employment. Training programs may include sessions highlighting this Compliance Program, summarizing fraud and abuse laws, physician self-referral laws, claims development and submission processes, and related business practices that reflect current legal standards.

All formal training undertaken as part of the Compliance Program is documented. Documentation includes at a minimum the identification of the Personnel participating in the training, the subject matter of the training, the length of the training, the time and date of the training, the training materials used, and any other relevant information.

The Compliance Officer evaluates the content of the training program at least annually to ensure that the subject content is appropriate and sufficient to cover the range of issues confronting the Hospital's employees. The training program is modified as necessary to keep up-to-date with any changes in federal and state health care program requirements, and to address results of the Hospital's audits and investigations; results from previous training and education programs; trends in Hotline reports; and guidance from applicable federal and state agencies. The appropriateness of the training format is evaluated by reviewing the length of the training sessions; whether training is delivered via live instructors or via computer-based training programs; the frequency of training sessions; and the need for general and specific training sessions.

The Compliance Officer seeks feedback to identify shortcomings in the training program, and administers post-training tests as appropriate to ensure attendees understand and retain the subject matter delivered.

Specific training for appropriate corporate officers, managers, and other employees may include areas such as:

- Restrictions on marketing activities.

- General prohibitions on paying or receiving remuneration to induce referrals.
- Proper claims processing techniques.
- Monitoring of compliance with this Compliance Program.
- Methods for educating and training employees.
- Duty to report misconduct.

The members of the Hospital’s Governing Board will be provided with periodic training, not less than annually, on fraud and abuse laws and other compliance matters.

Attendance and participation in compliance training programs is a condition of continued employment. Failure to comply with training requirements will result in disciplinary action, including possible termination.

Adherence with the provisions of this Compliance Program, including training requirements, is a factor in the annual evaluation of each Hospital employee. Where feasible, outside contractors will be afforded the opportunity to participate in, or be encouraged to develop their own, compliance training and educational programs, to complement the Hospital’s standards of conduct and compliance policies. The Compliance Officer will ensure that records of compliance training, including attendance logs and copies of materials distributed at training sessions, are maintained.

The compliance training described in this program is in addition to any periodic professional education courses that may be required by statute or regulation for certain Personnel. The Hospital expects its employees to comply with applicable education requirements; failure to do so may result in disciplinary action.

Lines of Communicating and Reporting

Open Door Policy

The Hospital recognizes that clear and open lines of communication between the Compliance Officer and Hospital Personnel are important to the success of this Compliance Program. The Hospital maintains an open door policy in regards to all Compliance Program related matters. Hospital Personnel are encouraged to seek clarification from the Compliance Officer in the event of any confusion or question about a statute, regulation, or policy discussed in this Compliance Program.

Submitting Questions or Complaints

The Hospital has established a telephone hotline for use by Hospital Personnel to report concerns or possible wrongdoing regarding compliance issues. We refer to this telephone line as our “Compliance Hotline.”

The Compliance Hotline contact number is: **1-866-294-9592**

Personnel may also submit compliance-related questions or complaints in writing. Letters may be sent anonymously. All such letters should be sent to the Compliance Officer at the following address:

*Compliance Officer
Good Samaritan Hospital
1225 Wilshire Blvd
Los Angeles, CA 90017*

The Compliance Hotline number is posted in conspicuous locations throughout the Hospital’s facilities.

Calls to the Compliance Hotline are answered by an independent contractor, not by Hospital. All calls are treated confidentially and are not traced. The caller need not provide his or her name. The Hospital’s Compliance Officer or designee investigates all calls and letters and initiates follow-up actions as appropriate.

Communications via the Compliance Hotline and letters mailed to the Compliance Officer are treated as privileged to the extent permitted by applicable law; however, it is possible that the identity of a person making a report may become known, or that governmental authorities or a court may compel disclosure of the name of the reporting person.

Matters reported through the Compliance Hotline, or in writing, that suggest violations of compliance policies, statutes or regulations, are documented and investigated promptly. A log is maintained by the Compliance Officer of calls or communications, including the nature of any investigation and subsequent results.

Non-Retaliation Policy

It is the Hospital's policy to prohibit retaliatory action against any person for making a report, anonymous or otherwise, regarding compliance. However, Hospital Personnel cannot use complaints to the Compliance Officer to insulate themselves from the consequences of their own wrongdoing or misconduct. False or deceptive reports may be grounds for termination. It will be considered a mitigating factor if a person makes a forthright disclosure of an error or violation of this Compliance Program, or the governing statutes and regulations.

Enforcing Standards and Policies

Policies

It is the policy of the Hospital to appropriately discipline Hospital Personnel who fail to comply with the Code of Conduct or the policies set forth in, or adopted pursuant to, this Compliance Program or any federal or state statutes or regulations.

The guiding principles underlying this policy include the following:

- Intentional or reckless noncompliance will subject Personnel to significant sanctions, which may include oral warnings, suspension or termination of employment, depending upon the nature and extent of the noncompliance.
- Negligent failure to comply with the policies set forth in this Compliance Program, or with applicable laws, will also result in sanctions.
- Disciplinary action will be taken where a responsible employee fails to detect a violation, if this failure is attributable to his or her negligence or reckless conduct.
- Internal audit or review may lead to discovering violations and result in disciplinary action.
- Because the Hospital takes compliance seriously, the Hospital will respond to Personnel misconduct.

Discipline Procedures

Employees found to have violated any provision of this Compliance Program are subject to discipline consistent with the policies set forth herein, including termination of employment if deemed appropriate by the Hospital. Any such discipline is within the sole discretion of the Hospital. Each instance involving disciplinary action shall be thoroughly documented by the employee's supervisor and the Compliance Officer.

Upon determining that an employee of the Hospital or any of its affiliates has committed a violation of this Compliance Program, such employee shall meet with his or her supervisor to review the conduct that resulted in violation of the Compliance Program. The employee and supervisor will contact the Compliance Officer to discuss any actions that may be taken to remedy such violation. All employees are expected to cooperate fully with the Compliance Officer during the investigation of the violation. Legal counsel will be consulted prior to final actions or disciplinary measures, as appropriate.

Auditing and Monitoring

The Hospital conducts periodic monitoring of this Compliance Program. Compliance reports created by this monitoring, including reports of suspected noncompliance, will be reviewed and maintained by the Compliance Officer.

The Compliance Officer will develop and implement an audit plan. The plan will be reviewed at least annually to determine whether it addresses the proper areas of concern, considering, for example, findings from previous years' audits, risk areas identified as part of the annual risk assessment, and high volume services.

Periodic compliance audits are used to promote and ensure compliance. These audits are performed by internal or external auditors who have the appropriate qualifications and expertise in federal and state health care statutes and regulations and federal health care program requirements. The audits will focus on specific programs or departments of the Hospital, including external relationships with third-party contractors. These audits are designed to address, at a minimum, compliance with laws governing kickback arrangements, physician self-referrals, claims development and submission (including an assessment of the Hospital's billing system), reimbursement and marketing. All Personnel are expected to cooperate fully with auditors during this process by providing information, answering questions, etc. If any employee has concerns regarding the scope or manner of an audit, the employee should discuss this with his or her immediate supervisor.

The Hospital shall conduct periodic reviews, including unscheduled reviews, to determine whether the elements of this Compliance Program have been satisfied. Appropriate modifications to the Compliance Program will be implemented when monitoring discloses that compliance issues have not been detected in a timely manner due to Compliance Program deficiencies.

The periodic review process may include the following techniques:

- Interviews with Personnel involved in management, operations, claim development and submission, and other related activities.
- Reviews of all billing documentation, including medical and financial records and other source documents that support claims for reimbursement and claims submissions.
- Presentations of a written report on compliance activities to the Compliance Officer. The report shall specifically identify areas, if any, where corrective actions are needed. In certain cases, subsequent reviews or studies may be conducted to ensure that recommended corrective actions have been successfully implemented.

Error rates shall be evaluated and compared to error rates for prior periods as well as available norms. If the error rates are not decreasing, the Hospital shall conduct a further investigation into other aspects of the Compliance Program in an effort to determine hidden weaknesses and deficiencies.

Corrective Action

Violations and Investigations

Violations of this Compliance Program, failure to comply with applicable federal or state laws, and other types of misconduct threaten the Hospital's status as a reliable and honest provider of health care services. Detected but uncorrected misconduct can seriously endanger the Hospital's business and reputation, and can lead to serious sanctions against the Hospital. Consequently, upon reports or reasonable indications of suspected noncompliance, prompt steps to investigate the conduct in question will be initiated under the direction and control of the Compliance Officer to determine whether a material violation of applicable law or the requirements of the Compliance Program has occurred. The Compliance Officer may create a response team to review suspected noncompliance including repre-

sentatives from the compliance, audit and other relevant departments.

If such a violation has occurred, prompt steps will be taken to correct the problem, taking into account the root cause of the problem. As appropriate, such steps may include an immediate referral to criminal and/or civil law enforcement authorities, a corrective action plan, a report to the Office of Inspector General (OIG) or any other appropriate government organization, and/or submission of any overpayments. The specific steps that are appropriate in any given case will be determined after consultation with legal counsel.

Depending upon the nature of the alleged violations, the Compliance Officer's internal investigation could include interviews with relevant Personnel and a review of relevant documents. Legal counsel, auditors or health care experts may be engaged by the Compliance Officer to assist in an investigation where the Compliance Officer deems such assistance appropriate. Complete records of all investigations will be maintained which contain documentation of the alleged violations, a description of the investigative process, copies of interview notes and key documents, a log of the witnesses interviewed and the documents reviewed, results of the investigation (e.g., any disciplinary action taken), and corrective actions implemented.

If an investigation of an alleged violation is undertaken and the Compliance Officer believes the integrity of the investigation may be at stake because of the presence of employees under investigation, those employees will be removed from their current work activity until the investigation is completed. Where necessary, the Compliance Officer will take appropriate steps to secure or prevent the destruction of documents or other evidence relevant to the investigation.

Reporting

If the Compliance Officer or a management official discovers credible evidence of misconduct from any source and, after reasonable inquiry, has reason to believe that the misconduct may violate criminal, civil or administrative law, then the misconduct will promptly be reported as appropriate to the OIG or any other appropriate governmental authority or federal and/or state law enforcement agency having jurisdiction over such matter. Such reports will be made by the Compliance Officer on a timely basis.

All overpayments identified by the Hospital shall be promptly disclosed and/or refunded to the appropriate public or private payer or other entity.

SECTION IV — COMPLIANCE POLICIES

The facility has policies and procedures that cover a wide range of topics to assist our employees to perform their duties. Some of the elements that are covered in our policies and procedures that may be relevant, depending upon the employee's position, are listed below.

1. Confidential Reporting

- Confidential Disclosure System
- Non-Retaliation for Reporting (Whistleblower Laws)
- Documenting Reports of Noncompliance Received by Compliance Officer

2. Compliance Enforcement

- Screening of Ineligible Persons
- Investigating Reports of Noncompliance
- Enforcement of Compliance Program Obligations
- Auditing the Compliance Program

3. Federal and State Fraud and Abuse

- Federal and State False Claims Laws
- Anti-Kickback Laws
- Self-Referral Laws
- Physician Recruitment
- Inducement to Lower Utilization
- Provision of Inducements to Patients
- Waivers of Coinsurance
- Vendor Contracts

4. Patient Care and Rights

- Patient Rights and Responsibilities
- Informed Consent
- Patient Freedom of Choice/Disclosures of Financial Interests
- Patient Privacy – HIPAA
- Advance Beneficiary Notice
- EMTALA
- HMO/Managed Care Patient Treatment
- Independent Contractor Credentialing
- Quality Care

5. Government Billing

- Claim Development and Submission – Generally
- Medical Necessity – Patient Services
- Medical Necessity – Laboratory Services
- Outpatient Billing Prior to Inpatient Stay (Three Day Window)
- Claims for Teaching Physicians
- Patient Transfer Versus Discharge
- Provider Based Rules
- Bad Debts
- Credit Balance
- Billing and Coding under Medicare Outpatient Prospective Payment System
- National Correct Coding Initiative
- Charge Description Master
- Same-Day Discharges and Readmissions
- Claims for Outlier Payments

- Claims for Services in Clinical Trials

6. Health Information Management Services

- Coding Documents for Inpatient Services
- Coding Documents for Outpatient Services
- Availability of Coding Reference Materials
- Patient Record Documentation
- Record Retention
- Claims Submission Policy Manual

7. Reimbursement

- Cost Report Documentation
- Cost Report Disclosure Statements
- Reporting Cost Report Errors
- Independent Review of Cost Reports
- Medicare Contractor Audits of Cost Reports
- Treatment of Non-Allowable Costs
- Treatment of Protested Items
- Graduate Medical Education
- Organ Acquisition Costs
- Reimbursement Policy Manual

8. Office of Statewide Health Planning and Development (OSHPD) Reporting

9. Charity and Discounted Care

10. External Investigations

- Responding to Subpoenas and Search Warrants
- Responding to Audits, such as Audits by Medicare Administrative Contractors, Fiscal Intermediaries, Carriers, Quality Improvement Organizations (QIO) and Recovery Audit Contractors
- Responding to Government Investigations

11. Employment-Related Policies

- Nondiscrimination
- Sexual Harassment
- Drug-Free Workplace
- Smoking

Also Refer to GSH Administrative Policy: Code of Conduct and Organizational Ethics, revised 2/2013

This Compliance Plan was approved by the GSH Board of Trustees on January 23, 2014.

Submitted by Joan Finney, Hospital Compliance Officer ext 2338



CERTIFICATION
EMPLOYEE ACKNOWLEDGMENT

This is to acknowledge that I have read a copy of the Good Samaritan Hospital **Compliance Plan** and that I understand these are the standards of conduct expected of me during my employment.

I understand that the Plan outlines behavior and conduct required to assure a safe and productive work environment.

I further understand that adherence to the elements of this Compliance Plan are used in evaluating my performance.

I am aware of my responsibility to report misconduct that may be a violation of the Compliance Plan that may threaten the hospital's status as a reliable and honest provider of healthcare services. The hospital's anonymous hot line for reporting concerns is:

1-866-294-9592

Signature: _____

Printed Name: _____

Employee ID #: _____

Date: _____

Return this form to Human Resources – HRIS