



CORPORATE COMPLIANCE
Our Ethics In Action

PHYSICIAN GUIDEBOOK



WELCOME

Based on the guidance put forth by the Office of Inspector General (OIG) of the Department of Health and Human Services, the Catholic Health System developed a voluntary compliance program in 2001. Subsequently, The Deficit Reduction Act of 2005 mandated compliance programs for those healthcare providers with a Medicaid business arrangement of over \$5 million dollars. In 2009 the NYSDOH mandated an effective compliance program for Medicaid providers with \$500,000 or more in annual Medicaid billings.

The Corporate Compliance Program puts forth the principles, establishes the expectations of CHS and provides the tools and resources to implement a successful compliance program of organizational responsibility. This document presents guidelines designed to promote prevention, detection and resolution of instances of conduct that do not conform to federal and state law, and federal, state and private payor health care requirements as well as sound business policies.

The Catholic Health System is dedicated to conducting business honestly and ethically. The same high level of commitment is expected of those doing business with the Catholic Health System. As a partner in the provision of health care to our community, it is important that you understand our commitment to ethical business dealings and become an active participant in our compliance efforts.

The goals of the Corporate Compliance Program are:

- Promote justice and ethics in our business practices,
- Foster good corporate citizenship,
- Educate CHS associates and CHS constituents regarding our standards and expectations,
- Provide tools for making responsible decisions and reporting concerns, and
- Prevent, find and correct violations of Catholic Health System standards and governmental laws, rules and regulations.

Please read the following compliance policies. They directly impact your relationship with the Catholic Health System. If you have any questions or wish to inquire about our training programs and opportunities please feel free to call your CHS contact, CHS Administration or the Corporate Compliance Officer.

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Note: The sections noted above are directly from the CHS Corporate Compliance Plan document.

SECTION I: STANDARDS OF CONDUCT

Catholic Health System (CHS) pledges to meet our mission in an atmosphere that recognizes its responsibility to conduct its business affairs with integrity based on sound ethical and moral standards. CHS recognizes our responsibility to treat the people we serve with the same standards of care, regardless of payor source and in accordance with applicable rules, regulations and laws. CHS is intolerant of fraud, waste and abuse throughout the organization and strives to always deliver medically necessary services in the most efficient and prudent manner. CHS also holds those with whom we conduct business to these same standards.

We intend to meet our mission through ongoing, appropriate and timely education of all our constituents. We promote self-monitoring of our activities by providing oversight of our directors, officers, managers, associates, medical staff, house staff, contractors, volunteers, students (hereafter referred to as constituents) and others to assure compliance with these standards. We seek to provide an atmosphere that is safe, encourages open discussions on these matters with no fear of retribution, and promptly identifies and resolves issues.

This Corporate Compliance Statement is consistent with and supports the Mission Statement of the Catholic Health System

“We are called to reveal the healing love of Jesus to those in need.”

A. Code of Conduct Statement

The following specifically address the Corporate Compliance Code of Conduct which promotes ethical behavior in the workplace everyday. This code is maintained in addition to other standard Codes of Conduct in effect. In keeping with the mission and goals of the Catholic Health System, constituents and others are expected to comply with the following guidelines. We will strive to:

1. *Legal and Regulatory Compliance*

- Adhere to both the spirit and letter of applicable federal, state and local laws and regulations.
- Refuse offers, solicitations and payments to induce referrals of the people we serve for an item or service reimbursable by a third party payor.
- Complete, protect and retain records and documents as required by professional standards, governmental regulations and organizational policies.

2. *Business Ethics*

- Deal openly and honestly with fellow associates, customers, contractors, government entities and others.
- Maintain high standards of business and ethical conduct in accordance with the Catholic Health System Mission, directives of the Catholic Church and applicable federal, state and local laws and regulations.
- Practice good faith in transactions occurring during the course of business.

- Conduct business dealings with the best interests of the Catholic Health System in view.
- Ensure compliance requirements regarding billing are monitored and enforced.
- Exercise discretion in the billing of services, regardless of payor source.

3. *Conflict of Interest*

- Disclose financial interests and/or affiliations or secondary employment with outside entities as required by the Conflict of Interest Statement.

4. *Appropriate Use of Resources*

- Use supplies and services in a manner that avoids waste.

5. *Confidentiality*

- Preserve patient confidentiality within the requirements of the law.
- Maintain confidentiality of proprietary information.

6. *Professional Conduct*

- Hold vendors to this same Code of Conduct as part of their dealings with the Catholic Health System.

7. *Responsibility*

- Notify the Compliance Officer of instances of non compliance and in a timely manner.
- Ensure appropriate corrective action is taken in a timely manner.
- Uphold the Non-Retaliation Policy for associates who report concerns in good faith.

All constituents and others affiliated with the Catholic Health System are informed of this Code of Conduct as much as practicable, and sign an Affirmation Statement indicating their adherence to the Code of Conduct. However, this Code of Conduct does not replace sound ethical and professional judgment.

B. *Code of Ethics Statement*

The Catholic Health System, through its constituents conducts patient care and other business operations in an ethical and non-discriminatory manner consistent with the mission, vision, values, strategic plan and Administrative policies.

The Catholic Health System has adopted a Code of Ethics as an expression of its identity as a Catholic Healthcare Organization and on behalf of the people it serves. A general framework for this code can be found in the Ethical and Religious Directives for Catholic Health Care Services, the codes of ethics of the various professional groups working within the Catholic Health System, applicable state and federal laws, as well as other documents.

Specific guidelines for the code, which are summarized below, can be found in the above mentioned documents as well as in the following documents: quality of care, patient and associate rights policies, billing policies; marketing policies; admission, transfer, and discharge policies; conflict of interest and other policies. Also addressed in this code are procedures that should be followed in the event ethical conflicts or uncertainties arise.

1. *Quality of Care*

Policies support the commitment of the Catholic Health System to provide quality of care and services necessary to attain or maintain the highest practicable physical, mental and psychosocial well-being. Appropriate and sufficient treatment and services will be provided to address the needs of the people served. Patients may only receive care that has been ordered by a Physician or qualified practitioner with established clinical privileges. The Catholic Health System will establish and implement policies and protocols related to the quality of care and perform ongoing evaluations of compliance to these policies and protocols.

2. *Patient Rights and Responsibilities Policies*

Policies support the rights of the people we serve to ask and be informed about the existence and nature of the business relationships between the health system, organizations, educational institutions, other healthcare providers, payors, or networks that may influence treatment and service. Based in the dignity enjoyed by every human being, the rights of the people we serve are respected. This includes the rights of patients with disabilities and chronic conditions, along with patient rights' to grievance, appeal and fair hearing requests. Every effort is made to help the people we serve and their families understand and exercise their rights and responsibilities. The people we serve are the primary decision makers in their own healthcare decisions and, to the extent possible, information regarding diagnosis, treatment, research options, and prognosis is provided in language they can understand.

Outpatient, rehabilitative and ancillary services for the people we serve also safeguard their respect, dignity, autonomy, positive self esteem, and civil rights, and assure their involvement in all aspects of care. This safeguarding of the involvement of the people we serve includes taking account of their perceptions of their strengths, weaknesses, resources, and relevant demands of their environment(s) both within and without the healthcare setting.

3. *Criteria for Developing New Services or Acquiring New Technologies*

The Catholic Health System provides those services that are compatible with its mission and values. New services and technologies are evaluated on the basis of criteria related to this mission and these values. The following criteria are also used to evaluate new services and technologies: safety, efficacy, efficiency, cost, experience, availability from other sources, number of individuals who benefit, and the effect on the Catholic Health System's ability to provide other needed services as well as the compe-

tence and qualifications of the staff required to provide those services or technologies in question.

4. *Associate Rights Policies*

It is the policy of the Catholic Health System to value associates, their well-being and their satisfaction; to respect the differences and diversity of its associates; and not to discriminate on the basis of race, color, religion, sex, national origin, age, veteran status or disability. The Catholic Health System fosters an organizational culture that encourages open communication, without fear of retaliation. Each associate has the right to work in an environment free of harassment and disruptive behavior.

5. *Billing Policies*

The Catholic Health System ensures the people we serve and third party payors are billed only for medically necessary services actually provided and duly documented. Policies are established and mechanisms are implemented to help ensure the people we serve are billed only for those services and care provided. It is also policy that the Catholic Health System will bill all payors in compliance with all federal and state rules and regulations.

6. *Marketing and Public Relations Policies*

The Catholic Health System fairly and accurately represents itself, its services, and its capabilities to the public. Marketing practices recognize the dignity of the person, freedom of speech and assembly, and the importance of freedom of the press. Marketing materials accurately reflect those services available, the level of licensure and accreditation in place, and comply with applicable laws and regulations governing truth in advertising and non-discrimination under the Public Health Service Act and the Rehabilitation Act of 1973, and other applicable state and federal laws and regulations. Marketing associates use their best efforts to adhere to the Code of Professional Standards as adopted by the Governing Assembly of the Public Relations Society of America.

7. *Admission, Transfer, and Discharge Policies*

Admission, transfer, and discharges are conducted in an ethical manner and in accordance with applicable local, state and federal regulations. Admission, transfer, and discharge policies are based on the need of the individual person and the ability of the Catholic Health System to meet that need.

8. *Procedures when Ethical Conflicts of Interest or other Issues Arise*

It is recognized that ethical conflicts may arise when people who are trying to do right or realize good, either disagree or are uncertain about what constitutes the appropriate, right or good. The Catholic Health System's Ethics Committee has processes to resolve such conflicts.

Section II: Medical Staff

The success and effectiveness of the Corporate Compliance Plan in part depends upon the extent to which the medical staff understands and internalizes the Catholic Health System philosophy, objectives, and processes related to compliance. Compliance policies related to the medical staff shall address the following issues and applies to all CHS Medical Staff including Physician Assistants, Nurse Practitioners and other Non-Physician Practitioners:

1. sanctions under federally funded health care programs,
2. mandated Office of Inspector General educational requirements, and
3. rules and regulations related to physician arrangements and contracting.

The goal of the Catholic Health System (CHS) is to avoid any circumstances or occurrence that may cause, directly or indirectly, the participant to be in danger of violating laws related to private inurement, kickback regulations, and/or payment for any other favor.

Medical staff members are required to self-disclose any criminal conviction or any action to exclude, sanction or limit their practice. Continued association of an entity or individual physician recently convicted of a criminal offense related to health care or listed as debarred, excluded, sanctioned, or otherwise ineligible for participation in federal health care programs will be prohibited.

Medical staff members will be responsible for adherence to the following Catholic Health System Corporate Compliance policies:

1. Standard of Conduct
2. Medical Staff
3. Contracting
4. Conflict of Interest
5. Discounts: Health Care Services
6. Gifts, Gratuities and Discounts
7. Billing
8. Confidentiality and Information Security
9. Documentation and Retention Requirements
10. Government Investigations
11. Tax Exempt Status
12. Compliance Reporting

This responsibility extends to reporting any violations or possible violations of these policies and procedures and/or other federal, state or local laws and regulations.

1. Disclosure of any criminal conviction or any action to exclude, sanction or limit the individual

The medical staff application form will specifically require the applicant to disclose any criminal conviction or any action to exclude, sanction or limit the individual with regard to any Medicare, Medicaid or other federally funded healthcare program. Additionally, if criminal conviction or any action to exclude, sanction or limit

the individual occurs after initiation of association with CHS, the individual is required to report such activity to Compliance as soon as possible.

2. *Reference checks*

CHS will perform reference checks as part of the initial application and on a regular basis for existing medical staff members. Reference checks will include a review of the Office of Inspector General's List of Excluded Individuals/Entities and the General Service Administration's List of Parties Excluded from Federal Procurement and Non-Procurement Programs. Additionally, the New York State Education Department Office of Professional Licensing Verification and other licensing and/or certification bodies will be contacted to verify credentials as appropriate to the applicant.

3. *Medical Staff Member convicted of any criminal charges related to health care or debarred or excluded from participation in federally funded health care programs*

The medical staff member will be removed from direct responsibility for or involvement in any federally funded health care program.

4. *Training and education*

Corporate Compliance training and education will be provided on a regular basis with updates distributed as appropriate.

5. *Copies of CHS Policies*

Copies of CHS policies noted above, along with the Compliance Line policy, will be made available to all medical staff members upon association with the Catholic Health System and on a regular basis thereafter, CHS will obtain from each contracted/employed physician a signed statement attesting to receipt, familiarity with and intended adherence to such plan.

6. *Physician Contracts*

Contracts entered into with medical staff members and other physicians will observe principles that maintain the Catholic Health System's integrity in keeping in compliance with laws, regulations and rules of Medicare, Medicaid and other federally funded healthcare programs.

Section III: Contracting

When entering into contractual agreements, the Catholic Health System will observe principles that will maintain the Organization's integrity in keeping with laws, rules and regulations of Medicare, Medicaid and other federally funded health care programs.

A. *Remuneration*

Remuneration or payments relative to the Catholic Health System contracts for goods

and services shall be at “Fair Market Value”. Fair Market Value shall be that dollar amount at which a purchaser of the same or substantially similar goods and/or services and under comparable circumstances can acquire such on the open market. If such pricing is not clearly or readily available, reasonable approximations may be otherwise determined.

- The Catholic Health System will not directly or indirectly pay physicians, other providers, vendors, or contractors in excess of the Fair Market Value range for goods and/or services. Any excess benefit is inappropriate.
- In no circumstance, shall the Catholic Health System provide payment or any other benefit, directly or indirectly, to physicians in consideration for their potential patient referrals to any entity or entities within the Catholic Health System. Such activity may be a violation of fraud and abuse laws, and is prohibited.
- In no circumstance, shall the Catholic Health System receive payment or any other benefit directly or indirectly from any vendor or other contractor for the initial or continued purchase of goods and/or services. Such activity may be a violation of anti-kickback regulations, and is prohibited.

B. Sanctioning

The Catholic Health System is precluded from contracting with or doing business with contractors, vendors, providers and other individuals or entities (hereafter referred to as contractors) that have been sanctioned or otherwise disallowed from participation in Medicare, Medicaid or other federally funded health care programs.

Prior to engaging a new contractor, the Catholic Health System will check to determine if the prospective contractor has been excluded, sanctioned or limited from participation in federally funded health care programs. Such report will include research of the Office of Inspector General’s List of Excluded Individuals/Entities and the General Service Administration’s List of Parties Excluded from Federal Procurement and Non-Procurement Programs. This report will also be checked periodically during the life of the contract, lease, or agreement.

Contracts shall have a provision that requires disclosure to the Catholic Health System if an individual or entity contracting with the Catholic Health System is sanctioned or otherwise becomes disallowed from participation in the above noted programs. Such sanctioned condition extends to individual associates of companies with which Catholic Health System is doing business.

A provision also is included in contracts, which recognizes that if a contracting individual, entity or associate thereof becomes sanctioned from participation, the agreement will terminate automatically.

In addition to the sanctioning provisions above, the engagement of any entity or individual who has been recently convicted of a criminal offense related to healthcare or

who has been listed as debarred, excluded, or otherwise ineligible for participation in federal healthcare programs is prohibited.

C. Law of Agency

The Catholic Health System shall put in place guidelines to provide direction to its constituents and contractors as to whom in the Catholic Health System is authorized to commit the organization contractually. Inversely those not authorized to commit the organization contractually and who do so, shall be held accountable and be subject to discipline up to and including termination. See the Catholic Health System purchasing policies for further guidance on this matter.

D. Joint Ventures

The Catholic Health System is committed to compliance with all rules, regulations, and laws governing Joint Ventures. Selection and retention of participants, organizational structure, financial arrangements, profit distribution, adequate internal controls, and ongoing operational issues are among the elements reviewed and where necessary audited to help ensure against problematic arrangements.

E. Commitment to Corporate Compliance

Contracts, leases and agreements include reference to the recognition on behalf of the contracting parties that each are committed to corporate compliance with governmental laws, rules and regulations. This includes a statement of the Catholic Health System's commitment to corporate compliance and of the other contracting party's commitment to compliance at a minimum with regard to all of its dealings and transactions with the Catholic Health System and its entities. This includes the disclosure of any circumstances, which may cause concern with regard to compliance issues.

F. Corporate Compliance Information

Included as an attachment to contracts and otherwise passed on to contractors in general are the following Catholic Health System policies:

- Standards of Conduct
- Contracting
- Conflict of Interest
- Gifts and Gratuities and Discounts
- Government Investigations
- Tax Exempt Status
- Compliance Reporting
- HIPAA Business Associate Agreement (where applicable)

The Catholic Health System expects the same adherence to compliance by all contractors as it demands from itself. It is therefore required that contractors, upon receipt of the above noted policies, attest to receipt, their having read, and their intention to adhere to the same principles of these standards and the level of compliance therein noted.

When a contract, lease or other agreement is being crafted or executed and there is any uncertainty, doubts or concerns about a matter which is believed to be a compliance issue, the Catholic Health System Compliance Officer must be contacted and consulted prior to execution.

Section IV: Billing

It is the responsibility of the Catholic Health System to ensure that mechanisms are implemented to prevent abusive and fraudulent billing practices. These practices have an adverse financial impact on the organization, third party payors and, the people we serve.

Identification of risk areas associated with billing and cost reporting are a major component of the Catholic Health System's Corporate Compliance program. In light of the importance of this component, a separate Corporate Compliance Plan Coding and Billing, has been developed and adopted by each organization within the Catholic Health System.

It is the Catholic Health System's policy that only services and items duly provided and appropriately documented are billed. Accordingly, the Corporate Compliance Officer will take steps to help ensure that each Catholic Health System industry segment and/or department, as appropriate, performs the following:

- Ensures that all billing is accurate, includes dates of service, is produced in a timely manner, and itemized if requested.
- Ensures the people we serve receive written notice of any balance due on an account.
- Addresses expediently and courteously questions from the people we serve as payors about charges, complaints or conflicts without real or reasonably perceived harassment.
- Offers a fair and reasonable payment plan, customized to fit the needs of the people we serve who are either unable to pay the balance due on their account or assists those determined to be unable to pay.
- Conducts general credit and collection procedures according to applicable laws, regulations, and Catholic Health System policies.
- Refunds credit balances promptly in accordance with Medicare Regulations and written Catholic Health System policies relating to same. Appropriate personnel shall be assigned to track, record and report all credit balances.

Examples of potential Non-Compliant Billing practices to be investigated/reported immediately are:

- Billing for services not rendered
- Billing for "medically unnecessary" services
- Upcoding
- Duplicate billing
- Unbundling
- DRG/HURG/RUG creep

- 72-Hour DRG payment window violations
- Billing for discharge in lieu of transfer

It is the responsibility of all constituents to be vigilant in billing compliance. In the event that a questionable billing practice is noted, it must be brought to the attention of a supervisor and the Corporate Compliance Officer.

Compliance with the False Claims Act

The Federal False Claims Act and the NYS False Claims Act make it a crime for any person or organization to knowingly make a false record, file, or submit a false claim with the government for payment. “Knowing” means that the person or organization:

- Knows the record or claim is false, or
- Seeks payment while ignoring whether or not the record or claim is false, or
- Seeks payment recklessly without caring whether or not the record or claim is false.

Under certain circumstances, an inaccurate Medicare, Medicaid, VA, Federal Associate Health Plan or Worker’s Compensation claim could become a False Claim. Examples of possible False Claims include someone knowingly billing Medicare or Medicaid for services that were not provided, or for services that were not ordered by a physician, or for services that were provided at sub-standard quality where the government would not pay. Penalties are severe for violating the False Claims Act. A person who knows a false claim was filed for payment can file a lawsuit (Qui Tam action) on behalf of the government.

CHS expects that our colleagues who are involved with creating and filing claims for payment for CHS provided services will only use true, complete and accurate information to make the claim. CHS colleagues will ensure that every claim for payment is correct and accurate, so that the law is not violated, nor the trust we maintain with our patients and communities is broken. Anyone with knowledge or information of any potential or actual compliance risks, issues or questions has a duty to immediately utilize the reporting process so that CHS can investigate and correct any errors.

We seek to provide an atmosphere that is safe, encourages open discussions on these matters with no fear of retribution, and promptly identifies and resolves issues. Compliance Reporting (Non-retaliation) protects our associates from adverse action when they do the right thing and report any genuine concern. CHS will investigate any allegation of retaliation against a colleague for speaking up, and will protect and/or restore rights to anyone who reported a concern in good faith.

Section V: Conflicts of Interest

From time to time, a person who is in a position to manage or to influence the management of the organization may have a private interest (direct or indirect) which has the appearance

of a conflict of interest of the organization. Relationships such as consultant, speakers' bureau, advisory panels, administrative positions with pharmaceutical and medical device manufacturers/suppliers, third party payors and other entities doing business with Catholic Health System may constitute a potential for conflict of interest therefore disclosure is required.

Potential conflicts of interest in contractual and other business relationships are inherent in the conduct of business. The Board of Directors and other constituents of the Catholic Health System review possible business relationships carefully with respect to potential harm to the people and communities served. A conflict of interest may exist in an instance where the actions or activities of an individual working on behalf of the Catholic Health System result in a potential personal gain or advantage, a potential adverse effect on the organization's interests or the potential to interfere with professional judgment, objectivity or ethical responsibilities. Conflicts of interest may also arise in other instances.

Disclosure: Physicians have a duty to disclose on a case by case basis, material interests or affiliations that could potentially conflict with his or her duties as a physician. Additionally, interest in or affiliations with post-organization service providers are disclosed and referrals to those facilities are monitored for excessive referrals and reported to the appropriate CHS entity as necessary.

Although it is impossible to list every circumstance giving rise to a possible conflict on interest, the following serves as a guide to the types of activities that might cause conflicts and that should be reported to a manager the Medical Director or the Compliance Office:

1. Gifts, Gratuities and Entertainment

The acceptance of a gift or excessive entertainment could be reasonably interpreted as having been given to influence the Organization or individual to act favorably toward the person or entity. This does not include acceptance of items of a nominal value or minor value that are clearly tokens of respect or friendship and not related to any particular transaction or activity of the Organization.

2. Inside Information

To disclose or use information relating to the Catholic Health System's business for the personal profit or advantage of the individual or his/her immediate family or of his/her business associates or affiliates. To obtain, disclose or use privileged, confidential or proprietary organizational information without authorization.

Each constituent has a responsibility to maintain confidentiality of information. This includes information directly related to the Catholic Health System, any information related to services rendered, and any information related to persons receiving such services.

3. Outside Interests

To hold, directly or indirectly, a position or material financial interest in any out-

side concern from which the individual has reason to believe the Catholic Health System secures goods or services.

Definitions

“**Financial Interest**” means that a person (or members of his/her immediate family) has, directly or indirectly, through business or investment -

- An ownership or investment interest in any entity with which the Corporation has a transaction or arrangement,
- A compensation or employment arrangement with the Corporation or with any entity or individual with which the Corporation has a transaction or arrangement, or
- A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Corporation is negotiating a transaction or arrangement.
- A financial interest is not necessarily a conflict of interest. A person who has a financial interest may have a conflict of interest only if it is determined that a conflict of interest exists.

“**Family Member**” means an individual’s spouse, ancestors, brothers and sisters (including by half blood), children (including by adoption), grandchildren, great-grandchildren, and spouses of brothers, sisters, children, grandchildren and great-grandchildren.

“**Ownership or Investment Interest**” means any form of ownership or equity held in an organization but does not include interests of less than 1% in entities whose securities are publicly listed and have \$75 million or more of stockholder equity.

The Catholic Health System Officers, Board members, Physicians, Senior Management and other staff members in positions identified as sensitive in nature or having potential for conflict of interest will be required to sign a “Conflict of Interest Disclosure Statement and Confidentiality Agreement” on a regular basis as well as when specific circumstances arise. These Agreements will be kept confidential and on file in the Corporate Compliance Office.

The scope of the interested person’s participation in the decision-making process where an actual or potential conflict of interest exists is as follows:

Deliberations. The interested person must exclude themselves and may not participate in the deliberation or use personal influence.

Quorum. The interested party may not be counted in determining the presence of a Quorum at a meeting of a Board or of a Committee which authorizes the transaction or agreement.

Voting. The interested person's vote may not be counted in determining whether to enter into the transaction or agreement.

Form HR 75 - Conflict of Interest Disclosure Statement is located on Compliance 360

Section VI: Confidentiality and Information Security

All persons authorized to have access to confidential information are responsible for its security.

It is the policy of the Catholic Health System that general affairs of the Catholic Health System are NOT discussed with anyone except as may be required in the normal course of conducting the Catholic Health System's business. Constituents have an ethical responsibility to refrain from disclosure of internal information about the Catholic Health System. The use of discretion to safeguard internal Catholic Health System affairs is required.

It is a direct violation of this policy to disclose any unauthorized information concerning a patient, his/her family or friends to anyone.

It is prohibited to attempt to obtain confidential information for which access has not been received.

The Catholic Health System has developed and implemented policies and procedures to ensure that all requirements regarding privacy, security and transmittal of information as stated in the Health Insurance Portability and Accountability Act (HIPAA) are addressed. For further detail see CHS HIPAA Policies and Procedures.

Concerns of policy violation should follow reporting incidents. Associates and others violating this policy are subject to discipline that may include termination and/or legal action.

The American Recovery and Reinvestment Act of 2009 (ARRA) was signed into law on February 17, 2009. Title XIII of ARRA is the Health Information Technology for Economic and Clinical Health Act (HITECH). HITECH significantly impacts the Health Insurance Portability and Accountability (HIPAA) Privacy and Security Rules. While HIPAA did not require notification when patient protected health information (PHI) was inappropriately disclosed, covered entities may have chosen to include notification as part of the mitigation process. HITECH does require notification of certain breaches of unsecured PHI to the following: involved individuals, Department of Health and Human Services (HHS), the media, and NYS. The effective implementation for this provision is September 23, 2009.

CHS shall make appropriate notifications in the event of a breach of unsecured Protected Health Information ("PHI") which compromises the security or privacy of the protected health information by posing a significant risk of financial, reputational, or other harm to the individual.

If a person, entity or vendor performs a service for the System, which involves the use of protected health information, they are considered a Business Associate. In order for CHS to share protected health information with a Business Associate and in order to allow a Business Associate to receive protected health information on our behalf, the System must enter into a written agreement with the Business Associate, in which the Business Associate agrees to appropriately safeguard the information. In order to comply with HIPAA regulations, vendors identified as Business Associates will follow the obligations set forth in the Business Associate Agreement. It is the duty of every CHS associate or CHS Business Associate to report suspected or actual compromised protected health information (unauthorized acquisition, access, use or disclosure) immediately to the CHS Security Officer for investigation.

Section VII: Gifts, Gratuities & Discounts

In order to maintain a professional work environment and to prevent a potential conflict of interest no associate may accept, directly or indirectly, more than a nominal gift as defined by the Organization from patients, families, sponsors, visitors, vendors or contractors. Appearance of improper activity shall be avoided with regard to the acceptance of such nominal gifts. It is required that CHS constituents will disclose all CHS business related offered and/or received gifts, gratuities or discounts to their supervisor or the Compliance Officer. Such circumstances include instances of acceptance of gifts, meals, social and entertainment events and honoraria.

Associates may not accept payments directly or indirectly from a vendor/contractor for expenses incurred for travel, conferences and other activities. Such relationships and circumstances may be in fact or be perceived as creating a financial or personal benefit to the associate, family member or personal friend which may improperly influence the decision making process.

Associates may not accept, directly or indirectly, discounts or special terms on purchases unless the discount or special term is available to the general public.

Under no circumstance shall gifts be accepted or offered for the purpose of influencing patient referrals or any other business referral. This policy and the procedures set forth below identify prohibited circumstances; set forth guidelines for evaluating permissible circumstances and set forth a process for disclosure of circumstances or relationships that may give rise to a conflict of interest. This policy is supplemental to existing conflicts of interest policies of CHS.

Questions that are raised with respect to vendors and individuals wishing to support the Catholic Health System or an individual department with a significant gift must be referred to the Compliance Officer. Similarly, any department that would like to solicit gifts of considerable value to support department activities or the activities of the Catholic Health System must seek approval from the Compliance Officer prior to soliciting or accepting a gift.

Notwithstanding the foregoing, the acceptance of common business hospitality such as occasional meals, entertainment or nominal gifts with a value of fifty dollar (\$50.00) or less or \$300.00 per annum from the same or related source shall not be considered a violation of this policy. The Compliance Officer must be consulted regarding anything in excess of a fifty dollar (\$50.00) value.

Gifts that are approved by the Compliance Officer are used for the general welfare of the Organization or individual department, as deemed appropriate.

Solicitation or acceptance of any compensation, tip or cash gift, directly or indirectly without prior approval, is a direct violation of this policy.

A more stringent gift policy held by any CHS organization or department takes precedence over this policy.

Specific Issues: The following are conditions established for the acceptance of gifts, meals, social and entertainment events, educational opportunities, charity events, and honoraria. The conditions also establish when disclosure is required.

A. Gifts

Gifts offered to associates from current or potential business may be accepted under the following conditions:

- The value does not exceed \$300 annually. Such gifts may include items of small value, such as coffee cups, tee-shirts or pens from third parties given for promotional purposes. If the cost of the gift does not exceed the guidelines, but could give an appearance of an attempt to influence a business decision or a conflict of interest, the associate should disclose it to his/her supervisor.
- Perishable or consumable gift that is given to the department is generally acceptable. In these cases, appropriateness should guide acceptance.

B. Social or Entertainment Events

Invitation to associates from current or potential business to attend a social or entertainment event in order to further develop their business relationships may be accepted under the following specific conditions:

- Business discussions or the development of business relationships will occur.
- The event will not exceed a value of \$50 per associate.
- If it is later determined that the event did exceed the \$50 per associate limit, then the associate will disclose this fact in a reasonable amount of time to his/her immediate supervisor and identify it in an annual written disclosure.
- The benefit the associate receives will not be calculated into current or future decisions with the business.

C. Vendor Sponsored Events

Invitations to associates from current or potential business to attend training and educational opportunities that include travel and overnight accommodations at no cost to the associate or to the Corporation may be accepted under the following conditions:

- The amount of time at the event that is spent on recreation and/or entertainment should be proportionately less compared to the time devoted to substantive educational or training matters.
- The event venue is more educational than recreational.
- In no case, may the business pay for the travel expenses of an associate's spouse or guest.
- Prior to accepting any such invitation, supervisor should approve it in writing.

D. Meals

Meals offered to associates from current or potential business and occurring in connection with business discussions or the development of business relationships may be accepted under the following conditions:

- If it is modest, infrequent and as far as possible on a reciprocal basis.
- The meal will not exceed \$50 per associate. If it is later determined that the meal cost exceeded the \$50 threshold, the associate should disclose this to his/her immediate supervisor and identify it in an annual written disclosure.

E. Charitable Fund Raising Events

Associates and all those who represent the Corporation may accept invitations from vendors to charitable fund raising events under the following conditions:

- The vendor offers the invitation through the Department of Philanthropy (Fund Development) and attendance is reviewed by the CEO, or his/her designee.
- Attendance at a fund raising event sponsored by a vendor of the Corporation should not be limited to one representative of the Corporation on an ongoing basis, but should be shared to fully represent the organization.
- The monetary value of the invitation, which includes a donation value of the event, should not exceed \$300.
- Gifts solicited on behalf of the Corporation should be coordinated with the Foundation.

F. Honoraria

Unless otherwise agreed by the Corporation, honoraria received as part of carrying out business or community service in the name of the Corporation must be endorsed over and/or paid directly to the organization.

Section VIII: Tax-Exempt Status

Catholic Health System (CHS) not-for-profit entities have adopted policies and procedures to maintain tax exempt status.

A. Private Inurement

For each not-for-profit entity, the Catholic Health System maintains its legal and ethical obligation to act in compliance with applicable laws as well as to engage in appropriate activities in furtherance of its charitable purpose, and to ensure that its resources are used in a manner which furthers the public good as reflected in the Catholic Health System Mission, rather than the private or personal interests of any individual. Consequently, the Catholic Health System, its constituents and others avoid compensation arrangements which are inappropriate or in excess of fair market value, accurately report payments to appropriate taxing authorities and file all tax and information returns in a manner consistent with applicable laws.

B. Political Activities

The Catholic Health System, its officers and associates will comply with all federal and state laws regarding lobbying, political contributions, gifts to government officials and other political activities. It will not offer or make payments or give anything of value to a government official or a representative of a government agency, directly or indirectly, with which the Catholic Health System has or is seeking to obtain a contractual or other business or financial relationship, or that regulates any activities or obligations of the Catholic Health System. The Catholic Health System, its officers and associates also will not offer, make, accept or receive payments or anything of value, directly or indirectly, in order to obtain a competitive advantage with regard to contracts that involve the provision of health care services to beneficiaries of any federal, state or local government health care program, including Medicare and Medicaid. The Catholic Health System will communicate its views to regulators and other government officials only in accordance with state and federal requirements.

The Catholic Health System will “not participate in or intervene in (including the publishing and/or distributing of statements), any political campaign on behalf of or in opposition to any candidate for public office.” This means that the Catholic Health System will not endorse any candidate for any public office. While the Catholic Health System constituents may be personally involved in campaigns and endorse candidates, such activities must not in any way use the Catholic Health System’s financial resources, facilities or personnel, and must clearly and unambiguously indicate the actions taken, statements or other endorsements given are those of the individual constituents and not of the Catholic Health System.

“No substantial part of the activities” of the Catholic Health System will constitute “attempting to influence legislation.” “Attempting to influence legislation” includes:

- a. contracting or urging the public to contact members of a legislative body for the purpose of proposing, supporting or opposing legislation, or
- b. advocating the adoption or rejection of legislation.

The Catholic Health System may instruct the public on matters useful to individuals and beneficial to the community. In doing so, the Catholic Health System will pres-

ent a sufficiently fair and non-partisan exposition of the pertinent facts as to permit an individual or the public to form an independent opinion or conclusion.

Section IX: Compliance Reporting

The Catholic Health System's constituents and others have an ethical duty and responsibility to report any violations or possible violations of the Organization's Code of Ethics, Code of Conduct, policies and procedures or Federal and State laws and regulations. To address this responsibility, the Organization uses:

A. Direct Reporting

Report the matter to the Corporate Compliance Officer. Reported concerns are received at the Corporate Compliance Office by way of telephone, facsimile, e-mail, United States Postal Service, and in person.

B. Compliance Line (Hotline)

1. The Compliance Line telephone number is 1-888-200-5380 and is available 24 hours a day, 7 days a week.
2. The telephone number and available hours are included in the Physician Guidebook and Organization Human Resource Associate handbooks or handout materials.
3. The telephone number and available hours are prominently displayed throughout the Organization and included in the Corporate Compliance Associate Guidebook distributed to all new associates.
4. The Compliance Officer responds to Compliance Line calls. When the Compliance Officer is not available, an individual is designated by the Compliance Officer and approved by the Compliance Committee to handle hotline calls.
5. Calls may be placed anonymously.
6. Callers are not subject to retaliation from management or other associates for statements regarding factual, actual or perceived instances of non-compliance with federal, state and local laws including fraud, waste and abuse.
7. Information provided to the Compliance Line is treated confidentially and as privileged to the extent permitted by applicable law.
8. Callers are informed that if the incident requires government authority involvement, the caller may have to reveal his/her identity.
9. Intentional false accusations are prohibited. Offenders may be subject to termination.
10. Associate calls leading to the discovery of non-compliant activities do not protect the associate against any wrong-doing committed by the associate. However, the disciplinary action taken is not increased against the associate.
11. The HHS-OIG Hotline telephone number, 1-800-HHS-TIPS (447-8477) is also posted in prominent areas.
12. The Compliance Officer summarizes reports on Compliance Line activities and provides periodic updates on Compliance Line activity to the Corporate Compliance Committee.

C. Non-Retaliation for Reporting Concerns

Catholic Health System (CHS) protects its associates from adverse action when they do the right thing and report a genuine concern. Therefore, no one at any level of the organization is permitted to engage in retaliation or any form of harassment against an associate, physician, trustee, or volunteer contractor or agent reporting such a concern.

CHS strives to promote an environment where all individuals can feel comfortable and confident following the right course of action in their daily work. Members of CHS management are expected to actively encourage and reward open communication within their areas of responsibility.

In order to conduct business honestly and ethically, the Catholic Health System's constituents have a duty to report actual or potential violations of the organization's Code of Ethics, Code of Conduct, policies and procedures, or Federal and State regulations and are not permitted to overlook such situations. Physicians should contact the CHS Compliance Office or call the Compliance Line at 1-888-200-5380 of actual or potential violations. Individuals are encouraged to report the matter as indicated above to give the Catholic Health System a reasonable opportunity to conduct an appropriate investigation and take any needed corrective action.

In addition, both Federal and State False Claims Acts make it a crime for any person to knowingly make a false record or filing of a false claim with the government for payment. "Knowing" can include deliberate or reckless ignorance of facts that make the claim false. A person who knows a false claim was filed for payment can file a lawsuit (including Qui Tam action) on behalf of the government. Federal and state law also prohibit any retaliation or retribution against persons who report a genuine concern of suspected law violations to law enforcement officials or who file a Qui Tam (whistle blower) lawsuit on behalf of the government.

CHS will investigate any allegation of retaliation against a colleague for speaking up, and will protect and/or restore rights to anyone who raised a genuine concern. All substantive instances of retaliation or harassment against anyone reporting through the reporting process will be brought to the attention of the Compliance Office.

Section X: Governmental Investigations

The Catholic Health System (CHS) complies with the law and cooperates with any reasonable demand made in a government investigation. It is imperative, however, that CHS protects the rights of the Catholic Health System and its personnel. If any constituent receives an inquiry, a subpoena, or other legal document regarding the Catholic Health System's business, whether at home or in the workplace, from any governmental agency, the physician should notify the Compliance Officer directly and immediately. If the

constituent is contacted at home by a governmental agency concerning Organization business, the constituent should ask the agent to come back later and immediately contact the CHS Compliance Officer to discuss the matter. The Compliance Officer shall contact the Catholic Health System's counsel for compliance matters. The Organization normally arranges for the Catholic Health System's Counsel to accompany any constituent being interviewed by a governmental representative.

Sometimes it is difficult to tell when a routine government inquiry, audit, or review may escalate into a more formal and serious governmental investigation. The Catholic Health System relies on the common sense and alertness of its physicians to inform the Compliance Officer regarding the initiation of any governmental investigation involving the Catholic Health System.

Accordingly, if this process is followed, the Organization may then, on a case by case basis, determine its specific action plan.

If a constituent has concerns about any governmental investigation involving the Catholic Health System, contact the Catholic Health System Compliance Officer.

The CHS Corporate Compliance Plan document has taken into consideration guidance put forth by the Office of Inspector General (OIG) of the Department of Health and Human Services.

Thank you for your attention to the Corporate Compliance Plan policies of the Catholic Health System.

If you have questions about the CHS Standards of Conduct or Compliance policies contact:

E. Anne Mason

CHS Corporate Compliance and HIPAA Privacy Officer

515 Abbott Road, Suite 408 • Buffalo, NY 14220

Ph. 821-4469 • Fax 821-4460

e-mail amason@chsbuffalo.org

Or

Call the Compliance Line Toll Free 24 hours a day,

7 days a week at: 1-888-200-5380

All calls are confidential and the caller may remain anonymous, if desired.



Our Mission

Why we exist

We are called to reveal the healing love of Jesus to those in need.

Our 2020 Vision

What we are striving to do

Inspired by faith and committed to excellence, we will lead the transformation of healthcare in our communities.

Our Values

What we believe in

Reverence

- Respect for the whole person
- Fair and just treatment of individuals
- Non-judgmental behavior

Justice

- Unconditional acceptance of each person
- Serving as advocates for the most vulnerable
- Collaborating with others to empower individuals

Compassion

- Empathy
- Responsiveness to need
- Sensitivity

Excellence

- Personal and professional integrity
- Promoting and facilitating quality healthcare services
- Commitment to embrace new technology

For more information on this and other Catholic Health programs and services, call 447-6205 or visit our web site at www.chsbuffalo.org

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