



*Enterprise-wide  
Policy and Procedure*

<b>Policy:</b>	<b>E - COMP - Corporate Compliance Program</b>
<b>Policy Number:</b>	<b>E-COMP-01</b>
<b>Responsible Department:</b>	<b>Compliance</b>
<b>Coordinating Departments:</b>	<b>Legal, Risk Management, Information Services, Quality Management, Nursing</b>
<b>Original Issue Date:</b>	<b>March, 2004</b>
<b>Medical Staff Approval:</b>	<b>N/A</b>
<b>Legal and Regulatory References:</b>	<ol style="list-style-type: none"> <li>1. Supplemental Compliance Program Guidance for Hospitals, 70 F.R. 4858, January 31, 2005</li> <li>2. Compliance Program Guidance for Hospitals, 63 F.R. 8987, February 12, 1998</li> <li>3. Measuring Compliance Program Effectiveness: A Resource Guide, HCCA-OIG Compliance Effectiveness Roundtable March 27, 2017</li> <li>4. 42 U.S.C. §1395nn/42 C.F.R. §411.350-411.389</li> <li>5. 42 C.F.R. §1320a-7b(b)</li> <li>6. 45 C.F.R. Part 160, Part 164</li> <li>7. HITECH Act, Omnibus Rule, 78 F.R. 5566</li> <li>8. Bylaws of Flagler Hospital</li> </ol>
<b>Other References:</b>	<b>N/A</b>
<b>Corresponding Policies:</b>	<b>Flagler Health + Compliance Policies</b>

## **I. OBJECTIVE AND INTRODUCTION**

This document sets forth the Flagler Health+ ('Flagler') Corporate Compliance Program (the "Compliance Program"). The purposes of this Policy are to: (a) establish and set forth the expectations and policies with respect to achieving and maintaining legal and ethical conduct by its Workforce Members; (b) establish the structural outline and components of Flagler's Compliance Program; (c) set forth certain processes, procedures and mechanisms to assist in the detection, elimination, or remediation of possible violations of law and ethical standards/practices; (d) correct violations of and provide for the imposition of sanctions for violations of ethical Standards/practices/policies/procedures to deter and to help prevent violations in the future; (e) educate Workforce Members regarding compliance; and (f) promote an organizational culture of compliance and ethical behavior.

- A. **MISSION STATEMENT.** Flagler is committed to providing high-quality patient care in the community it serves and advocates a responsive management style and a patient-first philosophy based on maintaining the highest reputation of integrity and competence. It is the mission of Flagler to provide the best patient experience with the best staff. Flagler will promote and fulfill this mission in regard to patients, the care and treatment provided to such patients, and the operations of Flagler by and through its Compliance Program, which requires the following in regard to its Workforce Members:
1. Adhering to the highest levels of compliance and ethical standards, and it will be incorporated as part of their job performance evaluation criteria.
  2. Being knowledgeable about and complying at all times with all laws, regulations, standards and other requirements which govern Flagler's operations and the delivery and provision of patient care and treatment, in addition to all of the policies and procedures that apply to their respective work responsibilities and work units.
  3. Timely preventing, detecting, responding to and helping to appropriately remedy any compliance violations or variances that may result in savings or recoupment of state and federal monies.
  4. Enhancing the quality of care provided to patients by removing undue or inappropriate influences or considerations from processes and decision-making regarding the delivery of health care services.
- B. **Code of Conduct.** Flagler has developed a Code of Conduct that applies to all Workforce Members and is designed to promote honest and ethical conduct. The Code of Conduct details the fundamental principles, values, and framework for compliance throughout the organization, provides guidance on acceptable behavior for Workforce Members, and makes it clear the expectation that Workforce Members will comply with all applicable governmental laws, rules and regulations, and will report violations of the law or company policies to appropriate personnel.
- C. **Compliance Program Elements.** Flagler is committed to having an effective Compliance Program that is well-designed, implemented effectively, and works well in practice. The primary components reflect the guidelines established by the Office of the Inspector General (OIG) Supplement Compliance Guidance for Hospitals (Jan 2005) as well as subsequent compliance guidance issued by the OIG. They include the following:

1. Board Audit and Compliance Committee, a Corporate Compliance Officer (CCO), and designated individuals having specific compliance or compliance-related responsibilities or who occupy key operational, financial or other business roles or positions and who contribute to the operation, management, and success of the Compliance Program as members of the Compliance Council.
2. Written Compliance policies and procedures including a written Code of Conduct.
3. Open lines of communication and processes, including a toll-free hotline for reporting, which permits anonymous reporting without fear of retaliation.
4. Compliance-related education for all Flagler Workforce Members.
5. Monitoring and auditing activities.
6. Enforcement of appropriate sanctions.
7. Investigation and remediation of identified compliance-related problems.
8. Management of third party relationships.

In addition, the Compliance Program will:

1. Conform to the direction and instructions of the Board of Directors which is ultimately responsible for overall compliance.
2. Appropriately review the organization's business activities regarding legal compliance and legal risks.
3. Enforce compliance standards ensuring that all Workforce Members are held accountable.
4. Engage or retain independent auditors, as necessary.
5. Implement appropriate process and procedures to help ensure that excluded individuals are not employed or granted staff privileges in violation of law.

## **II. SCOPE**

The Flagler Compliance Program applies to all Workforce Members

## **III. DEFINITIONS**

- a. Workforce Members or Workforce means the following:
  - i. All individuals employed by Flagler and all persons deemed to be employed by Flagler under any state or federal statute.
  - ii. All agency employees, co-employees, leased employees, travelers, etc. who work under the control, direction, and supervision of Flagler while performing labor or while providing services at any of Flagler's facilities.
  - iii. All volunteer members and participants of the Flagler Hospital Auxiliary.
  - iv. All physicians and independent licensed practitioners with whom Flagler has contracted to provide certain professional services whenever such individuals or entities are acting in such capacity and within the scope of such agreements and members of the Medical Staff.
  - v. All independent contractors, vendors, business associates and other persons or entities.

## **IV. COMPLIANCE PROGRAM OVERSIGHT**

### **A. Roles and Responsibilities**

## 1. Board of Directors

The Board of Directors, has overall responsibility for Compliance and the Compliance Program at Flagler. The Board may appoint a committee of its members for the purposes of coordinating Compliance when required (or permitted) by its corporate governing documents.

## 2. Corporate Compliance Officer

The Compliance Program shall be overseen, operated, and managed on a day-to-day basis under the guidance of the Corporate Compliance Officer (CCO), who shall be designated from time to time by the President with the consent and approval of the Board of Directors. The CCO at all times shall have direct access to and the right to communicate directly with the Board of Directors or its members or committee(s) in regard to compliance concerns. Whenever authorized by the Board of Directors, the CCO shall have the authority to engage independent legal counsel as necessary in regard to compliance matters or issues. The CCO shall also direct the overall implementation of the Corporate Compliance Program and initiate risk analyses and assessments when appropriate; receive and review reports of all compliance activities being carried out; monitor compliance enforcement issues; initiate and/or coordinate internal and external reviews and/or investigations; and report at least annually to the President and the Board of Directors on the status of the Compliance Program and Flagler's compliance efforts. The responsibilities of the CCO involve:

- a) Conducting an effective compliance program which conforms to applicable laws, rules, and regulations of regulatory agencies, and Flagler's policies and procedures.
- b) Ensuring that Workforce Members are educated regarding Compliance and that their behavior meets appropriate standards of conduct.
- c) Reviewing, compiling and preserving compliance data generated through audits, monitoring, and individual reporting.
- d) Preparing the annual compliance report to the Board and President.

## 3. Compliance Council

The Flagler Compliance Council (CC) is hereby established as a key structural component of the Compliance Program which shall advise the CCO and the Board of Directors in regard to Compliance policies and procedures; shall function as a source of and "clearinghouse" for compliance-related internal information and the conduct and results of Flagler compliance monitoring activities; and shall otherwise assist in and facilitate the operations of the Compliance Program.

The Compliance Council shall be a standing committee comprised of Flagler's administrative officers and other identified individuals who have significant responsibility for the administration of various aspects of Flagler's Compliance Program or the conduct and performance of internal compliance controls.

At a minimum, the Compliance Council shall be comprised of the following: the CCO, the Chief Administrative Officer (CAO), Vice President of Quality Management, the Privacy Officer, the Chief Financial Officer (CFO), the Chief Medical Officer (CMO), the Chief

Clinical Officer, the Chief Human Resources Officer (CHRO), the Director of Risk Management, the Controller, an Information Security representative, and such other persons as the CCO shall designate from time to time.

The CCO shall serve as the Chair of the CC. The CC shall meet from time to time as needed or appropriate, but no less frequently than once every calendar quarter. The CCO shall determine the frequency, date and time of meetings and give appropriate notice of such meetings to all members.

The responsibilities of the CC include:

- a) Participate in the development and review process of Flagler policies, procedures and other documentation created that govern compliance and are submitted to the CC for review or comment.
- b) Support and advise the CCO concerning compliance program activities, including gathering compliance data generated through internal monitoring and audits, conducting the appropriate and timely risk assessments, and developing an annual compliance work plan.
- c) Support appropriate compliance related education for all Workforce Members.
- d) Provide input and recommendations on compliance-related auditing and monitoring.
- e) Promote a "culture of Compliance."
- f) Serve as a "clearinghouse" and avenue for the sharing and distribution of information regarding Compliance.
- g) Facilitate and coordinate Compliance activities and programs among and across all departments, units, and locations of Flagler.

The CC may from time to time be expanded temporarily or permanently to include individuals who may participate as members of the CC on an ad hoc basis.

The CCO may create subcommittees, task forces, or workgroups as necessary to support compliance-related activities throughout the organization.

### **III. COMPLIANCE STANDARDS AND PROCEDURES**

#### **A. Organizational and Individual Expectations.**

1. Flagler's business operations as a provider of health care services are subject to a number of legal, regulatory, and ethical requirements and considerations. It is the fundamental policy of Flagler that all of its business and other practices be conducted at all times in compliance with all applicable laws and regulations of the United States, the State of Florida, all other applicable local laws and ordinances and the ethical standard/practices of the industry and Flagler.
2. Flagler has a written Code of Conduct and internal policies and procedures designed to promote commitment to compliance and address specific areas of fraud, waste, and abuse. Compliance policies and procedures are located on Flagler's internal web site and are available to all employees and medical staff members for review.
3. All Workforce Members of Flagler shall conduct all business activities honestly and fairly. Any form of lying, cheating, or misrepresentation is forbidden.

4. Due to the nature of Flagler's business of providing health care, the potential for certain offenses exists. The following sets forth brief descriptions of prohibited conduct which constitutes a violation of law and is forbidden by Flagler and its Compliance Program:
- a) Making any false statement of any kind in any claim for payment or application for benefits.
  - b) Retaining funds or cause Flagler to retain funds from any program, which have not been properly paid.
  - c) Submitting any claim based on rendering of healthcare providers' services when the person providing the service was not properly licensed or falsely claimed to be a specialist.
  - d) Submitting any claim for services which he/she has reason to believe were not medically necessary or not payable by the program to which the claim is being submitted.
  - e) Paying or offering to pay for referrals of individuals for services.
  - f) Soliciting or receiving any payment for the referral of individuals for services or for the purchase of services.
  - g) Presenting any claim to any governmental agency or other payor which is for an item or service the Workforce Member knows was not provided or knows is false or contains codes that do not accurately reflect the care provided.
  - h) Making any false representations regarding coverage of any patient services.
  - i) Scheming to defraud any healthcare benefit program or governmental agency.
  - j) Stealing, improperly acquiring or wrongfully retaining any funds or other assets from any healthcare benefit program or governmental agency.
  - k) Falsifying or concealing any facts concerning the delivery of services or payment of benefits in connection with any healthcare benefit program.
  - l) Conspiring with others to cheat or defraud any healthcare benefit program or government agency for any reason.
  - m) Using any funds obtained improperly from any healthcare program to operate any business activity anywhere.
  - n) Billing for those items and services which are not covered or are not actually rendered pursuant to a physician's order.
  - o) Billing modifiers when not justified, appropriate, and in accordance with billing and coding guidelines.

**B. Who is Covered.**

Flagler's Compliance Program is applicable to all Workforce Members.

**C. Responsibilities of Flagler's Leaders.**

1. It is the responsibility of Flagler's Leaders (Chief Officers, Directors, Managers and Supervisors) to set the example, and to help create a culture that promotes the highest standards of ethics and compliance. This organizational culture should encourage all members of our organization to share concerns when they arise, without any fear of retaliation.
2. It is the responsibility of Flagler's Leaders to ensure that all Workforce Members receive a copy of the Code of Conduct and understand its contents. Leaders shall inform their Workforce Members of the various options for reporting compliance concerns.
3. It is the responsibility of Flagler's Leaders to evaluate each Workforce Member's compliance performance. Each Director, Manager or Supervisor's compliance performance, as well as the

performance of those under their direction, will be considered during periodic performance reviews.

#### D. Responsibilities of Workforce Members.

1. Workforce Members are responsible for having knowledge of and adhering to Flagler's fundamental policy of being compliant at all times with all applicable laws, regulations and ethical standard in conducting its business activities. Therefore, all Workforce Members are required to strictly observe all applicable legal and regulatory requirements and to comply with this Plan and relevant policies and procedures. Workforce Members may not conduct themselves in a manner that violates applicable legal or regulatory requirements under any circumstances. Further, Workforce Members may not conduct themselves in a manner contrary to applicable ethical standards or policies of Flagler. Doing so will be considered a violation of Flagler policy.
2. Workforce Members are expected to have a working knowledge of all legal and regulatory requirements that may apply to their work responsibilities. Workforce Members will be sensitive to legal and ethical issues. Workforce Members are expected to ask questions before engaging in any conduct which is causing them concern. Workforce Members shall refrain from engaging in any conduct which causes compliance concerns and shall bring such concerns to the timely attention of an appropriate Flagler leader or the Corporate Compliance Officer.

#### **IV. DUE CARE IN EMPLOYMENT AND CONTRACTING**

Flagler will make reasonable inquiry into the background of any potential Workforce Member, agent or contractor to avoid utilizing anyone whom Flagler knows has been convicted of an offense related to any governmental or private program concerning healthcare or who has been excluded from participation in a governmental healthcare program. Flagler will not employ or retain anyone whom it knows has been excluded from any such program. If Flagler learns that a Workforce Member, agent, or contractor has in fact been excluded from participation in a governmental healthcare program while employed or during their contract term, Flagler will take immediate action as necessary to ensure Flagler is compliant with Federal and State laws and regulations and to ensure the protection of Flagler patients and the organization.

#### **V. WORKFORCE MEMBER TRAINING AND EDUCATION PLAN**

Flagler Leadership will ensure all Workforce Members, including auxiliary volunteers, are provided with education about Flagler's Corporate Compliance program.

The Basic Compliance Education Program is designed for all Flagler Workforce Members. A Compliance education plan will be developed for each calendar year and revised and updated during that year when appropriate. Documentation and records will be maintained as to all such education activities and the achievement of educational efforts and results in regard to the Workforce Members.

Compliance Education for new Workforce Members will be formally incorporated into the Flagler New Employee Orientation (NEO) program. Compliance education for newly hired Workforce Members will include orientation as to the Code of Conduct and Employee Handbook provided at the time of hire by the Flagler Human Resources Department. All Workforce Members must

acknowledge that they have read and understand the content provided related to the Flagler Compliance Program. All new auxiliary volunteers will receive the similar compliance education materials during their orientation, and will be required to provide acknowledgement of their understanding of such education.

Compliance-related topics identified through department-based monitoring and evaluation activities, will be reviewed and discussed by respective Department Directors at their departmental staff meetings. The focus will be on resolving identified compliance issues.

## **VI. ESTABLISHING AND MAINTAINING COMMUNICATION ABOUT COMPLIANCE**

### **A. Essential Components of the Communication**

Open communication is essential to maintaining an effective compliance program. Flagler is committed to increasing its ability to identify and respond to compliance problems, and fostering an organizational culture that encourages open communication without fear of retaliation. Staff and providers are strongly encouraged to report incidents of potential fraud and abuse or to seek clarification regarding compliance or ethical concerns directly from the Corporate Compliance Officer.

Flagler shall establish and implement an annual Communications Plan for Compliance to serve as a guide for communications throughout the life of the Compliance Program, which is updated as communication needs change. The Communications Plan identifies and defines the roles of persons involved in the Compliance Council, and includes a communications matrix which maps the Compliance communication requirements.

### **B. Communication Practices.**

Flagler shall implement and maintain the following communication mechanism or practices:

1. An anonymous compliance hotline will be implemented and maintained.
2. The anonymous compliance hotline will be publicized and information will be shared with the Compliance Council on the number and types of calls received.
3. There will be a process for logging and tracking calls and notifying the caller of the actions taken.
4. There will be a process for sharing the results of internal investigations with the Compliance Council and relevant departmental leaders on a regular basis.
5. Share the goal of the organization to actively engage in pursuing appropriate remedies to problems.
6. Periodic Compliance communications will be distributed to all Workforce Members, which will provide notice on relevant compliance topics and any recent changes in applicable laws, regulations, standards, policies, or procedures.

### **C. Reporting on Compliance Issues and Concerns.**

1. If there are any questions or concerns regarding compliance with state or federal law or any aspect of the Compliance Program, including the compliance policies or procedures, Workforce Members should seek immediate clarification from their Director or the CCO.



2. All Workforce Members shall promptly report any information regarding known or suspected violations of any applicable laws, regulations, or ethical standards, or Flagler policies or procedures so that the suspected violation can be reviewed and the appropriate action can be taken. Reports of wrongdoing may involve, but are not limited to the following:
  - a) documenting, coding, or billing for services, equipment, or supplies;
  - b) organization's financial practices;
  - c) any violation of any law or regulation;
  - d) a violation of any policy; or
  - e) any other compliance concern.
3. Reporting may be accomplished in a variety of ways. Workforce Members may report the incident directly to the CCO either verbally or in writing. Workforce Members may identify himself/herself or remain anonymous. Every attempt will be made to keep the Workforce Member's identity confidential unless he/she gives permission or requests that his/her identity be revealed through the process of investigation. It is recognized that there may be situations where the direction of the investigation inevitably leads to the identification of the reporter. Workforce Members may also report the incident to the CEO or his/her Manager or Supervisor, verbally or in writing. Those receiving such reports must promptly forward the concern to the Flagler CCO. Workforce Members may utilize the anonymous reporting system to report issue anonymously.
4. The anonymous compliance hotline will be operated by an outside organization and will be available 24 hours a day, 7 days a week. The hotline can be reached at (800) 826-6762. The CCO monitors hotline reports as they are received.
5. No Workforce Member who reports a compliance issue in good faith will be subject to disciplinary action or punished in any way for making a report. Any Workforce Member, including members of Flagler's leadership team, who attempts to retaliate against another Workforce Member who in good faith reports a compliance issue will be subject to disciplinary action, up to and including termination of employment where appropriate. However, submission of a report by a Workforce Member that the Workforce Member knows is false or misleading will subject the Workforce Member to disciplinary action, up to and including termination of employment.
6. Failure to report or conceal a known compliance issue is a violation of Flagler policy and may subject a Workforce Member to disciplinary action, up to and including termination of employment.
7. Managers or supervisors receiving a complaint that raises a potential compliance issue are required to promptly report the complaint to the CCO. Managers and supervisors who fail to do so will be subject to disciplinary action, up to and including termination of employment.

## **VII. MONITORING AND AUDITING**

- A. Effective monitoring and auditing helps Flagler to decrease the likelihood that compliance issues will occur. Flagler will design and implement appropriate audit plans to minimize its risks. The audits may be conducted by qualified internal auditors or third parties, subject to the approval of the CCO and relevant hospital executive leaders, as necessary. All final audit reports compiled

by qualified internal auditors or third parties should be submitted to the CCO to be maintained in the Compliance Department, unless maintained under attorney-client privilege by the Chief Legal Officer or his designee.

- B. Ongoing monitoring programs are essential to a successful compliance program. Flagler's compliance work plan is evaluated annually and addresses findings from previous years' audits, high volume and/or risk areas identified through the annual risk assessment, the OIG's Work Plan, CMS reports and publications, Medicare Administrative Contractor reports and publications, and Medicare and Medicaid Integrity Auditor reports and publications. Monitoring programs may be conducted internally under the guidance and direction of the respective department leaders and/or the CCO. In regard to such programs:
1. Workforce Members are expected to cooperate with all Flagler-authorized compliance auditing and monitoring activities.
  2. Compliance monitoring activities include the items set out in the Flagler Annual Compliance Workplan as well as other items that may be identified as necessary throughout the year.
  3. The Information Security review process will be coordinated by the Information Security team, which will include appropriate reviews and monitoring in regard to the Physical, Administrative, and Technical Safeguards as required to ensure compliance with the HIPAA Security Rule. A member of the information security team, as designated by the CCO, will periodically report to the CCO and the Compliance Council as to the results of their compliance activities or items identified in the Flagler Annual Compliance Workplan.
  4. The Laboratory compliance review process will be coordinated by the Lab Compliance Officer and/or the Lab Administrative Director. The Laboratory compliance activities will be set forth as per the laboratory compliance work plan and the Flagler Annual Compliance Workplan. The Lab Compliance Officer and/or the Lab Administrative Director will periodically report to the CCO and Compliance Council as to the results of their compliance activities or items identified in the Flagler Annual Compliance Workplan.
- C. An annual review of the compliance program will be performed by the CCO with input and advice of the Compliance Council. The CCO will report at least annually to the Board of Directors, or the appropriate subcommittee thereof, as to overall status of Flagler's monitoring or auditing activities and any significant results or outcomes.

## **VIII. ENFORCEMENT AND DISCIPLINE**

Workforce Members who display a commitment to compliance and ethical conduct will be rewarded and recognized as appropriate through the established performance evaluation process. Appropriate disciplinary action against any Workforce Member, including possible suspension or termination of employment, will be taken in the event of dishonest conduct or intentional, reckless or negligent violation of laws, regulations, policies and procedures, and Compliance Program requirements. In addition, Flagler will take appropriate disciplinary action as to any Workforce Member who retaliates or makes any attempt to participate in retaliation toward a Workforce Member who has acted in good faith to report a Compliance issue. Flagler will also take disciplinary action where appropriate as to any Workforce Member who obstructs, interferes with or fails to cooperate, including the concealment or destruction of any evidence, in regard to the investigation of a compliance issue, concern, or alleged compliance violation. Finally, Flagler will take appropriate disciplinary action when a Workforce Member fails to participate in approved compliance auditing or monitoring

activities or to timely submit auditing and monitoring reports, documents, or information necessary to complete the Flagler Annual Compliance Workplan.

## **IX. RESPONSE AND CORRECTIVE ACTION**

Flagler is committed to responding consistently and decisively to detected deficiencies. As deficiencies are identified through audits, reporting mechanisms, and other Compliance Program activities, corrective measures, including disciplinary actions will be applied to address noncompliance or achieve improvements in the compliance program.

- A. The CCO, with the advice and input of the CC whenever appropriate, will review all reports of possible compliance violations and determine the appropriate action to be taken, including the initiation of an internal review or investigation when warranted. Any such review or investigation will be conducted in a prompt and timely manner and shall, when feasible, be completed in thirty (30) days.
  
- B. The results of any such review or investigation shall be reported by the CCO to Compliance Council, the President, and to the Board of Directors, as appropriate. Such reports shall identify the corrective action taken or the recommendations for the same, together with any recommended disciplinary action as to any Workforce Member. Any corrective actions recommended by the CCO shall be referred to Human Resources or the employees' department Director for timely implementation. The CCO, together with the President and Board of Trustees shall also make or provide such reports to government agencies or officials, which may be required by law or regulation as to any compliance violations determined or identified by such review or investigation. All monies or funds, which must be refunded or returned to any government agency or program shall be timely remitted in accordance with applicable law or regulations and the agency's procedures. Any compliance deficiencies identified by any such review or investigation, which indicate a systemic or institutional basis, shall be referred to the Compliance Council and/or the President for appropriate resolution.

Flagler Health+ Compliance Program and Compliance Council Structure

