Corporate Compliance Key Contacts

Privacy Officer: Nonette Brown
Phone: (406)-768-6143
Email: nbrown@nemhs.net

Security Officer: Stuart Connor
Phone: (406) 653-6554
Email: sconnor@nemhs.net

Compliance Officer: Nonette Brown
Phone: (406)-768-6143
Email: nbrown@nemhs.net

Corporate Compliance Committee:

FISCAL SERVICES
Richard Baland, Interim-CFO
Phone: (406) 653-6553
Email: rbaland@nemhs.net

INFORMATION TECHNOLOGY
Stuart Connor, VP information & Technology
Phone: (406) 653-6554
Email: sconnor@nemhs.net

FAITH HOME ADMINISTRATION
Joby Flynn, VP Senior & Long Term Care
Phone: (406) 653-6421
Email: jflynn@nemhs.net

HEALTH INFORMATION MANAGEMENT
Laken Pollock, HIM Director
Phone: (406) 768-6119
Email: lpollock@nemhs.net

ADMINISTRATION
Mike Post, CEO
Phone: (406) 653-6512
Email: mpost@nemhs.net

VP NURSING SERVICES
Elaine Long, RN
Phone: (406) 653-6579
Email: sconnor@nemhs.net

RISK AND QUALITY
Nonette Brown, RN
Phone: (406) 768-6143
Email: nbrown@nemhs.net

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Effective Date: May 1, 2009

CORPORATE COMPLIANCE AND ETHIC PROGRAM

Northeast Montana Health Services, Inc. operating campuses in the communities of Wolf Point and Poplar is a community resource motivated by respect for those we serve and in the pursuit of excellence, seeks to provide leadership in promoting health and to offer a cost effective continuum of health services to eastern Montana. We will achieve this in a climate of partnership with our medical staff, employees, and those who share our mission and values.

Organizational activities are based upon our three essential values:

1. **SERVICE**-We exist to serve the need of our patients and the bordering communities.
2. **RESPECT**-Our respect for the uniqueness of each person drives our pursuit of compassionate care, honesty, confidentiality and trust.
3. **ACCOUNTABILITY**-We strive, as individuals and as an organization, to meet our commitments and be accountable for our actions.

The corporate compliance plan for Northeast Montana Health Services, Inc. (NEMHS) promotes a culture of prevention, detection and resolution of instances that do not conform to federal and state laws, and federal, state, and private payor health care program requirements, as well as NEMHS's policies and procedures on Ethical Business practices.

1. Standards of Conduct

The standards of conduct for employees are communicated through the Moral Commitments Guiding Organizational Conduct. The essential standards are as follows:

- Each employee of Northeast Montana Health Services is responsible to act in a manner consistent with NEMHS's ethical principles and moral commitments; and to exercise good faith and honesty in all dealing and transactions touching upon his/her duties to the hospital.
- Northeast Montana Health Services will create a work place that respects the dignity of every person, promotes employee participation, and ensures safety and well-being.
- Northeast Montana Health Services will act honestly and justly in its financial transactions with patients, payers and vendors.
- Northeast Montana Health Services will maintain a high level of knowledge and skill among its employees and volunteers in the delivery of quality and compassionate care to every person.

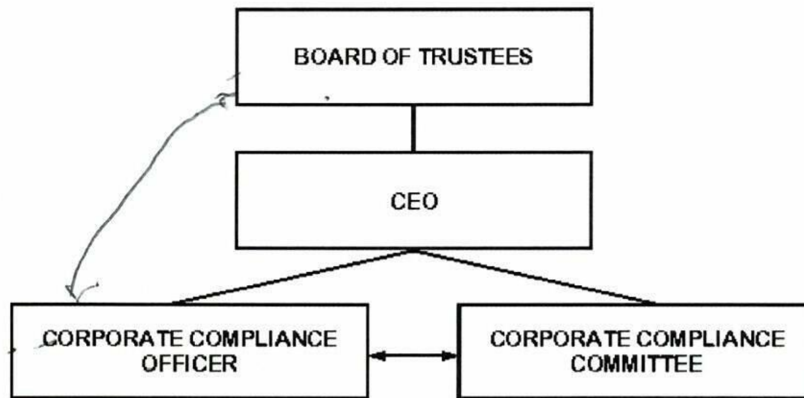
- Northeast Montana Health Services will provide accurate and truthful information in its public relations, media and marketing communications.

Policies and Procedures further define the manner of organization and employee conduct. These policies adhere to the moral and ethical values of Northeast Montana Health Services and federal and state guidelines and regulations governing NEMHS. Policies are updated and modified as applicable. Specific department policies will take into account the regulatory compliance and overall organizational standards of conduct. Further, to continually assist employees in meeting and/or exceeding the high standards set forth in the standards of conduct, employee handbooks are regularly updated as applicable statues, regulations and federal health program requirements are modified.

*NEMHS is inclusive of Trinity Hospital, Poplar Hospital, Poplar Pharmacy, Wolf Point Pharmacy, Wolf Point Clinic Association, Faith Lutheran Home and Riverside Family Clinic.

2. Designation of Compliance Office and Compliance Committee

The Chief Executive Officer will designate the Corporate Compliance Officer. The Compliance Officer has access to NEMHS's Board of Trustees through the CEO of NEMHS. Coordination and communication are the essential functions of the Compliance Officer concerning planning, implementing, and monitoring the corporate compliance plan. The following is NEMHS chart for corporate compliance:



Corporate Compliance Officer's Responsibilities

The Corporate Compliance Officer's primary responsibilities include the following:

- Oversee and monitor the implementation of the corporate compliance plan.
- Report on a regular basis to the Board of Trustees, CEO, and Compliance Committee. The report should include the progress of implementation, monitoring, and on-going maintenance of the program.

- Assist in establishing methods to improve NEMHS efficiency and quality of services, and to reduce NEMHS's vulnerability to fraud, abuse and waste.
- Periodically revise the program in response to changes in the needs of NEMHS, the law, and regulatory procedures of the government and third party payers.
- Develop, coordinate, and participate in a multifaceted educational and training program that offers all employees access to knowledge of all pertinent federal and state standards that they are accountable for in their position.
- Establish standards to ensure that independent contractors and agents who furnish services to NEMHS are knowledgeable of NEMHS's corporate compliance program requirements.
- Coordinate with the Human Resource Department to assure that all new employees of the organization are subject to investigation by the U.S. Department of Health and Human Services, Office of Inspector General. The Human Resource Director is responsible to determine if any additional reasonable background checks are deemed necessary. The organization prohibits the employment of individuals who have been convicted of a criminal offense related to health care or who have been barred, or otherwise ineligible for participation in federal or state healthcare programs. Individuals in the process of investigation should be removed from duty, pending investigation.
- Coordinate with Human Resource Department to assure that medical staff is investigated prior to employment by the American Board of Medical Examiners, and any other mandated medical by-laws and personnel policies.
- Coordinate with Human Resource Department to assure that independent contractor employees are referenced before a contractual or employment agreement occurs.
- Assist NEMHS's fiscal management in coordination of internal and external compliance review and monitoring activities, including annual or periodic reviews of departments.
- Independently investigate and act upon matters related to compliance, including the flexibility to design and coordinate internal investigations and any resulting corrective action with all organization departments, providers, and independent contractors.
- Develops policies, procedures, and programs that encourage supervisors and employees to report suspected fraud and other improprieties without fear of retaliation.

The Compliance Officer has the authority to review all documents and other information that is relevant to compliance activities, including, but not limited to, patient and billing records, and records concerning the marketing efforts of the hospital. The Compliance Officer may also review contracts and obligations that may contain referral and payment issues that could violate state and federal law.

The Compliance Committee consists of Senior Management and Directors representing, Human Resources, Fiscal Services, Business Office, Medical Records, Quality Improvement, Information Technology, and Materials Management. The CEO and NEMHS's legal counsel serve as resources.

Corporate Compliance Committee's Responsibilities

The Corporate Compliance Committee's responsibilities include the following:

- Analyze NEMHS's environment, legal requirements with which it must comply, and specific risk areas.
- Assess policies and procedures that address areas of compliance for possible incorporation into the Corporate Compliance Program.
- Coordinate and facilitate with appropriate departments to develop standards of conduct and policies and procedures to promote compliance with NEMHS's programs.
- Recommend and monitor, in conjunction with the relevant departments, the development of internal systems and controls to carry out NEMHS's standards and policies and procedures as part of daily operations.
- Determine the appropriate strategy/approach to promote compliance with the program and detect any potential violations.
- Develop and monitor a system to solicit, evaluate and respond to complaints and problems.

The Corporate Compliance Committee benefits from having the perspective of individuals with varying responsibilities in the hospital. The committee should address and participate in other functions, as the compliance concept becomes part of the overall organization's operating structure and daily routines.

3. Personnel Education and Training

The compliance plan requires all employees to attend corporate compliance training on a periodic basis to include billing practices, sales, marketing, federal and state statues, regulations and guidelines, policies of private payers, and training in the moral commitments guiding organizational conduct. General emphasis should be placed on the corporate compliance plan to include regulations, state survey regulations, and other programs that support the corporate compliance plan. Risk Management, and other accrediting agencies, OSHA and other federal and state regulatory bodies are included as components of the corporate compliance plan.

Specific emphasis for Medicare compliance is placed on the following topics:

- Government and private payor reimbursement principles.
- General prohibitions on paying or receiving compensation to induce referrals.
- Proper confirmation of diagnoses.
- Submitting a claim for physician services when rendered by a non-physician.
- Signing a form for a physician without the physician's authorization.
- Alterations to medical records.
- Prescribing medications and procedures without proper authorization.
- Proper documentation of services rendered.
- Duty to report misconduct.

Specific training of appropriate personnel in compliance risk areas supported by written policies and procedures should occur as part of the corporate compliance program. Risk areas include the following:

- Billing for items or services not rendered.
- Providing medically unnecessary services.
- Upcoding.
- Outpatient services rendered in connection with inpatient stays.
- Duplicate billing.
- False cost reports.
- Unbundling.
- Billing for discharge instead of transfer.
- Patient's freedom of choice.
- Credit balances - failure to refund.
- Hospital incentives that violate the anti-kick back statute or other similar federal or state statute or regulations.
- Joint Ventures.
- Financial arrangements between hospitals and hospital-based physicians.
- Stark physician self-referral law.
- Knowingly fail to provide covered services or necessary care to members of a health maintenance organization.
- Economic Interest Credentialing.
- Provider conflict of Interest.

- COBRA violations.

In collaboration with the Compliance Officer, supervisors are responsible to assure development and compliance of written policy, procedures, orientation, and monitoring in the following high-risk areas:

The False Claims Act ("FCA") provides, in pertinent part, that:

> (a) Any person who (1) knowingly presents, or causes to be presented, to an officer or employee of the United States Government or a member of the Armed Forces of the United States a false or fraudulent claim for payment or approval; (2) knowingly makes, uses, or causes to be made or used, a false record or statement to get a false or fraudulent claim paid or approved by the Government; (3) conspires to defraud the Government by getting a false or fraudulent claim paid or approved by the Government;. . . or (7) knowingly makes, uses, or causes to be made or used, a false record or statement to conceal, avoid, or decrease an obligation to pay or transmit money or property to the Government,
>
> ***
>
> is liable to the United States Government for a civil penalty of not less than $5,000 and not more than $10,000, plus 3 times the amount of damages which the Government sustains because of the act of that person . . . .
>
> (b) For purposes of this section, the terms "knowing" and "knowingly" mean that a person, with respect to information (1) has actual knowledge of the information; (2) acts in deliberate ignorance of the truth or falsity of the information; or (3) acts in reckless disregard of the truth or falsity of the information, and no proof of specific intent to defraud is required.

31 U.S.C. § 3729. While the False Claims Act imposes liability only when the claimant acts “knowingly,” it does not require that the person submitting the claim have actual knowledge that the claim is false. A person who acts in reckless disregard or in deliberate ignorance of the truth or falsity of the information, also can be found liable under the Act. 31 U.S.C. 3729(b).

In sum, the False Claims Act imposes liability on any person who submits a claim to the federal government that he or she knows (or should know) is false. An example may be a physician who submits a bill to Medicare for medical services she knows she has not provided. The False

Claims Act also imposes liability on an individual who may knowingly submit a false record in order to obtain payment from the government. An example of this may include a government contractor who submits a record that he knows (or should know) is false and that indicate compliance with certain contractual or regulatory requirements. The third area of liability includes those instances in which someone may obtain money from the federal government to which he may not be entitled, and then uses false statements or records in order to retain the money. An example of this so-called "reverse false claim" may include a hospital that obtains interim payments from Medicare throughout the year, and then knowingly files a false cost report at the end of the year in order to avoid making a refund to the Medicare program.

In addition to its substantive provisions, the FCA provides that private parties may bring an action on behalf of the United States. 31 U.S.C. 3730 (b). These private parties, known as "*qui tam* relators," may share in a percentage of the proceeds from an FCA action or settlement.

Section 3730(d)(1) of the FCA provides, with some exceptions, that a qui tam relator, when the Government has intervened in the lawsuit, shall receive at least 15 percent but not more than 25 percent of the proceeds of the FCA action depending upon the extent to which the relator substantially contributed to the prosecution of the action. When the Government does not intervene, section 3730(d)(2) provides that the relator shall receive an amount that the court decides is reasonable and shall be not less than 25 percent and not more than 30 percent.

The FCA provides protection to *qui tam* relators who are discharged, demoted, suspended, threatened, harassed, or in any other manner discriminated against in the terms and conditions of their employment as a result of their furtherance of an action under the FCA. 31 U.S.C. 3730(h). Remedies include reinstatement with comparable seniority as the *qui tam* relator would have had but for the discrimination, two times the amount of any back pay, interest on any back pay, and compensation for any special damages sustained as a result of the discrimination, including litigation costs and reasonable attorneys' fees.

Claim Development and Submission Process

Policies and procedures should provide for proper and timely documentation by all physicians and other licensed professionals prior to billing to ensure that only accurate and properly documented services are billed.

Policies and procedures should emphasize that claims be submitted only when appropriate documentation supports the claim and only when such documentation is maintained and available for audit and review.*

Policies and procedures should state that, consistent with appropriate guidance from medical staff; physician, hospital records, and medical notes be used as a regular basis for a claim submission should be appropriately organized in a legible form for audit and review.

Policies and procedures should indicate that the diagnosis and procedures reported on the reimbursement claim be based on the medical record and other documentation. The documentation necessary for accurate code assignment should be available to coding staff.

Policies and procedures should state that compensation for billing department coders and billing consultants is not based on financial incentives to improperly upcode claims.

* NEMHS Coding, Billing and Reimbursement Compliance Program

Outpatient Services Rendered in Connection With an Inpatient Stay

The corporate compliance plan requires research and if appropriate, installation and maintenance of an information system that will identify outpatient services that may be billed separately from an inpatient stay.

The corporate compliance plan requires employees to follow established standards in responding to output from computer-generated edits and checks.

Additionally, the organization may implement a periodic manual review to determine the appropriateness of billing each outpatient service claim to be conducted by one or more appropriately trained individuals familiar with applicable billing rules. The organization may choose to review potential bills for outpatient services rendered to the patient within the applicable time period.

The organization may implement a post-submission review process that includes random testing that examines or re-examines previously submitted claims for accuracy. The organization may inform the fiscal intermediary and any other appropriate government fiscal agents of NEMHS's testing process.

The organization may advise the fiscal intermediary and any other appropriate government fiscal agents in accordance with current regulations or program instructions with respect to return of overpayments of any incorrectly submitted or paid claims and, if the claim has already been paid, reimburse the fiscal intermediary and the beneficiary for the amount of the claim paid by the government payer and any applicable deductibles or co-payments, as indicated.

Submission of Claims for Laboratory Services

Written policies and procedures are in place with emphasis on the following:

- The organization bills for laboratory services only after they are performed.
- The organization bills only for medically necessary services.
- The organization bills only for tests actually ordered and provided by the hospital laboratory.
- The CPT or HCPCS code used by the billing staff accurately describes the service that was ordered and performed by the hospital laboratory.

- The coding staff only codes from information obtained from qualified personnel. Coding staff is responsible to contact the appropriate personnel if the diagnostic information is not available.
- The diagnostic information is obtained from a physician or the physician's staff after receipt of the specimen and request for services the receipt of such information is documented and maintained.
- The diagnostic information obtained from non-physician providers (i.e., Allied Health Professionals and protocol driven tests through screenings conducted by other organizations) should be consistent with policies and procedures.

Cost Reports

The organization complies with applicable statutes, regulations, program requirements, and private payor plans. Policies and procedures emphasize the following:

- Costs are not claimed unless based on appropriate and accurate documentation.
- Allocations of costs to various cost centers are accurately made and supportable by verifiable and auditable data.
- Unallowable costs are not claimed for reimbursement.
- Accounts containing both allowable and unallowable costs are analyzed to determine the unallowable amount that should not be claimed for reimbursement.
- Costs are properly classified.
- Fiscal intermediary prior year audit adjustments are implemented and are either not claimed for reimbursement or claimed for reimbursement and clearly identified as protested amounts on the cost report.
- All related parties are identified on Form 339 submitted with the cost report and all related party charges are reduced to cost.
- Requests for exceptions to TEFRA (Tax Equity and Fiscal Responsibility Act of 1982) limits and the Routine Costs Limits are properly documented and supported by verifiable and auditable data.
- NEMHS's procedures for reporting of bad debts on the cost report are in accordance with federal statutes, regulations, guidelines, and policies.
- Procedures document the methods for notifying the Medicare fiscal intermediary (or any other applicable payors) of errors discovered after the submission of the hospital cost report, and where applicable, after the submission of the cost report.

Medical Necessity – Reasonable and Necessary Services

The corporate compliance plan requires that claims should only be submitted for services that NEMHS has reason to believe are medically necessary and that were ordered by a physician or other appropriately licensed individual. Education and training should take place for appropriate individuals regarding determination of medical necessity for services provided.

Anti-Kickback and Self-Referral Concerns

The corporate compliance plan requires that NEMHS demonstrate business practices that references anti-kickback and self-referrals in accordance with federal and state laws and statutes. The policies provide for all of NEMHS's contracts and arrangements with referral sources comply with all applicable statues and regulations.

The contract should reflect that NEMHS does not submit or cause to be submitted, to federal health care programs, claims for patients who were referred to the hospital pursuant to contracts and financial arrangements that were designed to induce such referrals in violation of the anti-kickback statute, Stark physician self-referral law or similar federal or state statute or regulation.

Polices should reflect that NEMHS does not enter into financial arrangements with hospital-based physicians that are designed to provide inappropriate remuneration to NEMHS in return for the physicians ability to provide services to federal health care program beneficiaries at the hospital. The safe harbor regulations, clarifying those payment practices that would be immune from prosecution under the anti-kickback statute should be defined.

Bad Debts

The corporate compliance plan requires NEMHS to review, at least annually, proper reporting of bad debts to Medicare and that all Medicare bad debts expenses are claimed. This review is done to ensure that NEMHS's procedures follow applicable federal and state statutes, regulations, and guidelines and polices.

Credit Balances

The corporate compliance plan requires policies and procedures for timely and accurate reporting of Medicare and other federal health program credit balances. Delineation of a responsible party for tracking, recording and reporting of credit balances should be a component of the policy and procedure. The accounting department holds the further responsibility to review reports of credit balances and reimbursements or adjustments as indicated.

Retention of Records

The corporate compliance plan requires a system of record retention. NEMHS's document retention system will address the creation, distribution, retention, storage, retrieval, and destruction of the following documents:

- All records and documentation (clinical and medical records and claims documentation) required by federal and or State law for participation in federal health care programs.
- Records necessary to protect the integrity of NEMHS's compliance process and confirm the effectiveness of the program including training records, documentation of Hotline reports and investigations, and auditing and monitoring efforts.

Marketing

NEMHS will provide accurate and truthful information in its public relations.

All employees of NEMHS will:

- Consider the needs of the communities when planning programs, services, and health promotion activities.
- Provide clear, truthful, fair and accurate information in all advertising, communications and disclosures of information and data.
- Advocate for the health of all citizens and members of our communities.

Effective Lines of Communication

The corporate compliance plan requires that access to the Compliance Officer be facilitated through lines of open communication. Policies and procedures outline the process of reporting compliance issues or concerns to the Compliance Officer. Policies and procedures on confidentiality and non-retaliation are distributed to all employees to encourage communication and the reporting of incidents of potential fraud. The Compliance Officer and Compliance Committee members are available for consults or clarification regarding organizational policies and procedures relating to compliance. Policies and procedures should outline the process of communication and responses for employees and supervisors.

Communication should be fluid as indicated in the following diagram:

The corporate compliance plan requires multiple methods of information exchange to assure on-going open lines of communication. These might include direct communication, e-mail, newsletter, hotline, written memoranda, and other forms that assist NEMHS in assuring all employees are aware of communication methods available for reporting.

Reporting policies and procedures assures that employees can relate matters on an anonymous basis. Although NEMHS strives to maintain the confidentiality of an employee's identity, it is understood that there may be a point where the individual's identity may become known or may need to be revealed.

It is the responsibility of the Compliance Officer, or designee, to monitor communication methods for reports and maintain a system of documentation. Documentation should include the original communication, nature of investigation and achieved results. Changes made because of the investigation should be documented as well. Reports of calls and investigations should be reported to the Board of Trustees, Compliance Committee and the CEO of NEMHS. The Compliance Officer will coordinate all activities with NEMHS's legal counsel as indicated.

4. AUDITING AND MONITORING

Corporate Compliance

The corporate compliance plan prohibits contracts with companies that have been, or are in, the process of investigation or conviction of criminal offense related to health care or that are listed by a federal or state agency as debarred, excluded, or otherwise ineligible for participation in federal or state health care programs.

The corporate compliance plan will require periodic reviews of the corporate compliance program. Assessment of the program performance should include examination of information dissemination and employee knowledge, training methodology and effectiveness, ongoing

educational programs and effective use of the disciplinary process. These reviews should verify actual conformance by all organization departments with the corporate compliance plan.

The review should support a determination that appropriate records have been created and maintained to document the implementation and management of an effective program. When the review determines deviations from the corporate compliance plan, appropriate modifications should occur to achieve compliance.

Financial

The corporate compliance plan requires that annual audits by external auditors be conducted according to GAAP. The audits should have primary focus on NEMHS's departments that have substantive exposure to government and other accreditation agencies compliance and enforcement.

Medical Records

Internal audits regarding Medicare compliance should focus on the following:

- Kickback arrangements
- Physician self-referral prohibition
- CPT/HCPCS ICD-10 coding
- Claim development and submission
- Reimbursement
- Cost reporting

In addition, the audits and reviews should inquire into NEMHS's compliance with specific rules and policies that have been the focus of particular attention on the part of the Medicare fiscal intermediaries or carriers, and law enforcement. The organization will focus on any areas of concern that have been identified by federal, state, and accreditation agendas, specific to NEMHS.

Audits and reviews could use the following methods and standards:

- On-site visits and off-site peer reviews.
- Interviews with personnel involved in management, operations, coding, claim development and submission, patient care, and other related activities.
- Questionnaires to assess program effectiveness.
- Trend analysis that seeks deviations, positive or negative, in specific areas over a given period.

The reviewers/auditors should be independent of physicians and line management, should have access to existing audit and health care resources, relevant personnel and all relevant areas of operation. The reviewers will prepare a written evaluative report on compliance activities to the

CEO, Board of Trustees, Compliance Officer, and the Compliance Committee. This should be done on a regular basis, but no less than annually. The written report should address identified areas where corrective actions are indicated. If corrective actions are to be taken, subsequent reviews or studies should occur to monitor compliance levels.

5. REPORTING AND INVESTIGATING

Depending upon the nature of the violation, the Corporate Compliance Officer may consult with the compliance committee to recommend one or more of the following actions:

1. Contact legal counsel for NEMHS.
2. Comply with reporting stipulations if indicated, as advised by legal counsel.

Violations and Investigations

Consequently, upon reports or reasonable indications of suspected noncompliance, the Compliance Officer, or other management officials, shall initiate prompt steps to investigate the conduct in question to determine whether a material violation of applicable law or the requirements of the corporate compliance plan has occurred, and, if so, take steps to correct the problem. As appropriate, such steps may include: (a) an immediate referral to criminal and/or civil law enforcement authorities; (b) a corrective action plan; (c) a report to the government; and (d) the return of any overpayments, if applicable.

Depending upon the nature of the alleged violations, NEMHS may request that an investigation be conducted by internal or external legal counsel, or may conduct an investigation using existing personnel. Auditors or other health care experts may be requested to assist in an investigation.

Records of the investigation should contain the following:

- Documentation of the alleged violation.
- Description of the investigative process.
- Copies of interview notes and key documents.
- Log of the witnesses interviewed and the documents reviewed.
- Results of the investigation. e.g., any disciplinary action taken.
- Corrective action implemented.

All subject to applicable legal privileges.

The Compliance Officer has authority to take steps to ensure the integrity of any investigation. Appropriate steps should be taken to secure or prevent the destruction of documents or other evidence relevant to the investigation. If disciplinary action is warranted, it should be prompt and imposed in accordance with NEMHS written standards of disciplinary action.

Reporting

If the Compliance Officer, Compliance Committee or management official discovers credible evidence of misconduct from any source and, after a reasonable inquiry, has reason to believe that the misconduct may violate criminal, civil or administrative law, then, subject to legal advice, NEMHS shall report the existence of misconduct to the appropriate governmental authority within a reasonable period, but not more than sixty (60) days after determining that there is credible evidence of a violation. NEMHS believes prompt reporting will demonstrate its good faith and willingness to work with governmental authorities to correct and remedy the problem.

6. ENFORCEMENT OF COMPLIANCE STANDARDS

Discipline Policy and Actions

The corporate compliance plan requires compliance standards enforcement utilizes the disciplinary policy of NEMHS. Intentional or reckless noncompliance should subject employees to the disciplinary process. Medical staff should be subject to due process.

Disciplinary action may be appropriate where a responsible employee's failure to detect a violation is attributable to his or her negligence or reckless conduct. Personnel should be advised that disciplinary action will be taken on a fair and equitable basis. Supervisors have the responsibility to discipline employees in an appropriate and consistent manner, following NEMHS policies and procedures.

The corporate compliance plan requires that employees will be subject to the same disciplinary action. The commitment to compliance applies to all personnel levels within the hospital. Management and supervisors are held responsible for the foreseeable failure of subordinates to adhere to the applicable standards, laws, and procedures. Medical staff members should be held to the same standards of compliance as Northeast Montana Health Service employees. Prospective or current employees who have been officially reinstated into federal and state health care programs should be considered for employment upon proof of reinstatement.

New Employee Policy

All new employees should be oriented to corporate compliance with specialized compliance training geared to their departments. Key emphasis should be determined based on the new employee's responsibilities, and is the responsibility of Human Resource Department to ensure completion of the orientation process.

The organization should determine if a reasonable and prudent background investigation is applicable based on the responsibilities of the new applicant. The Human Resource Supervisor is

responsible for the decision of a background check. The organization prohibits the employment of individuals who have been recently convicted of a related criminal offense related to health care or who are listed as debarred, excluded or otherwise ineligible for participation in federal or state health care programs. Individuals in the process of investigation should be removed from direct responsibility for involvement in any federal or state health care program.

7. RESPONSE AND PREVENTION

Oral Commitments Guiding Organizational Conduct

Northeast Montana Health Services is dedicated to improving the health of the people in our region through compassionate, patient focused care, education and preventative medicine. We will achieve this in a partnership with our Medical Staff, employees and those who share our mission.

Each employee of Northeast Montana Health Services is responsible to act in a manner consistent with NEMHS's ethical principles and moral commitments; and to exercise good faith and honesty in all dealings and transactions touching upon his/her duties to the hospital.

NEMHS will:

- Conform to all applicable state and federal laws when not in conflict with NEMHS's ethical standards.
- Maintain compliance with all standards and regulations pertaining to health care and employment.
- Obtain legal consultation when appropriate.
- Educate employees, members of the Medical Staff as to potential conflicts of interest.

NEMHS will create a work place that respects the dignity of every person, promotes employee participation and ensures safety and well-being.

Employees of NEMHS will:

- Treat patients and staff in a manner that accommodates their beliefs, customs and values whenever it does not conflict with NEMHS ethical standards.
- Create a work environment that is free from verbal, physical and sexual harassment, as well as free from discrimination, sexual discrimination and favoritism.
- Demonstrate dignity and respect in all interactions.
- Prevent the unauthorized sharing of patient or personnel information with particular sensitivity to the increased accessibility to such information through advanced technology.

NEMHS will act honestly and justly in its financial transactions with patients, payers and vendors.

Employees of NEMHS will:

- Maintain accurate, fair and prompt billing practices.
- Resolve all billing issues consistently according to established organizational policies.
- Assist patients in understanding how they are charged for the health care services they receive.
- Work toward resolving patient questions, concerns, and disputes in a way that is mutually satisfying to both the patients and NEMHS.
- Administer the patient assistance program fairly.
- Deal honestly and fairly with all customers, suppliers, competitors and financial partners.

NEMHS will maintain a high level of knowledge and skill among its employees and volunteers in the delivery of quality care for the whole person with compassionate concern.

NEMHS will:

- Assure access to emergency health care for all patients.
- Provide services to meet the identified needs of our patients.
- Adhere to a uniform standard of care throughout NEMHS.
- Provide care that is appropriate and needed for each patient's condition, following well-designed standards of care.
- Provide information to patients regarding rights and responsibilities.
- Provide information as needed about services, costs, and admission, transfer and discharge practices.

CONCLUSION

The organization demonstrates the willingness to manifest moral integrity through the Mission, Values and Moral Commitments Guiding Organizational Conduct. It is expected that employees of NEMHS demonstrate behaviors consistent with these documents.

Revision History

Revision	Date	Description	Requested By
Corporate Compliance Plan	April 1, 2009	Initial Release	
Compliance Intake Form	April 1, 2009	Initial Release	
Compliance Audit Review Form	April 1, 2009	Initial Release	
Compliance Audit Committee Standard Probe	April 1, 2009	Initial Release	
Compliance Alertline Report	April 1, 2009	Initial Release	
Compliance Entry Form	April 1, 2009	Initial Release	
Compliance Investigation and Case Disposition Log	April 1, 2009	Initial Release	
Compliance In-Take form	July 20, 2010	Initial Release	
Add False Claim Act and update Contacts	December 4, 2013	Initial Release	
Business Associate Agreement Revised	July 24, 2017	Initial Release	
Change the name from Corporate Compliance Program to Corporate Compliance and Ethic Program	February 20,2018		

Northeast Montana Health Services, Inc.

Privacy Matters! Quality care involves protecting our patients

COMPLIANCE INCIDENT REPORT

This section is to be completed by the compliance officer.

Date received: Reported by:

Received by:

CASE #:

Forwarded to:

- ☐ **PRIVACY OFFICER**
- ☐ **SECURITY OFFICER**
- ☐ **CEO**
- ☐ **HUMAN RESOUCES**
- ☐ **OTHER:**
- ☐ **COMPLIANCE OFFICER**

Type of Incident:

The nature of this incident was: (Check all that apply.)

- ☐ Unauthorized access (Paper)
- ☐ Inappropriate Use within Agency
- ☐ Unauthorized Disclosure Outside Agency
- ☐ Unauthorized Use or Disclosure by Business Associate
- ☐ Improper Denial/Fulfillment of Client Rights
- ☐ Improper Disposal
- ☐ Improper Communication (Mail, E-mail, Fax, Phone)
- ☐ Other:

Sensitivity of Data:

- ☐ Not sensitive – Routine correspondence of little detrimental value
- ☐ Business Sensitive – PHI Data
- ☐ Business Sensitive – Personnel Related Data
- ☐ Business Sensitive – Other:

(Explain.)

☐ Employee Discipline: (Specify.)

☐ Record disclosure in accounting disclosure log:

Date Informed client: Specify Details:

Report forwarded to: (Specify.)

☐ Other.

Personnel Involved:

Name(s) of Personnel	Department/Position	Summary of Communication

MONTANA HEALTH NETWORK, INC.
519 PLEASANT STREET
MILES CITY, MONTANA 59301
(406) 234-1420
FAX: (406) 234-1423

Corporate Compliance Hotline Reporting System

Facilities should encourage open communication regarding issues of alleged misconduct among its employees and agents. Adherence to Corporate Compliance requires facilities to provide a confidential and anonymous mechanism for employees to report a broad range of occurrences without fear of retaliation. Supplemental guidance for hospitals was posted in the Federal Register in 2005. Part of that guidance emphasized the implementation and maintenance of a mechanism such as a hotline:

"Has the hospital established an anonymous hotline or other similar mechanism so that staff, contractors, patients, visitors, and medical and clinical staff members can report potential compliance issues? How well is the hotline publicized; how many and what types of calls are received; are calls logged and tracked (to establish possible patterns); and is the caller informed of the hospital's actions?"
***Federal Register** / Vol. 70, No. 19 / Monday, January 31, 2005 / Notices*

One method of implementation of this requirement is to provide a 24 hour telephone hotline and make it available to employees and others to report suspected fraudulent activities by the facility or any of its agents. Hotline calls are among the simplest ways for your organization to identify compliance issues. To benefit from your compliance program, seek feedback and have mechanisms in place for finding issues. Montana Health Network will provide this hotline service for your use. The service will be supervised and monitored by the MHN Risk Managers. The hotline will be a private toll free number with voicemail that will be accessed on a regular basis to receive any messages. After receiving and documenting the hotline call, the MHN Risk Manager will inform the corporate compliance officer at the named facility for their review and any necessary investigation.

Employees and others should be made aware of the availability of this toll free number. You should also include the Hotline number in printed documents provided as part of your corporate compliance efforts. A sample of such a document is attached.

This service will be provided to your facility for $100 per year. Because MHN has risk managers on staff, your costs only reflect the costs for the phone and voicemail.

If you have questions, please call me at the number listed above.

Sincerely,

Janet Bastian
CEO

6. *ENFORCEMENT OF COMPLIANCE STANDARDS*

Discipline Policy and Actions

The corporate compliance plan requires compliance standards enforcement utilizes the disciplinary policy of NEMHS. Intentional and reckless noncompliance should subject employees to the disciplinary process. Medical staff should be subject to due process.

Disciplinary action may be appropriate where a responsible employee's failure to detect a violation is attributable to his or her negligence or reckless conduct. Personnel should be advised that disciplinary action will be taken on a fair and equitable basis. Supervisors have the responsibility to discipline employees in an appropriate and consistent manner, following NEMHS policies and procedures.

The corporate compliance plan requires that employees will be subject to the same disciplinary action. The commitment to compliance applies to all personnel levels within the hospital. Management and supervisors are held responsible for the foreseeable failure of subordinates to adhere to the applicable standards, laws, and procedures. Medical staff members should be held to the same standards of compliance as Northeast Montana Health Service employees. Prospective or current employees who have been officially reinstated into federal and state health care programs should be considered for employment upon proof of reinstatement.

MONTANA HEALTH NETWORK, INC.
519 PLEASANT STREET
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(406) 234-1420
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CORPORATE COMPLIANCE HOTLINE
Facility Contact Information

Montana Health Network (MHN) checks the Corporate Compliance Hotline on a regular basis. Should a message be left for your facility, MHN will notify your facility contact person via email relaying the message information to your facility to initiate your own investigation. MHN does not investigate alleged corporate compliance violations. This is a hotline service only.

Facility Name:	Northeast Montana Health Services
Address:	315 Knapp St
Main Phone Number:	406-653-6500 or 406-768-6100
Facility Representative to Contact if Corporate Compliance Hotline Message is received	
Name:	Nonette Brown
Title:	Privacy Officer
Email Address:	nbrown@nemhs.net
Phone Number & Extension	406-768-6143
Person Completing Form:	Nonette Brown
Date:	09-05-23

It is the facility's responsibility to make sure Montana Health Network has up to date contact information for your facility at all times to facilitate timely notification should a hotline message be received for your facility. Contact information: **Irene McCall**, Montana Health Network, at (406) 655-7937 or 406-855-9114, imccall@montanahealthnetwork.com or **Sherry Taylor**-Montana Health Network, at 406-234-1420 or 406-853-4306, staylor@montanahealthnetwork.com

11-19-2020

Corporate Compliance Hotline

1-877-650-8048

This private 800 number voicemail is available to employees and others to anonymously report suspected fraudulent activities by the company or its agents.

Montana Health Network has installed this service for you in order to meet your corporate obligations

This confidential anonymous voicemail will be monitored on a regular basis to receive any messages. Your corporate compliance officer will be notified of any concern and will be asked to review and investigate.

Please call the number listed above should you have any questions.

Confidentiality

We are committed to maintaining the confidentiality of patient and other facility information in strict accordance with legal and ethical standards. We will not tolerate breaches of confidentiality.

- We will respect the privacy of our patients and fellow employees.
- We will actively protect and safeguard patient information.
- We will not reveal information unless it is supported by a legitimate clinical or business purpose, in compliance with facility policies and procedures, the Medical Staff Bylaws, and applicable laws, rules and regulations.
- We will not discuss patient information in any public area, including hallways or dining areas.
- We will disclose business information only as required in the performance of our job or as expressly authorized to do so by the facility.
- We will exercise care to ensure that confidential and proprietary information is carefully maintained and managed to protect its value.
- We will not disclose information regarding the facility's financial performance without appropriate approval.
- We will treat salary, benefits, payroll, personal files, and information on disciplinary matters as confidential information.
- We will maintain computer passwords and access codes in a confidential and responsible manner.

Northeast Montana Health Services
Poplar Hospital
Trinity Hospital
Riverside Family Clinic
Listerud's Rural Health Clinic

519 Pleasant Street
Miles City, MT 59301
Phone (406) 234-1420
Fax (406) 234-1423

Corporate Compliance Hotline

1-877-650-8048

CORPORATE COMPLIANCE

We, the employees, medical staff and others who comprise, or have a relationship with Northeast Montana Health Services, will act with integrity when working with patients, physicians, colleagues and members of our local communities. We will provide quality care to our patients while observing the highest standards of legal and ethical conduct. We will comply with all applicable laws, rules and regulations. This Code of Conduct, serves as the foundation for our Corporate Compliance Program. It applies equally to everyone.

In order to have an effective compliance program, we must all cooperate willingly and participate actively. We have a responsibility to report concerns or issues regarding noncompliance. We may report our concerns to any of the following individuals or departments: Our manager/supervisor, Human Resources or Corporate Compliance Officer. We can report issues or problems without fear of retaliation from anyone connected with the facility.

If questions or concerns persist about a compliance issue, you should contact our Office of Corporate Compliance 406-768-6143 or the confidential Hotline at Montana Health Network 1-877-650-8048.

We recognize that we must act in accordance with the Code and conform to its standards and supporting guidance, policies and procedures. We are aware that failure to do so can result in serious consequences for the individual employee, or medical staff member, as well as for the facility.

While the Code is designed to provide overall guidance, it does not address every situation. More specific guidance is provided in Corporate and Medical Staff Bylaws and Facility Policies and Procedures.

Business Ethics and Compliance with Laws and Regulations

We will follow the letter and spirit of applicable laws and regulations, conduct our business ethically and honestly, and act in a manner that enhances the facility's standing in the community and is sensitive to those we serve.

- We will make every effort to demonstrate honesty, integrity and fairness in the performance of our duties.
- We will report any practice or condition that may violate any law, rule, regulation, safety standard, facility policy, or Code of Conduct to appropriate levels of management.
- We are strictly prohibited from giving or receiving any form of payment, kickback or bribe to induce the referral or the purchase of any healthcare service.
- We will not offer any improper inducement or favor to patients, physicians or others to encourage the referral of patients to our facilities.
- We will not accept any improper inducements or favors from vendors to influence our patients or others connected with the facility to use a particular product or service.
- We will avoid agreements or other actions that may unfairly restrain trade or reduce competition.
- We will be aware of situations that may present potential antitrust issues and avoid inappropriate discussions with competitors regarding business issues. This includes prices for goods and services, salaries and benefits, payment rates and business plans.
- We will market and advertise accurately and in compliance with laws and regulations.
- We will provide contract payments or other benefits to clinicians and referral sources for the services and at the rates called for in the contract with them. Payments must also be supported by proper documentation that the services contracted for were in fact provided.
- We will procure, maintain, dispense, and transport drugs or other controlled substances used in the treatment of patients according to applicable laws and regulations.
- We will not make any verbal or written false statements to the government agency or other payer.
- We will not pursue any business opportunity that requires unethical or illegal activity.
- We will strive to ensure that all reports or other information required to be provided to any federal, state or local government agency are provided to on time, accurately, and accordingly to applicable laws and regulations.
- We will comply with federal regulations regarding government contracts and programs in which we participate.
- We will provide managers and employees who work in relevant areas with knowledge of the governing rules and regulations.
- We will not subordinate our professional standards, judgment or objectivity to any individual. Significant differences of opinion in professional judgment will be referred to appropriate management for resolution.
- We will not enter into any joint venture, partnership or other risk-sharing arrangement with any entity that is a potential or actual referral source unless the arrangement has been reviewed and approved by legal counsel.
- We will not use facility resources, facilities or supplies for the purpose of supporting any candidate for public office.
- We will not engage in lobbying activities on behalf of the facility that are or may be inconsistent with our tax-exempt status.
- We will conduct fundraising in accordance with all applicable laws and regulations and facility policies and procedures.