California Hospital Compliance Manual

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10th Edition

Written by
Hooper, Lundy & Bookman, PC
California Hospital Association

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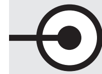

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Preface

The *California Hospital Compliance Manual* provides guidance to hospitals and health systems on how to comply with myriad California and federal statutes, regulations, agency guidelines and judicial decisions.

Written specifically for California's hospital compliance officers, chief financial officers, in-house legal counsel, risk managers, and other members of the hospital's compliance committee, the manual focuses on complex and high-risk compliance issues. It is the only hospital compliance manual that is specific to California. State law is addressed throughout the manual where applicable. In particular, the sections regarding hospital financial assistance policies, pricing transparency, community benefit law, and licensing and certification describe the extensive state laws that have been enacted concerning these subjects, as well as the applicable federal law.

CHA gratefully acknowledges the work of Hooper, Lundy & Bookman, PC, and in particular lead author Lloyd Bookman, Esq. At best this is an arduous task and one that requires both a firm grasp of many complex legal matters, as well as meticulous attention to detail. Many members of the firm contributed their expertise writing this manual.

CHA is pleased to publish this manual as a service to our members. If you have any comments or suggestions on how to improve the *California Hospital Compliance Manual*, please feel free to contact me.

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Information contained in the *California Hospital Compliance Manual* should not be construed as legal advice or used to resolve legal problems by health care facilities or practitioners without consulting legal counsel. A health care facility may want to accept all or some of the *California Hospital Compliance Manual* as part of its standard operating policy. If so, the hospital or health facility's legal counsel and its board of trustees should review such policies.

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Where to Find Laws Referenced in the Manual

All of the laws discussed in the *California Hospital Compliance Manual* can be found on the Internet.

FEDERAL LAW

A federal statute is written by a United States Senator or Representative. It is voted on by the United States Senate and the House of Representatives, and then signed by the President. A federal statute is referenced like this: 42 U.S.C. Section 1395. "U.S.C." stands for "United States Code." Federal statutes may be found at www.gpo.gov/fdsys or at www.law.cornell.edu.

A federal regulation is written by a federal agency such as the U.S. Department of Health and Human Services or the U.S. Food and Drug Administration. The proposed regulation is published in the Federal Register, along with an explanation (called the "preamble") of the regulation, so that the general public and lobbyists may comment on it. The federal agency must summarize and respond to each comment it receives on the proposed regulation. The agency may or may not make changes to the proposed regulation based on the comments. The final regulation is also published in the Federal Register. A federal regulation is referenced like this: 42 C.F.R. Section 482.1 or 42 C.F.R. Part 2. "C.F.R." stands for "Code of Federal Regulations." Federal regulations may be found at www.gpo.gov/fdsys or at www.ecfr.gov. The preamble, however, is only published in the Federal Register and not in the Code of Federal Regulations. The Federal Register may be found at www.gpo.gov/fdsys or at www.federalregister.gov.

The Centers for Medicare & Medicaid Services publishes its *Interpretive Guidelines* for surveyors on the internet. The *Interpretive Guidelines* include information for surveyors on how CMS interprets the Conditions of Participation, and instructions for surveyors on how to assess hospitals' compliance with the Conditions of Participation. They may be found at www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Internet-Only-Manuals-IOMs.html (click on Publication 100-07, "State Operations Manual," then "Appendices Table of Contents"). There are several appendices that hospitals will find useful, for example, A (hospitals), AA (psychiatric hospitals), V (EMTALA), and W (critical access hospitals).

A federal law must be obeyed throughout the United States, including in California, unless the federal law expressly states otherwise. As a general rule, if a federal law conflicts with a state law, the federal law prevails, unless the federal law expressly states otherwise.

If there is no conflict, such as when one law is stricter but they don't actually conflict with each other, both laws generally must be followed. For example, under the Health Insurance

Portability and Accountability Act of 1996 (HIPAA), the federal law states that providers must conform to whichever provision of federal or state law provides patients with greater privacy protection or gives them greater access to their medical information.

STATE LAW

A state statute is written by a California Senator or Assembly Member. It is voted on by the California Senate and Assembly, and then signed by the Governor. A state statute is referenced like this: Civil Code Section 56 or Health and Safety Code Section 819. State statutes may be found at www.leginfo.legislature.ca.gov/. Proposed laws (Assembly Bills and Senate Bills) may also be found at this website.

A state regulation is written by a state agency such as the California Department of Public Health or the California Department of Managed Health Care. A short description of the proposed regulation is published in the *California Regulatory Notice Register*, more commonly called the *Z Register*, so that the general public and lobbyists may request a copy of the exact text of the proposed regulation and comment on it. The state agency must summarize and respond to each comment it receives on the proposed regulation. The agency may or may not make changes to the proposed regulation based on the comments. A notice that the final regulation has been officially adopted is also published in the *Z Register*. The *Z Register* may be found at www.oal.ca.gov/notice_register.htm.

A state regulation is referenced like this: Title 22, C.C.R., Section 70707. “C.C.R.” stands for “California Code of Regulations.” State regulations may be found at www.calregs.com.

A state law must be obeyed in California only. As a general rule, if a California law conflicts with a federal law, the federal law prevails, unless the federal law expressly states otherwise. (If there is no conflict, such as when one law is stricter but they don’t actually conflict with each other, both laws generally must be followed.)

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1 Hospital Compliance Plans

I. INTRODUCTION

There is currently no law that expressly requires a hospital to have a compliance program. However, the Patient Protection and Affordable Care Act of 2010 (Affordable Care Act) authorizes the Secretary of the federal Department of Health and Human Services (DHHS) to require providers and suppliers to establish a compliance program as a condition of enrollment in Medicare, Medicaid and Children's Health Insurance Program (CHIP). The Secretary of DHHS will establish which categories of providers and suppliers must establish compliance programs, what the core elements of the compliance program will be, and the implementation dates. At this time, the Secretary has not issued any regulations, guidance or other clarification of this requirement for providers. [Section 6401 of the Patient Protection and Affordable Care Act of 2010, codified at 42 U.S.C. Section 1395cc(j)(9)]

The Centers for Medicare & Medicaid Services (CMS) issued the Final Compliance Program Guidelines for Medicare Advantage (MA) organizations (MAOs) and Prescription Drug Plan (PDP) sponsors on July 27, 2012 [www.cms.gov/Medicare/Compliance-and-Audits/Part-C-and-Part-D-Compliance-and-Audits/Downloads/CP-Guidelines-Issuance-Memo.pdf]. These guidelines set forth and elaborate on the seven essential elements of an effective compliance program *(see B. "Federal Sentencing Guidelines for Organizations," page 1.4)*. Although these guidelines apply only to sponsors, they will likely influence and inform the final compliance program regulations CMS will issue for health care providers.

While current law does not expressly require a hospital to have a compliance program, hospitals operating skilled nursing or nursing facilities should be aware that the law does expressly mandate that these types of facilities have a compliance program [42 U.S.C. Section 1320a-7j(a)&(b)]. *(See G. "Compliance Program for Skilled Nursing Facilities and Nursing Facilities," page 1.17.)*

The Office of the Inspector General (OIG) of DHHS strongly urges every hospital to develop and implement a voluntary compliance program to demonstrate its good faith commitment to ensuring and promoting integrity and to combating fraud, abuse and waste. Some hospitals may have entered into a Corporate Integrity Agreement or other agreement with the OIG that requires the hospital to maintain a compliance program.

In addition, the Federal Sentencing Guidelines for Organizations (FSGO), which guides judges in the sentencing of organizations for federal criminal violations (including violations of federal health care fraud and abuse laws), requires an organization to have an effective compliance plan in order to receive the benefit of discretion from a federal prosecutor to recommend a reduction in the fines and penalties that would otherwise be applicable or sentencing mitigation (a sentencing credit) from a federal judge.

Finally, the Deficit Reduction Act (DRA) of 2005 requires specified health care providers to establish and disseminate detailed written policies and procedures to inform their employees and others about federal and state false claims laws and whistleblower laws. Although DRA falls short of requiring a full compliance program, clearly hospitals are required to have

at least the beginnings of an effective compliance program in place. *(See E. "Mandatory Hospital Policies and Procedures Under DRA," page 1.14.)* It is recommended that tax-exempt hospitals also establish and disseminate a detailed written conflict of interest policy that can be incorporated into the hospital's compliance program. *(See chapter 9 concerning issues for tax-exempt hospitals.)*

This chapter contains a model compliance plan that a hospital may use as a starting point in drafting its own plan.

A. The Benefits of a Compliance Program

The benefits of a compliance program are many. Perhaps most importantly, an effective compliance program raises awareness of compliance issues and creates a "culture of compliance" throughout the organization. As the OIG has stated:

> Fundamentally, compliance efforts are designed to establish a culture within a hospital that promotes 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 program requirements, as well as the hospital's ethical and business policies. In practice, the compliance program should effectively articulate and demonstrate the organization's commitment to the compliance process. [63 Fed. Reg. 8987, 8988 (Feb. 23, 1998)]

Compliance programs help hospitals develop effective internal controls that promote adherence to applicable state and federal laws and the program requirements of state, federal and private health plans. A hospital may gain important additional benefits by voluntarily implementing a compliance program, including:

1. Demonstrating the hospital's commitment to honest and responsible corporate conduct;
2. Increasing the likelihood of preventing, identifying, and correcting unlawful and unethical behavior at an early stage;
3. Encouraging employees to report potential problems to allow for appropriate internal inquiry and corrective action; and
4. Through early detection and reporting, minimizing any financial loss to government and taxpayers, as well as any corresponding financial loss to the hospital.

[70 Fed. Reg. 4858, 4859 (Jan. 31, 2005)]

Compliance programs are taken into consideration directly by the OIG in implementing its permissive exclusion authority. On April 18, 2016, the OIG issued a revised policy statement containing criteria that the OIG uses in implementing its permissive authority to exclude individuals and entities from participation in federal health programs. This OIG guidance may be found on the OIG website at https://oig.hhs.gov/exclusions/files/1128b7exclusion-criteria.pdf *(See chapter 11 for more information about excluded providers.)*

The revised policy includes guidance regarding compliance programs. This guidance states the existence of a compliance program alone does not affect risk assessment of whether or not the individual or entity continues to pose a threat to federal health programs. However, the absence of a compliance program indicates higher risk, and if an entity has devoted significantly more resources to the compliance function of a compliant program, this indicates a lower risk.

A compliance program will also have beneficial implications with respect to the 60-day rule. Section 6402 of the Affordable Care Act established a statutory provision that requires providers, Medicare Advantage organizations, prescription drug plan sponsors, and Medicaid managed care organizations to report and return Medicare and Medicaid overpayments within the later of (a) 60 days after the overpayment is "identified," or (b) the date any corresponding cost report is due, if applicable. [42 U.S.C. Section 1320a-7k(d)(2)]

CMS regulations implementing Section 6402 were issued on February 12, 2016. The regulatory provisions define "identified an overpayment" as when a provider or supplier "has, or should have through the exercise of reasonable diligence, determined that [it] has received an overpayment and quantified the amount of the overpayment." **"Should have determined"** occurs when the provider or supplier failed to exercise reasonable diligence and in fact received an overpayment.

Under the regulations, reasonable diligence "includes both proactive compliance activities conducted in good faith by qualified individuals to monitor for the receipt of overpayments and investigations conducted in good faith and in a timely manner by qualified individuals in response to obtaining credible information of a potential overpayment." "[U]ndertaking no or minimal compliance activities" could result in the government finding the provider did not comply with the 60-day rule "based on failure to exercise reasonable diligence" if the provider has received an overpayment.

Thus, under the regulations, an effective a compliance program can establish that a hospital has exercised reasonable diligence in attempting to identify any overpayments for purposes of the 60-day rule. *(See chapter 15 for further discussion of the 60-day rule.)*

[81 Fed. Reg. 7954, 7661, 7663 (Feb. 12, 2016); 42 C.F.R. Sections 401.301-305]

On Feb. 8, 2017, the United States Department of Justice's Fraud Section release a guidance document entitled "Evaluation of Corporate Compliance Programs," which sets forth a list of common questions that the Fraud Section may ask in evaluating corporate compliance programs in the context of a criminal investigation. This guidance sets forth 119 common questions that the Fraud Section has found relevant in evaluating a corporate compliance program. It does not provide benchmarks, specific factors or requirements for corporate compliance programs to meet. The common questions fall into the following general topics:

1. Analysis and Remediation of Underlying Misconduct;
2. Senior and Middle Management;
3. Autonomy and Resources;
4. Policies and Procedures;
5. Risk Assessment;
6. Training and Communications;
7. Confidential Reporting and Investigation;
8. Incentives and Disciplinary Measures;
9. Continuous Improvement, Periodic Testing and Review;
10. Third-Party Management; and

11. Mergers and Acquisitions.

A complete list of the common questions can be found at https://www.justice.gov/criminal-fraud/page/file/937501/download.

B. Federal Sentencing Guidelines for Organizations

As mentioned above, the FSGO guides federal judges in the sentencing of organizations for federal criminal violations, including violations of federal health care fraud and abuse laws. The guidelines are advisory in nature; judges are required to consult the FSGO, but are not required to follow them. The FSGO rewards hospitals that have effective compliance programs by recommending a reduction in the fines and penalties that would otherwise be applicable. For example, the FSGO provides that a hospital's guilt will be lessened if the hospital "had in place at the time of the offense an effective compliance and ethics program." [FSGO Section 8C2.5(f)(1)] Therefore, having an effective compliance program in place may protect a hospital from receiving harsher fines and sanctions when a violation does occur.

The FSGO sets forth the purpose of a compliance and ethics plan and lists seven essential elements that must be part of every compliance program. According to the guidelines, the purpose of an effective compliance and ethics program is to "exercise due diligence to prevent and detect criminal conduct" and "otherwise promote an organizational culture that encourages ethical conduct and a commitment to compliance with the law." To be effective, the compliance and ethics program must be "designed, implemented, and enforced so that the program is generally effective in preventing and detecting criminal conduct." However, even if criminal conduct still occurs when an organization has a compliance plan in place, the FSGO states that the "failure to prevent or detect the instant offense does not necessarily mean that the program is not generally effective in preventing and detecting criminal conduct." [FSGO Section 8B2.1(a)]

The FSGO sets forth seven minimum requirements that an organization must meet in order for a compliance and ethics program to be considered effective in preventing and detecting criminal conduct. They are as follows:

1. **Establish standards and procedures to prevent and detect violations of law.** These standards and procedures are often set forth in a generalized code of conduct and additional policies that are tailored to the specific laws that are applicable to a hospital. There are often separate policies for particular units because of specialized laws that apply to the units. The code of conduct and related policies should set forth the specific standards and conduct that an organization expects its employees to follow, including conduct that is not to occur. CHA's Model Hospital Compliance Plan includes a code of conduct.
2. **Provide appropriate oversight.** "The organization's governing authority shall be knowledgeable about the content and operation of the compliance and ethics program and shall exercise reasonable oversight with respect to the implementation and effectiveness of the compliance and ethics program." A specific senior employee should be assigned the overall responsibility for the compliance program (usually known as the "compliance officer" or the "chief compliance officer"). This person should actively investigate the organization and promote a culture within the organization that encourages ethical conduct and a commitment to comply with the law. There also should be a compliance committee and other managers

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Model Hospital Compliance Plan

Dear Colleague:

[This letter is only a sample. It should be modified to incorporate the hospital's philosophy and compliance objectives.]

The Hospital is fully committed to compliance with the law and ethical standards. In this age of strict government regulation and public scrutiny of business practices, a high level of commitment to compliance is essential.

The Hospital has developed this Compliance Program to further our mission to provide high-quality patient care in a manner that ensures compliance with the law and the highest business ethics. This Compliance Program includes a comprehensive discussion of certain laws, the hospital's policies, and expectations about your conduct. However, no written program or policy can cover all circumstances. We therefore ask that you read this Compliance Program carefully to understand not only its written words, but its purpose and meaning as well.

If you have any questions about this Compliance Program or think an event has occurred that violates this Compliance Program, you should contact our Chief Compliance Officer. Alternatively, you can anonymously contact our Compliance Hotline by calling ______________________ or sending a fax to ______________________________. You are encouraged to ask questions and to report violations of this Compliance Program.

You can count on the Hospital to provide the support and environment necessary to make this Compliance Program a success. Similarly, the Hospital is counting on you to take this Compliance Program seriously and conduct yourself accordingly.

Sincerely,

President and Chief Executive Officer
[Hospital Name]

Model Hospital Compliance Plan

SECTION I — COMPLIANCE PROGRAM SUMMARY

Definitions of Commonly Used Terms

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

- **"Hospital"** means the Hospital, and all of its subsidiaries and affiliates that are covered by this Compliance Program. [Each hospital should list its subsidiaries and affiliates covered by its compliance program.]
- **"Personnel"** means all employees and volunteers of the Hospital, and all contractors or others who are required to comply with this Compliance Program. Each of these persons must sign an Acknowledgment of Receipt of Hospital Compliance Plan and a Conflict of Interest Certification Form.

Purpose of This Compliance Program

The Hospital is committed to ensuring compliance with all applicable statutes, regulations and policies governing our daily business activities. To that end, the Hospital created this Compliance Program to serve as a practical guidebook that can be used by all Personnel to assist them in performing their job functions in a manner that complies with applicable laws and policies. This Compliance Program is intended to further our day-to-day commitment that our operations comply with federal and state laws, to provide guidance for all employees, and to serve as a mechanism for preventing and reporting any violation of those laws.

While this Compliance Program contains policies regarding the business of the Hospital, it does not contain every policy that Personnel are expected to follow. For example, this Compliance Program does not cover payroll, vacation and benefits policies. The Hospital maintains other policies with which employees are required to comply. You should discuss with your supervisor any questions regarding which policies apply to you.

It is the policy of the Hospital that:

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

Who is Affected

Everyone employed by the Hospital is required to comply with the Compliance Program. Because not all sections of the Compliance Program will apply to your job function, you will receive training and other materials to explain which portions of this Compliance Program apply to you.

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

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

Compliance requirements are subject to change as a result of new laws. We must all keep this Compliance Program current and useful. You are encouraged to let your supervisor know when you become aware of changes in law or hospital policy that might affect this Compliance Program.

HOW TO USE THIS COMPLIANCE PROGRAM

The Hospital has organized this Compliance Program to be understandable and easy to navigate. A brief description of how this Compliance Program manual is organized follows.

Section I – Compliance Program Summary

Section II – Code of Conduct
This section contains specific policies related to your personal conduct while performing your job function. The primary objective of these policies is to create a work environment that promotes cooperation, professionalism and compliance with the law. Compliance with the Code of Conduct is a significant factor in employee performance evaluations. All Personnel will receive training on this section.

Section III – Compliance Program Systems and Processes
This section explains the roles of the Chief Compliance Officer and the Compliance Committee. It also contains information about Compliance Program education and training, auditing and corrective action. Most importantly, this section explains how to report violations anonymously, either in writing or by calling the Hospital's Compliance Hotline at __________ __________________________ or sending a fax to ____.
All Personnel will receive training on this section.

Section IV – Compliance Policies
This section includes specific policies that apply to various aspects of the Hospital's business and operations. Some of these policies may not apply to your specific job function, but it is still important that you are aware of their existence and importance. All Personnel will receive training regarding the policies that apply to their job function.

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Model Compliance Plan

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

- **Refer to Table of Contents.** The Table of Contents contains a thorough list of topics covered in this Compliance Program. Use the Table of Contents to quickly locate the topic you are looking for.
- **Important Reference Tool.** This Compliance Program should be viewed as an important reference manual that can be referred to on a regular basis to answer questions about how to perform your job. Although it may not contain all of the answers, it will contain many and can save you time.
- **Read it in Context.** The Hospital has created this Compliance Program to incorporate numerous compliance policies, many of which may not apply to you. When reviewing this Compliance Program and the policies contained in it, keep in mind that the policies are to be applied in the context of your job. If you are uncertain about if or how a policy applies to you, ask your supervisor.
- **Keep it Handy.** Keep this Compliance Program manual easily accessible and refer to it on a regular basis.
- **Talk to Your Co-Workers.** Regular dialogue among co-workers and supervisors is a great way to ensure that policies are being uniformly applied. While this discussion is encouraged, always remember that the provisions of this Compliance Program should guide you on compliance matters.

SECTION II — CODE OF CONDUCT

Our Compliance Mission

[Include the Hospital's mission statement. The following is an example.]

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

The Hospital shall collaborate with its medical staff and affiliated organizations to improve health outcomes, enhance quality of life, and promote human dignity through health education, prevention and services across the health care continuum.

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

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

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

Compliance With Laws

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

Open Communication

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

Your Personal Conduct

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

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

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

The Work Environment

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

The work environment also must be free from discrimination and harassment based on race, color, religion, sex, sexual orientation, age, national origin, disability, veteran status or other factors that are unrelated to the Hospital's legitimate business interests. The Hospital will not tolerate sexual advances, actions, comments or any other conduct in the workplace that creates an intimidating or otherwise offensive environment. Similarly, the use of racial or religious slurs — or any other remarks, jokes or conduct that encourages or permits an offensive work environment — will not be tolerated.

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

Some other activities that are prohibited because they clearly are not appropriate are:

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

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

Employee Privacy

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

Use of Hospital Property

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

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

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

Use of Hospital Computers

The increasing reliance placed on computer systems, internal information and communications facilities in carrying out Hospital business makes it absolutely essential to ensure their integrity. Like other Hospital assets, these facilities and the information they make

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