



CODE OF CONDUCT

APPROVED BY:

Chief Compliance Officer
CEO

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REFERENCE:

Office of Inspector General

MISSION:

Harrison Memorial Hospital and its properties (HMH) exists to serve all people of central Kentucky by providing high quality health and medical care services within the capabilities of our resources. We offer our services without regard to race, religion, gender, national origin, social status or economic circumstances. In fulfilling our mission, we strive for excellence:

- In the quality care we deliver;
- In the safety and security we offer patients during their care;
- In the facilities we provide;
- In the recruitment, retention and development of dedicated physicians and personnel; and
- In facilitating, coordinating and providing access to general and specialized health services through our own resources and in collaboration with the resources of others.

VISION:

To become the Health Care Delivery System of choice for the people we serve.

CORE VALUES:

- Integrity, honesty, fairness and ethical behavior in all we do
- The continual pursuit of excellence and innovation
- The contribution of each employee in achieving our mission
- The right of each patient to choose the type and extent of care
- Caring and sensitivity in all patient interactions
- Responsible resource management
- Teamwork, cooperation and flexibility
- Reflect appreciation of different views, opinions, values and beliefs

INTRODUCTION:

The Code of Conduct represents HMH's commitment to compliance and quality of services to our patients and communities we serve. The Code of Conduct applies to all employees, contractors who provide services related to the delivery of health care and physicians with privileges, each of whom has an affirmative duty to report a problem and a right to do so without the threat of retaliation. Failure to report suspected violations is in and of itself, a violation of the Corporate Compliance Plan which will subject the person failing to report to disciplinary action. In addition, we expect anyone conducting business at or on behalf of HMH to adhere to standards set forth in the code. The purpose of this code is to adhere to guidance in all aspects of the organization including:

- Quality of Care
- Coding and Billing Integrity
- Environmental Considerations
- Compliance with Laws and Regulations
- Fraud, Waste and Abuse – Federal False Claims Act (FCA)
- Conflicts of Interest

- Human Resources
- Employee Issues and Concerns
- Hotline

A. QUALITY OF CARE

Providing quality care in a responsible, reliable and appropriate way is the central focus of HMH. We strive to accomplish this goal by:

- Providing reasonable access to emergent or life-threatening conditions, regardless of ability to pay, background, culture, religion, heritage or age.
- Providing treatment according to our mission and relevant laws/regulations.
- Respecting the patient's need and right to:
 - Confidentiality
 - Privacy
 - Security
 - Complaint resolution
 - Pastoral counseling
 - Communication (including speech and hearing barriers)
 - Protective services including guardianship, advocacy, child or adult protective service
- Supporting the patient's right to direct care, including withholding and withdrawing of life-sustaining service and choice of healthcare provider.
- Providing written information about Advance Directives and Patient Rights.
- Providing a complete, legible, accurate medical record of care and avoiding any inappropriate medical record entries.
- Supporting the process of informed consent including but not necessarily limited to:
 - Research projects
 - Alternative services/cost
 - Risk and benefit
 - Option to referral without compromise to access
- Providing a mechanism for the resolution of conflicting values or ethical dilemma among patient, family, medical staff, and employees.
- Understanding the needs of our patients and doing our very best to meet those needs by providing high quality services and avoiding services that are unnecessary.
- Establishing and maintaining procedures to verify current competence and appropriate licensure of employees, contracted staff and medical staff.
- Being responsible, as HMH staff, to report any deficiency or error in job performance in a timely manner and accept accountability for their actions or lack thereof and provide input into the solution process.
- Understanding as employees and members of our medical staff that concerns regarding safety or quality of care within the organization may be reported to the Joint Commission without fear of any form of discipline or reprisal.
- Grievances will receive an immediate priority with efforts toward resolution initiated within 24 hours. In most instances, the investigation will be conducted by the Chief Compliance Officer and appropriate senior leader. Once the resolution is determined the individual will be notified in person, or by written correspondence. The patient has the right to appeal the determination as appropriate.
- HMH recognizes that effective medical/healthcare error reduction requires an integrated and coordinated approach. HMH will adhere to Joint Commission's Patient Safety Standards in an effort to provide an environment that recognizes, acknowledges and educates on risk to patient safety and medical errors, initiates actions to reduce risk, provides a clear and concise internal reporting mechanism and focuses on processes and system changes instead of individual blame.
- HMH recognizes that good relationships thrive when leaders work together to develop and achieve our mission, vision and core values. We work to encourage honest and open communication among all providers and disciplines. Conflicts, including derogatory remarks about quality of care are addressed timely through the appropriate channels.
- HMH promotes an environment of safety and quality by encouraging the reporting of disruptive behavior. Disruptive behavior of individuals working at all levels of the organization, including management, clinical and administrative staff, licensed independent practitioners and governing body members will be addressed.

B. CODING AND BILLING INTEGRITY:

HMH is committed to coding and billing appropriately and accurately according to national uniform coding and billing standards and all state and federal regulations. All billing transactions and activities must be supported by appropriate documentation in medical and financial records. We strive by:

- Maintaining honest and accurate records of our activities.
- Instituting billing practices that comply with federal and state laws, regulations, guidelines and policies.
- Submitting claims only for services rendered and medically necessary as regarded by law.
- Submitting claims for payments that have been properly documented and coded according to applicable laws and regulations.
- Coding and supporting diagnoses by timely and appropriate documentation.
- Making every reasonable effort to identify and locate the owner of funds received that are not due HMH and subsequently refund to the owner in accordance with state & federal regulations.
- Informing the payer and correcting the bill, if inaccuracies are discovered in submitted bills.
- Using appropriate, diagnostic information.
- Only submitting claims for services that are ordered by a qualified Health Care Professional.
- Not submitting claims containing false information.
- Not engaging in activity intended to illegally induce patient referrals or admissions.

C. SAFE ENVIRONMENT:

At HMH we are committed to operating in an environment that is private, comfortable, healthy and safe for patients and employees by:

- Striving to protect employees, patients, visitors and the environment from exposure to hazardous and infectious waste.
- Recognizing hazardous and infectious waste should be stored, handled and disposed of in full compliance with federal and state regulations.
- Promptly reporting to the appropriate officials at HMH matters relating to unsafe storage, improper release, unsafe transportation, or disposal of potentially toxic or hazardous materials.
- Maintaining a drug-free and tobacco free campus.
- Expecting courteous and respectful behavior from all employees and credentialed practitioners.
- Reporting to a supervisor any practice or condition that may violate any rule, regulation or safety standard.
- Educating the employees to the daily practice of safety and health policies and procedures.
- Reporting unusual events or accidents, by both verbal and written report, that involves a patient, an employee, a vendor or a visitor in a timely manner.
- Educating in the proper use of equipment with timely reporting of any hazardous or malfunctioning thereof to supervisors.
- Recognizing that possessing a deadly weapon at HMH is strictly forbidden.
- Respecting the privacy and confidentiality of patients and employees.

D. COMPLIANCE WITH LAWS AND REGULATIONS:

HMH strives to fully comply with the rules and regulations governing the healthcare industry. Our intent is to do what is in the best interest of HMH, its mission, payers, vendors, government regulators and the patients we serve. We strive to do this by:

- Conforming to all standards of legal and ethical conduct.
- Committing to compliance with all federal, state and local laws and regulations, all HMH policies and all terms outlined in our Compliance Program Plan.
- Accepting appropriate transfers of individuals requiring the specialized capabilities or facilities at HMH and accurately accounting for all patients transferred into and out of our facilities.
- Having an affirmative duty to disclose current, accurate and complete cost of and pricing data where such data are required under federal or state law or regulation.
- Only filing cost reports accurately reflecting appropriate costs incurred for furnishing healthcare services to the best of our knowledge.
- Never engaging in any illegal practices.
- Structuring contractual/financial arrangements with physicians, vendors or other referral services that ensure compliance with applicable federal and state laws and regulations.
- Not supplying information known to be proprietary to any of our competitors.
- Ensuring that drugs or other controlled substances used in the treatment of patients shall be controlled, dispensed and transported in conformance with all applicable laws and regulations.
- Never making or offering payments or providing anything of value to another person if the intent is that such payment is to be used for an unlawful or improper use.
- Ensuring that all marketing and advertising is truthful and shall comply with laws and regulations.
- Maintaining all company business data, records and reports completely, accurately and truthfully. All accounting books and records shall be maintained according to generally accepted accounting principles,

established accounting policies and internal control procedures.

- Following state and federal laws pertaining to copyright protection. This includes duplication of printed materials, as well as duplication of licensed computer software.

E. Fraud, Waste and Abuse – Federal False Claims Act (FCA)

It is the policy of HMH to provide health care services in a manner that complies with applicable federal and state laws and that meets the high standards of business and professional ethics. We are committed to conduct business activities in an ethical and forthright manner and within the letter and spirit of all applicable laws and regulations. The HMH Corporate Compliance Program encompasses the Code of Conduct, employee handbook and other compliance policies designed to promote ethical behavior and compliance with all laws and regulations.

To further support this concept and to comply with Section 6032 of the Deficit Reduction Act of 2005, HMH provides the following information about its policies and procedures and the role of certain federal and state laws in preventing and detecting fraud, waste and abuse in federal health care programs.

HMH employees will receive education on the False Claims Act and Kentucky False Claims Act in various ways including mandatory annual Compliance Training, employee handbook and electronic access to all compliance related policies.

Contractors and Agents who furnish or otherwise authorizes the furnishings of Medicaid health care items or services, performs billing or coding functions or is involved in monitoring of health care provided by the entity will also receive information related to the False Claims Act and HMH's commitment to promote ethical behavior and compliance with all laws and regulations.

Federal Fraud and Abuse Laws can be referenced:

31 USC 3729-3733	False Claims Act
31 USC Chapter 38	Administrative remedies for false claims and statements
42 USC 1320a-7b	Definition of fraud, waste and abuse

Kentucky Medicaid Fraud Unit can be referenced:

KRS 205.8467	Liability of violators
KRS 205.8465	Mandatory reporting of violations
KRS 205.8451	Definitions

The following is a summary of the Federal False Claims Act and Kentucky Medicaid Fraud Statute and their role in preventing and detecting fraud, waste and abuse in federal health care programs.

- The Federal False Claims Act imposes liability on any person or entity who:
 - Knowingly files a false or fraudulent claim for payments to Medicare, Medicaid or other federal funded health care programs
 - Knowingly uses a false record or statement to obtain payment on a false or fraudulent claim from Medicare, Medicaid or other federally funded health care program
 - Conspires to defraud Medicare, Medicaid or other federally funded health care Programs by attempting to have a false or fraudulent claim paid

As described in the FCA the word "Knowingly" means:

- Having actual knowledge that the information on the claim is false
 - Acting in deliberate ignorance of whether the claim is true or false; or
 - Acting in reckless disregard of whether the claim is true or false
- A person or entity found liable under the Federal False Claim Act or Kentucky False Claim Act is, generally subject to a civil money penalties of between \$5,000-\$11,000 per claim and three times the amount of damages that the government sustained because of the illegal act.
 - In addition, the FCA allows for private parties to bring an action on behalf of the United States. These private parties, known as "qui tam relators" may share in a percentage of the proceeds from an FCA action or settlement. A citizen filing a qui tam may receive 15-30% reward of monies recovered by the government.
 - HMH requires that all physician, staff and employees who believe someone may be violating the law, HMH's Code of Conduct or any Compliance Policies must report immediately to:

- Chief Compliance Officer at 859-235-3572; or
 - External Hotline at 888-800-2697 or hmhosp.ethicspoint.com
- HMH enforces a *Problem Reporting & Non-Retaliation Policy* to protect employees who report compliance problems or concerns in good faith. HMH adheres to a *Discipline Policy* that includes progressive discipline for employees to knowingly conceal or do not report compliance concerns.
 - Reasonable precautions will be taken to maintain the confidentiality of anyone who reports violations. No one may seek reprisal against another individual who has conscientiously made a report in good faith.

F. CONFLICTS OF INTEREST:

HMH employees are expected to perform their duties to the best of their ability and for the benefit of HMH and its patients. Employees shall refrain from and avoid conflicts or the appearance of conflicts between private interests and their official responsibilities and duties on behalf of HMH. We shall achieve this by:

- Promoting ethical standards among the hospital medical staff, employees, contractors and volunteers.
- The governing board establishing and periodically evaluating ethical standards that guide institutional practice.
- HMH employees not accepting cash in any amount. Nominal gifts may be accepted as long as the value of the gift does not exceed \$50.00 (fifty dollars) and is not of a recurring or ongoing nature. If an employee receives or is offered a gift that causes concern, consult the Chief Compliance Officer.
- HMH employees not offering business courtesies, gifts or cash to customers, purchasers of health care (HMO or employers) or referral sources.
- Avoiding activity that might interfere or appear to interfere with the exercise of sound judgment, or might conflict with the interests of HMH.
- Not discussing confidential information outside the normal and necessary course of business.

G. PROTECTING ASSETS:

HMH expects that resources will be used wisely and in the best interests of the hospital. We do this by:

- Protecting HMH assets and the assets of others entrusted to HMH including, without limitation, physical property and proprietary information against loss, theft, destruction, misappropriation, and misuse.
- Taking responsible and prudent steps to secure and store all patient information, employment records, financial and billing files and any other records subject to retention or confidentiality restrictions.
- Exercising reasonable care for our own protection and our property from loss or theft while on the hospital premises or away on hospital business.
- Taking every precaution necessary to protect hospital software and computer equipment in the best interest of the patients.
- Limiting record access to authorized individuals with a medical or legal reason for access.

H. HUMAN RESOURCES:

HMH recognizes that employees, regardless of job classification, belong to a knowledgeable and skilled health team that contributes to patient care. We want to create a nurturing and positive environment in which employees are treated in a fair and consistent manner while having ample opportunities for professional development.

HMH is committed to a work atmosphere free from forms of discrimination, including sexual harassment. We are committed to:

- Practicing honesty in the performance of duties
- Exercising tact and diplomacy
- Operating in an environment that is free of alcohol and substance abuse
- Maintaining a working environment that is free of harassment of any type, demonstrating proper respect and consideration for one another at all times
- Developing skills and knowledge through provision of reasonable training to employees
- Performing duties in accordance with professional standards and legal requirements
- Exercising judgment and objectivity in the performance of duties – differences in opinions of professional judgment should be referred to appropriate management levels for resolution in accordance with standard procedures
- Supporting equal employment opportunities with hiring and advancement based on qualifications without regard to race, color, religion, gender, sexual orientation, national origin, age, marital status, disability or

- any other factor protected by applicable laws
- Encouraging employee input through regular meetings with managerial staff, employee opinion surveys, and other modes of communication
- Offering competitive salary and benefit packages that are fairly administered
- Screening of prospective employees

I. EMPLOYEE ISSUES AND CONCERNS/HOTLINE:

We support our employees by:

- Maintaining open channels of communication
- Encouraging employees to bring forward problems and issues, especially those that have regulatory implication
- Having an open-door policy
- Not tolerating retaliation against employees for asking questions or reporting problems
- Resolving work-related problems with an employee's immediate supervisor first and then, if the problem is not resolved, the employee proceeding to raise the question or concern through the chain of command as follows:
 - Step 1 Talk with your supervisor
 - Step 2 Talk with your department manager
 - Step 3 Talk with your appropriate core director
 - Step 4 Seek guidance from the Human Resource Manager
 - Step 5 Talk to the CEO
- Establishing a Compliance Hotline to enable employees to report problems or get answers to questions confidentially.

WHEN TO CALL

If you have a serious concern or feel that a violation of law and/or regulation is occurring at HMH, you should call the toll-free Compliance Hotline at 1-888-800-2697. You may call the Hotline seven days a week. The Compliance Hotline should be used to report serious concerns about suspected or known instances of fraud or violation of any laws or regulations of HMH's Code of Conduct.

HMH's *Code of Conduct* can be accessed on the hospital website: www.harrisonmemhosp.com