

Standards for Ethics in Business Program
POLICY: AC.ETH.01.13

Date: August 10, 1999

Title: Standards for Ethics in Business Program

Responsible to: President & CEO

PURPOSE:

To provide certain standards for Shepherd Center's Ethics in Business Program. These standards are expectations for the entire center to follow. Some departments or programs may have more specific policies that address these standards.

POLICY:

It is the policy of Shepherd Center and Affiliates to have certain standards to follow in the daily operation of the center. The Ethics in Business Program has set forth these standards as follows:

1. Standards of Conduct

- a. There is a standard of ethical conduct that is applicable to all employees.
- b. These standards articulate the center's commitment to ethical practices.
- c. These standards are distributed to all employees and updated as needed.

2. Claims Development and Submission

- a. Physician and professional documentation is proper and timely prior to all billing.
- b. Claims are submitted only with appropriate documentation to support the claim.
- c. This documentation is maintained for the appropriate time periods required by law and available for audit and reviews.
- d. Diagnosis and procedures reported on all claims are solely based upon medical records and other appropriate documentation.
- e. Outpatient services provides all Medicare patients with an Advance Beneficiary Notification (ABN) prior to receiving services not covered by Medicare.
- f. A system is in place to monitor billing in order to not bill for outpatient services rendered in connection with an inpatient stay.
- g. All CPT or HCPCS codes used by coding and billing staff accurately describe the service that was ordered and performed.
- h. Appropriate documentation is placed into the patient medical record and signed by the healthcare professional that provided or supervised the service to the patient.
- i. Coding staff contact the appropriate personnel to obtain information in the event that the individual ordering the procedure failed to provide adequate justification.

j. A physician that provides evaluation and management services responsible for ensuring a patient's medical records include all appropriate documentation to match the evaluation and management services provided.

3. Cost Reporting

- a. A cost identified on cost reports will not be claimed unless there is appropriate and accurate documentation.
- b. Any allocation of costs to various cost centers are accurately made and are supported by verifiable and auditable data. These costs are properly classified.
- c. Bad debts reporting on cost reports are in strict accordance with all federal statutes and regulations.
- d. The Medicare fiscal intermediary or other applicable payor is promptly notified of errors in submitted cost reports.

4. Anti-Kickback, Self-Referral and Marketing

- a. All center contracts with referral sources will comply with applicable statutes and regulations.
- b. Shepherd Center will not enter into contracts or financial arrangements with physicians or hospitals designed to provide financial incentives for referrals.
- c. Shepherd Center will market through promotional activities and materials, events and interactions in a truthful and accurate representation of our program capabilities, outcomes and populations served.

5. Bad Debts and Credit Balances

- a. There is an annual review of all Medicare bad debt expenses claimed, to ensure that these claims are in accordance with applicable statutes and regulations.
- b. Shepherd Center will provide timely and accurate reporting of Medicare and other federal health care program credit balances.

6. Record Retention

- a. Shepherd Center will maintain policies and procedures in place for the creation, distribution, retention, storage, retrieval and destruction of documents.
- b. Record documentation retention will meet all federal and state laws.

7. Performance Evaluation

- a. Shepherd Center will evaluate all employees annually on their adherence to all elements of the Ethics in Business program.
- b. Shepherd Center executive, senior and middle management will be evaluated at least annually on their adherence to and promotion of all elements of the Ethics in Business Program.

c. All new employees will be informed upon employment that strict compliance with all elements of the Ethics in Business Program is a condition of employment.

8. Training and Education

- a. Shepherd Center will require all employees and agents annually to be educated in the Ethics in Business Program through the Annual Review Workshop (ARW).
- b. Shepherd Center will require all new employees and agents to be trained in the aspects of the Ethics in Business Program through the new employee orientation program.
- c. All Shepherd employees and agents will be given an Ethics in Business handbook with policies, frequently asked questions and compliance line information.
- d. Records will be maintained on the training of all employees and agents in the Ethics in Business Program.

9. Reporting and Information

- a. Shepherd Center will have several independent paths for employees to report fraud, abuse or waste.
- b. All reported information will be held in strict confidence, as law permits and employees will have the ability to make reports anonymously.
- c. The Center will maintain a 24-hour toll-free telephone number for employees or agents to call to report suspected fraud, abuse or waste. This system will allow the employee to report anonymously if they so desire.

10. Disciplinary Actions

- a. All employees are made aware of the progressive disciplinary action for failure to follow Shepherd's Ethics in Business Program.
- b. Instances of non-compliance to the Ethics in Business Program will be consistently enforced at all levels of personnel.
- c. All management and supervisory staff are held responsible for progressive discipline of employees in non-compliance of Ethics in Business Program.
- d. Shepherd Center performs background investigation, reference checks and permissive exclusion reviews of all potential new employees.
- e. Shepherd Center will not knowingly enter into any contractual agreement with a company or individual that is currently under exclusion from participation in federal healthcare programs.

11. Auditing and Monitoring

- a. Shepherd Center will perform regular periodic compliance audits with all audits overseen by Chief Compliance Officer.
- b. The compliance officer will review all significant variation from baseline and perform a reasonable inquiry to determine the cause of the deviation.

- c. All significant deviations will be reported by compliance officer to Chief Executive Officer, Compliance Committee and/or Board of Directors.
- d. The Compliance Officer will oversee the development of an action plan to correct significant deviations found during audits or reported by individuals.
- e. The Compliance Officer will upon verification of a violation of law, immediately refer the violation, upon advice of counsel, to the appropriate authorities.
- f. Periodically, council will review the overall Compliance Program with suggestions to Chief Compliance Officer and Chief Executive Officer.

12. Investigation

- a. The Compliance Officer will initiate steps to investigate reasonable suspicion of non-compliance and determine if a violation of law has occurred.
- b. If necessary, the Compliance Officer will remove employees under investigation from current duties; if there is a strong suspicion the employee may compromise the integrity of the investigation.
- c. Shepherd Center will take a prompt disciplinary action in accordance with the progressive disciplinary action policy, should an investigation reveal employees have performed outside the standards of the Ethics in Business Program.