

Lewis County General Hospital and Residential Health Care Facility Corporate Compliance Plan

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INTRODUCTION

Lewis County General Hospital and Residential Health Care Facility (LCGH) strives to maintain our reputation for conducting all fiscal and operational aspects of the facility in accordance with the highest level of business and community ethics. As a healthcare provider we are committed to operating under the highest ethical and moral standards, and ensuring that our facility, in all of its activities, complies with applicable state and federal laws, regulations and guidelines.

This corporate compliance plan is designed to detect and prevent accidental and intentional noncompliance with applicable laws throughout the organization. The plan contains organizational conduct requirements that are intended to address pertinent compliance issues and the overall scope of conduct. This plan alone, however, is not to be considered all inclusive, but must be used in conjunction with other LCGH department policies and procedures. Together, these documents comprise the LCGH compliance program.

LCGH intends that this Corporate Compliance Plan will help improve performance and promote efficiency in our operations. The primary mission of LCGH is high quality patient care and our compliance program is an important tool to contribute to this mission. In addition, this Plan provides a structured blueprint for improving accuracy in the claims payment and quality improvement and reporting obligations of LCGH.

A key component of corporate compliance is education – of the governing body, executives and staff. This plan includes educational components that will aid all members of the LCGH community to be a model community and county entity.

This corporate compliance policy is designed to promote improvement and exemplary conduct. In carrying out this policy, LCGH does not encourage a culture of blame or fault-finding. Instead, this policy will be implemented and maintained by encouraging conduct that honest, open and in the best interest of LCGH, our patients and the community.

CORPORATE COMPLIANCE STANDARDS AND PERSONNEL CONDUCT:

- The leaders of LCGH have made the commitment to provide a corporate culture promoting the mission of LCGH by applying high moral and ethical business practices. Personnel and appointed agents of the organization are expected to comply with all applicable state, federal and local laws, the policies and procedures of this facility and recognized corporate accountability practices.
- Expected standards of conduct are included in the terms and conditions of employment as well as the yearly performance appraisals of each employee of the organization. Should staff, appointed agents, physicians or others question the business integrity of any

Lewis County General Hospital and Residential Health Care Facility Corporate Compliance Plan

individual or department of this organization, they are expected to report their concerns, anonymously if so desired, through the compliance hotline (315-376-5154) without fear of retribution.

CORPORATE COMPLIANCE PROGRAM PLAN, POLICIES AND PROCEDURES:

- This organization has established compliance standards and procedures to be followed by its governing body, executives, medical staff, employees and agents that are reasonably capable of improving corporate operations and reducing improper conduct. The Corporate Compliance Program Plan and related policies and procedures are specific to the mission and vision, organizational history, lines of business and corporate culture of Lewis County General Hospital and Residential Health Care Facility.
- The Corporate Compliance Program Plan and related policies and procedures are developed in a collaborative fashion, incorporating all legal requirements with the business methodology embraced by Lewis County General Hospital and Residential Health Care Facility. The plan and related policies and procedures are reviewed and approved by the administrative team and Governing Body.
- Copies of the Corporate Compliance Plan, policies and procedures are available in the organizational policy and procedure manual, located in the administrative offices and in Policy Tech. Additionally, upon acceptance of a position at Lewis County General Hospital and Residential Health Care Facility, newly hired personnel receive corporate compliance training as part of their general orientation to the facility.
- Any revisions in, or development and approval of, corporate policies and procedures shall be disseminated to all staff members at Lewis County General Hospital and Residential Health Care Facility. Revisions in existing policies and procedures will be placed in the electronic policy and training system and reviewed within 1 month of revision.
- It is the responsibility of the staff member's supervisor to determine the level of understanding of the staff member of any corporate compliance program policy and procedure revision or newly approved policy and procedure.

BOARD OF MANAGERS

The Board of Managers (Board) is ultimately responsible for the operation of LCGH and the conduct of its employees and medical staff. In order to carry out its oversight responsibilities and leadership position, the Board will undertake certain compliance activities:

- ❖ The Board will receive periodic education and in-service training on its role as the governing body of a health care institution, evolving guidelines and standards relating to governance and recommended best practices;
- ❖ Annually, the Board or a committee of the Board will meet with the Compliance Officer and other members of management as appropriate to review the compliance activities that are planned to be undertaken during the upcoming year;

**Lewis County General Hospital and Residential Health Care Facility
Corporate Compliance Plan**

- ❖ Periodically, the Corporate Compliance Officer will report to the Board on compliance activities including the conduct of self-assessments, the results of assessments, corrective steps, if any, that were taken and actions to reduce the possibility of recurrences. Self-assessments will include examination of billing and coding issues, mandatory reporting laws and quality improvement matters that involve compliance with laws or regulations. Other staff may assist the Compliance Officer in making these reports to the Board;
- ❖ The Board will be provided with information regarding the steps taken in the medical staff credentialing process in order to allow the Board to make informed credentialing decisions;
- ❖ The Board will be provided with information regarding the process followed regarding compensation of and financial transactions with key personnel sufficient to assure the Board that applicable rules, including those of the Internal Revenue Service, have been followed; and
- ❖ At least annually, each Board member will review the Conflict of Interest Policy and disclose to the Secretary any potential conflicts the member may have; each Board member will adhere to the provisions of the Conflict of Interest policy.

In carrying out the above activities and in its overall conduct, Board members may rely on information, advice and recommendations of Board committees, management, consultants and counsel unless the member knows that the reliance is not warranted.

CORPORATE COMPLIANCE OFFICER/COMMITTEE:

- Corporate Compliance Committee:
 - The Corporate Compliance Program Plan shall be implemented under the guidance and supervision of the Corporate Compliance Committee. The Corporate Compliance Committee has the responsibility to coordinate compliance efforts and implement any and all compliance policies and procedures in accordance with the directives outlined in the Corporate Compliance Plan.
 - The Corporate Compliance Committee membership shall consist of the following:
 - Corporate Compliance Officer
 - Director of Nursing / Quality
 - Chief Financial Officer
 - Director of Medical Records

Chief Operating Officer

- Patient Accounts Manager
- Director of Social Services

**Lewis County General Hospital and Residential Health Care Facility
Corporate Compliance Plan**

- Pharmacist
 - Medical Director (ad hoc)
 - Nursing Home Administrator
 - Hospital Administrator (ad hoc)
- Meetings shall be held on a quarterly basis. All members of the committee are eligible to vote.
 - Corporate Compliance Officer:
 - The Corporate Compliance Officer has the responsibility to administer and manage all tasks related to establishing, monitoring and updating the Corporate Compliance Program. The Corporate Compliance Officer has a direct line of communication to the President of the Board of Managers and can at any point in time take compliance issues to the person in that position without approval from the administrator of either the hospital or the nursing home. Specifically, the Corporate Compliance Officer has the responsibility to:
 - Supervise the implementation and maintenance of the Corporate Compliance Program Plan;
 - Provide oversight for, and, with the assistance of other management personnel, evaluate all monitoring and auditing procedures related to financial, payment, reporting and quality compliance matters;
 - Provide oversight for, with assistance of other management personnel, ensure strict compliance with all reporting, notification and documentation requirements associated with the New York State Department of Health's "Certificate of Need" program;.
 - Provider oversight for the training and education of all personnel and agents involved in the clinical and billing/coding areas of the facility, about applicable compliance standards. Assure that all personnel receive training and education in the basic principles of corporate compliance and ethical business practices;
 - Implement and maintain the Compliance Hotline which is available for reporting compliance issues, receiving help and assistance regarding compliance questions and general information on corporate compliance;
 - Establish and maintain open lines of communication with facility departments and services, including the Billing Department and organizational personnel

Lewis County General Hospital and Residential Health Care Facility Corporate Compliance Plan

and agents to ensure effective and efficient communication about compliance policies and procedures;

- Investigate potential or alleged compliance issues; The goals of the investigation are to:
 - a. discover facts and circumstances related to allegations of non-compliance;
 - b. evaluate the facts discovered to determine whether the conduct constituted a violation of the corporate compliance program, any department policy or procedure, or any applicable federal or state law, rule or regulation;
 - c. determine whether the non-compliance resulted in LCGH receiving or retaining monies to which it is not entitled;
 - d. any overpayments received by LCGH will be promptly reported and refunded and further investigation and analysis will be conducted to determine if circumstances require additional self-reporting; and
 - e. determine the extent to which disciplinary actions may be necessary;
 - f. determine and recommend corrective actions to assure that non-compliance does not recur.
- Coordinate existing compliance policies and procedures, develop new compliance policies and procedures and assure all revisions and new policies and procedures are properly standardized whenever possible and practicable, disseminating policies and procedures as outlined in this plan;
- Work closely with all regulatory body auditors and annual facility auditors;
- Work closely with the Business Office Director and other management as appropriate regarding physician and clinical staff credentialing, scope of privileges, documentation and billing issues;
- Forward recommendations to the Compliance Committee regarding standards and criteria relevant to compliance issues;
- Prepare and forward compliance reports as required by the Compliance Committee, but no less than on a quarterly basis. An annual summary and evaluation report is to be submitted to Administration and the Governing Body after approval from the Compliance Committee;

Review the Corporate Compliance Program Plan on an annual basis and make any update, modifications or revisions in the plan; and

- Meet with the Board or a committee of the Board annually to review the planned compliance activities for the year and periodically provide compliance reports to the Board or a committee of the Board.
- All questions and concerns regarding compliance are to be directed to the Compliance Officer. All personnel and agents are required to fully cooperate and assist the Compliance Officer as outlined in the performance of his or her duties.

Lewis County General Hospital and Residential Health Care Facility Corporate Compliance Plan

Any uncertainty regarding compliance issues on behalf of personnel or agents should be brought to the attention of the Compliance Officer for assistance and direction.

EDUCATION, TRAINING AND COMMUNICATION:

- The Corporate Compliance Officer maintains communication links with all departments of LCGH. The Compliance Officer does this by electronic, in person and hard copy dissemination of information about identified compliance risks and compliance updates, for example bulletins and other publications of government officials and others. Department heads are expected to promptly bring compliance concerns to the Officer's attention in order to allow all members of the LCGH community to express compliance concerns, report potential compliance issues or otherwise communicate with the Compliance Officer on an anonymous or confidential basis, the Officer maintains a Compliance Hotline that is available at all times. The Hotline Number, 315-376-5154, is posted conspicuously throughout the facility and is periodically circulated to all employees, medical staff and governing board members.
- Corporate compliance training is a component of the Personnel Orientation Program. Training is also performed during Governing Body and Medical Staff Orientation. All agents are required to participate at one of the orientation programs.
- Training is modified to reflect the level of risk a staff member or agent possesses, or may encounter, with additional training for managers, supervisors, medical staff and Governing Body members.
- Retraining on a yearly basis for all personnel is provided, and includes:
- A description of compliance activities or identified risk areas relevant to the audience

Coding

- Mandatory reporting, for example NYPORTS reports, National Practitioner Data Bank reports and the like

Ethical marketing techniques

- How and when to communicate compliance concerns, reports and questions to the Compliance Officer
- Human Resources policies addressing good faith participation in compliance promotion, non-compliant conduct and protections for participating in the compliance process ("whistleblower" protections).
- Reviewing relevant laws and rules that are associated with compliant behavior.

HUMAN RESOURCE POLICIES RELATED TO COMPLIANCE

Lewis County General Hospital and Residential Health Care Facility Corporate Compliance Plan

Human Resource policies and procedures determine the methods for applying the policies described below. The Human Resources policies will be consistent with the compliance policies described below and will apply them fairly, equitably and consistently.

The following compliance policies shall be carried out in detail by policies and procedures of the Human Resources Department:

- Evaluation of manager's and supervisor's promotion and adherence to the Corporate Compliance Program Plan and any other compliance issues is a component of the individual's annual performance appraisal. With regard to other employees, attendance records of personnel orientation and annual update education will be kept. Annual performance appraisals will be based, in part, on receipt of compliance information as offered by this organization and good faith participation in compliance activities.

- Individuals that in good faith reports of potential compliance issues will not be subject to retaliation, retribution or other discipline for doing so. Persons who report a compliance issue (other than via unsigned notes or not leaving a name on the hotline) will be asked to participate in the investigation of the alleged compliance issue. They will also be asked to participate in the development of a corrective action plan to assure that non-compliance does not recur.
 - * All reports of alleged or suspected intimidation or retaliation, regardless of course will be reported to the county attorney who will be responsible for overseeing the investigations.

- Individuals that engage in noncompliant behavior, whether violating laws, rules, regulations or policies of LCGH will be disciplined as warranted by the person's conduct, taking all relevant facts and circumstances into account. Similarly, individuals that use the compliance program, policies or practices in bad faith, either to injure another or behave maliciously or do not use the compliance system to further its purposes and goals will be disciplined as warranted by the person's conduct, taking all relevant facts and circumstances into account. Disciplinary actions may result in one or more of the following sanctions:
 - a. verbal warning;
 - b. written warning;
 - c. probation extension;
 - d. suspension; or
 - e. termination of employment.

AUDITING, MONITORING AND REMEDIATION SYSTEMS:

- Areas of priority for auditing will in part be determined by reviewing OMIG and OIG work plans.

- LCGH has taken reasonable steps to achieve compliance with its standards, i.e., by utilizing monitoring and auditing systems reasonably designed to detect noncompliant

Lewis County General Hospital and Residential Health Care Facility Corporate Compliance Plan

conduct by its personnel, medical staff or agents, and by having in place systems for following up on identified problems to prevent recurrences.

- Auditing:
 - Coding, billing, mandatory reporting and other audits will be conducted at least annually and as frequently as monthly.
 - Periodic audits of the organization's business and financial relationships with contractors, vendors and physicians are conducted and documented in order to evaluate compliance with applicable federal and state laws.
 - Should instances of potential compliance issues be identified, all pertinent policies/procedures, including official guidelines and other relevant documents will be reviewed.
 - A statistically valid, random sample of cases is reviewed to determine whether the problem is:
 - An isolated case.
 - Occurred during an isolated time period.
 - A widespread, ongoing problem.
 - Information will be gathered to determine how the particular billing or coding practice in question was started.
 - A trend analysis will be performed to determine if there have been any significant changes in case mix or coding practices or if any DRGs show substantial increases in the number of cases.
 - Claims denials as well as code and DRG changes from the Fiscal Intermediary (FI) and Peer Review Organization (state PRO) are evaluated.
 - All denials believed to be inappropriate, even if only small amounts of money are involved, will be appealed.

- Monitoring:
 - Provides an ongoing system of internal coding, billing, marketing and sale practices review.
 - Is conducted on a regular basis.
 - Focuses on compliance to the program and performance measures.

Lewis County General Hospital and Residential Health Care Facility Corporate Compliance Plan

- Is performed to assure that policy and procedures have been properly followed.
 - Monitoring techniques include, but are not limited to:
 - Chart and other document reviews
 - On-site visits
 - Interviewing staff members
 - Interviewing management
 - Review of operations, billing and related functions
- Reviewing written materials prepared by various divisions
- Trend analysis studies

Remediation and Self-Disclosure:

- For each instance where the results of an audit or self-assessment indicate a systemic cause for a compliance issue, the supervisor overseeing the area will evaluate the system cause and develop a plan for reducing the likelihood that the issue will arise again. The plan may include the creation or modification of policies or procedures or the alteration of a practice or some other system change. The supervisor shall report to the Compliance Officer the results of the evaluation and the remediation actions taken.
- A decision as to whether the matter in question warrants self-disclosure to a governmental body shall be made and such action taken, by executive management and the Compliance Officer in consultation with legal counsel.

Clear and timely documentation will be maintained to indicate the reasons for conducting an audit or self-assessment, how the audit or assessment was conducted, the results and follow-up actions taken as a result of the audit or assessment.

RECORD CREATION AND RETENTION:

- A permanent written record of any communication (verbal, written or electronic) reporting a real or potential noncompliance issue, will be generated.
- All records regarding corporate compliance and any of the issues outlined in this plan will be kept in the Corporate Compliance Officer's office. All records will be kept in a locked file cabinet, in a locked office. Records must be available upon request for any state or federal official requesting review. Therefore a second set of keys to the locked file cabinet and

Lewis County General Hospital and Residential Health Care Facility Corporate Compliance Plan

locked office will be provided to a designated individual. The individual will perform the duties of the Corporate Compliance Officer in his/her absence, and is subject to all responsibilities and confidentiality requirements pursuant to the directives of this plan.

- Reports, as outlined earlier in this plan, will be forwarded to the Corporate Compliance Committee and the Governing Body. The Corporate Compliance Officer as stated above will keep an original copy of any and all reports. All copies of reports disseminated for review will be collected and disposed of in a confidential manner.

CERTAIN FRAUD AND ABUSE LAWS AND LCGH POLICIES

- Lewis County General Hospital and Residential Health Care Facility employees or agents (via written or verbal contract and/or agreement), shall not knowingly and willfully make or cause to be made, any false statement, or representation of material fact in any claim or application for benefits under any federal or state healthcare program or healthcare benefit program. Lewis County General Hospital and Residential Health Care Facility personnel and agents shall not, with knowledge and fraudulent intent, retain federal or state healthcare program or healthcare benefit program funds, which have not been properly paid. Prohibited conduct includes, but may not be limited to:
 - Billing for services not actually rendered;
 - Misrepresenting services which were rendered;
 - Making false statements to governmental agencies about the organization's compliance with any state or federal rules;
 - Falsely certifying that services were medically necessary;
 - Charging rates in excess of applicable federal or state healthcare program established rates;
 - "Up-coding" - utilizing a code to bill for a higher level of service or procedure, thus resulting in an increase in reimbursement rate;
- Failure to refund overpayments made by a federal or state healthcare program;
 - Violating the terms of a participating physician agreement on a willful and consistent basis.
- Anti-Kickback Regulations:

Lewis County General Hospital and Residential Health Care Facility Corporate Compliance Plan

Lewis County General Hospital and Residential Care Facility personnel or agents shall not knowingly and willfully solicit, offer to pay, actually pay, or receive, any remuneration, directly, indirectly, overtly, covertly, in cash and/or in return for:

- Referring an individual to a person for the furnishing, or arranging for the furnishing, of any item or service for which payment may be made, in whole or in part, under any state or federal healthcare program;
 - Purchasing, leasing, ordering, or arranging for, or recommending the purchasing, leasing, or ordering of any good(s), facility, service or item for which payment may be made in whole or in part, under any federal or state healthcare program;
 - Specific “safe harbors” are excluded from this prohibition. An example of a “safe harbor” agreement would be a volume purchasing and/or group purchasing discount agreement.
- Remuneration may include, however is not limited to:
 - Bribes
 - Rebates
 - Kickback payments
 - Gifts in lieu of payments, given expressly for the reasons listed above
 - Ethical Patient Referrals:
 - Lewis County General Hospital and Residential Health Care Facility personnel or agents, who have an ownership or compensated relationship in non-excluded entities, shall not refer a patient in need of designated health services for which payment may be made under Medicare or Medicaid to such entities with which they have a financial relationship. Excluded entities are listed under the federal safe harbor provisions.
 - Civil Monetary Penalties:
 - Lewis County General Hospital and Residential Health Care Facility personnel or agents shall not knowingly present a claim to any federal or state healthcare program or healthcare benefit program for an item or service the person knows or should know, was not provided, was fraudulent, or was not medically necessary. No claim for an item or service shall be submitted that is based on a code that the person knows, or should know, will result in greater payment than the code the person knows, or should know, is applicable to the item or service actually provided. Personnel or agents shall

Lewis County General Hospital and Residential Health Care Facility Corporate Compliance Plan

not give, or cause to be given, any information with respect to coverage of inpatient services which that person knows is false and could influence the decision regarding when to discharge an individual from any healthcare facility.

- Lewis County General Hospital and Residential Health Care Facility personnel or agents shall not offer to transfer, or actually transfer, any remuneration to a beneficiary under a federal or state healthcare program, that the person knows, or should know, is likely to influence the beneficiary to order or receive any item or service from a particular provider, practitioner, or supplier, for which payment may be made, in whole or in part, under a federal or state healthcare program. Remuneration includes the waiver of coinsurance and deductible amounts except as otherwise provided, and transfers of items or services for free or for less than fair market value.
- Healthcare Fraud:
 - Lewis County General Hospital and Residential Health Care Facility personnel and agents shall not knowingly or willfully execute, or attempt to execute, a scheme or tactic to:
 - ◆ Defraud any healthcare benefit program or
 - ◆ Obtain, by means of false or fraudulent pretense, representation or promise any of the money or property owned by or under the custody or control of, any healthcare benefit program, in connection with the delivery of, or payment for, healthcare benefits, items or services.
- False Statement and False Claims:
 - Criminal False Statements Related to Healthcare:
 - Lewis County General Hospital and Residential Health Care Facility personnel or agents shall not knowingly and willfully make or use any false, fictitious or fraudulent statements, representations, writings or documents, regarding a material fact in connection with the delivery of, or payment for, healthcare benefits, items or services. Personnel or agents shall not knowingly and willfully falsify, conceal or cover up a material fact by deception, scheme or device.
 - Civil False Claims:
 - Lewis County General Hospital and Residential Health Care Facility personnel or agents shall not perform or conduct any of the following acts:

Lewis County General Hospital and Residential Health Care Facility Corporate Compliance Plan

- ◆ Knowingly file a false or fraudulent claim for payments to a governmental agency, or healthcare benefit program,
- ◆ Knowingly use a false record or statement to obtain payment on a false or fraudulent claim from a governmental agency or healthcare benefit program, and/or
- ◆ Conspire to defraud a governmental agency or healthcare benefit program by attempting to have a false or fraudulent claim paid.
- Examples of false or fraudulent claims include, but are not limited to:
 - ◆ Double billing
 - ◆ Up-coding
 - ◆ Unbundling
 - ◆ Submitting or processing claims for items or services not provided
 - ◆ Submitting or processing claims for items or services not medically necessary
 - ◆ Billing for non-covered services
- Criminal False Statement:
 - Lewis County General Hospital and Residential Health Care Facility personnel or agents shall not knowingly and willfully falsify or make any fraudulent, false or fictitious statements against a governmental agency or healthcare benefit program.
- Theft or Embezzlement in Connection with Healthcare:
 - Lewis County General Hospital and Residential Health Care Facility personnel or agents shall not embezzle, steal or otherwise, without authority, covert to the benefit of another person or intentionally misapply money, funds, securities, premiums, credits, property or other assets of a healthcare benefit program.
- Criminal Wire and Mail Fraud:
 - Lewis County General Hospital and Residential Health Care Facility personnel or agents shall not devise a scheme to defraud a governmental agency or healthcare benefit program, which uses the United States Postal Service, private postal carriers or telephone lines to perpetrate the fraud.

**Lewis County General Hospital and Residential Health Care Facility
Corporate Compliance Plan**

- Obstruction of Criminal Investigations of Healthcare Offenses
- Conspiracy:
 - Criminal Conspiracy:
 - Lewis County General Hospital and Residential Health Care Facility personnel or agents shall not conspire to defraud any governmental agency or healthcare benefit program in any manner or for any purpose.
 - Money Laundering:
 - Lewis County General Hospital and Residential Health Care Facility personnel or agents shall not use any income obtained from mail, wire or computer fraud to operate any enterprise. Personnel and agents shall not use the proceeds of wire, mail or computer fraud in financial transactions, which promote the underlying fraud.
- EMTALA Compliance:
 - Lewis County General Hospital and Residential Health Care Facility personnel or agents shall comply with all federal and state regulations and laws regarding the evaluation, admission and treatment of patients with emergency medical conditions and/or women in labor, regardless of the nature of the medical condition. Personnel and agents shall utilize and follow all policies regarding medical screening examinations and treatment of patients with emergency medical conditions, including women in labor, policies regarding transfers or referrals of patients to other facilities or physicians for appropriate treatment. Personnel and agents shall provide initial medical screening examinations to all potential patients presenting themselves to the emergency room for examination and/or treatment without regard as to financial or insurance status.

**Lewis County General Hospital and Residential Health Care Facility
Corporate Compliance Plan**

Policies and Procedures relating to compliance

1. Patient Bill of Rights
2. Complaints
3. Conflicts of Interest
4. Disciplinary Action
5. Criminal History Record Check
6. Productive Work Environment
7. Nursing Standards of Care
8. Code of Ethics/Conflict of Interest
9. Employee/Employer Relations
10. Records Retention and Disposition
11. Confidential Information
12. Transfer of Patients to/from Another Facility
13. Physician Credentialing Procedure
14. Credentialing of Contracted Employees/Students/Volunteers
15. Courtesy & Conduct
16. Exit Interview
17. Employee Supervision