

COMPLIANCE DISCIPLINE AND ENFORCEMENT POLICY

Shore Memorial Hospital Shore Rehab Shore Life Care Shore Health
Care at Home MMC Lingle/Goldstein Surgical Assoc. Orthopedic Assoc.

Written 2/99

Revised: August 2004, 3/05

Reviewed:

Chairman of the Board

President / CEO

Compliance Officer

Adopted by the Board: 4/28/99,3/30/2005

Standard: An effective compliance program should include guidance regarding disciplinary action for corporate officers, managers, employees, physicians and other health care professionals who have failed to comply with the hospital's standards of conduct, policies and procedures, or Federal and State laws, or those who have otherwise engaged in wrongdoing which have the potential to impair the hospital's status as a reliable, honest and trustworthy health care provider.¹

An element used in the evaluation of the effectiveness of a compliance program is the enforcement of its disciplinary standards related to compliance program policies and procedures.²

Purpose: To provide guidelines for the consistent enforcement of disciplinary mechanisms related to the policies, procedures, and standards of the Shore Health Services Corporate Compliance Plan including those provisions set forth by the Health Insurance Portability and Accountability Act of 1996, its amendments, subsequent additions, and revisions (HIPAA)³.

Policy: All employees, vendors, and contractors will be informed that Shore Health Services will take disciplinary action, including termination, for

¹ Federal Register/Vol.63, No. 35/ Monday, February 23, 1998/Notices

² Federal Register, Vol 69., No 100/Tuesday, June 8, 2004/Notices

³ 45 CFR Parts 160 through 164, et seq, Code of Federal Regulations

violation of the policies and procedures of the Corporate Compliance Plan, federal law, state law or HIPAA; including failure to detect or report such offenses. **The Human Resources Department of Shore Health Services, Inc. is responsible for maintaining specific sanctions for those employees who violate Shore Health Services Policies includes those of the Compliance Plan.** The Shore Health Services Progressive Discipline Policy (PRO-HR042) will provide guidance regarding the need to discipline appropriately for legal or Plan non-compliance. The level and form of discipline enforced will be case specific.

All personnel of Shore Health Service, Inc. (including: officers, trustees, managers, staff, medical staff members and other health care professionals performing services for the Organization) will be subject to disciplinary action for failure to comply with ethical standards or legal requirements. Any violation of law, Organizational policy, HIPAA, or procedures related to the Corporate Compliance Plan will result in appropriate sanctions.

Guidelines:

- **Grounds for discipline include both active violation and failure to report a known violation of the law or Compliance Plan. Failure to cease and correct any conduct criticized in any Special Fraud Alert issued by the Office of the Inspector General of the United States Department of Health and Human Services, or to take reasonable action to prevent such conduct from recurring in the future, will lead to disciplinary action.**
- The form of discipline or sanction to be applied will vary according to the particular circumstances of each case of non-compliance. The range of disciplinary action to which persons may be subject includes:
 - Oral or written warning(s)
 - Suspension from Employment or Service
 - Privilege Revocation (in accordance with applicable Peer Review Procedures)
 - Termination
- The Progressive Discipline Policy will be consistently applied and enforced. All levels of employees and affiliated personnel shall be subject to the same disciplinary action for commission of similar offenses under similar circumstances.
- Persons who commit violations that are considered negligent or reckless in nature shall be subject to more severe sanctions. All personnel are reminded that violations subjecting them to disciplinary action include:
 - Violation of federal or state law related to health care
 - Violation of the Corporate Compliance Plan
 - Violation of the Health Insurance Portability and Accountability Act of 1996 or its affiliated privacy and security policies
 - Failure to report the foregoing violations
 - Failure to detect foreseeable violations

- Corporate officers, managers, supervisors ,medical staff and other health care professionals will be held accountable for failing to comply with, or for the foreseeable failure of their subordinates to adhere, to, this plan and all applicable standards, laws and procedures.
- If an employee is found to have participated in, condoned, ignored or directed an act that is illegal or in violation of Shore Health Services Polices, The Compliance Officer will report this finding to the appropriate Vice President or Director of Human Resources, and the employee’s supervisor or immediate superior. The Compliance Officer will report situations involving members of senior management to the Chief Executive Officer and / or the Shore Health Services Board of Trustees for disciplinary action consistent with organizational policies. Disciplinary actions against physicians will proceed according to the Medical Staff Bylaws. If after consultation with legal counsel it is determined that the misconduct may be illegal, the Compliance Officer will report the person responsible for the misconduct to an appropriate government agency.Discipline shall be enforced by the Department Manager, or other member of Administration as appropriate after consultation with the Compliance Officer and as appropriate legal counsel.
- During investigation(s) of any person for violation(s) , such person may be suspended or temporarily relieved of job responsibilities related to the alleged violation(s), contingent upon the severity of the offense.
- In addition to routine Human Resource documentation, the Compliance Officer will maintain records of all disciplinary actions based on the violation of the Compliance Plan.
- If a person, agent or company doing business with Shore Health Services, Inc. is found to have participated in an act or directed an act that is illegal or in violation of Shore Health Services, Inc polices, the Compliance Officer will consult with senior management and legal counsel, to determine an appropriate response. Shore Health Services response to such an external event will be consistent with the internal guidelines in this Plan.
- If a current employee or independent contractor is debarred or excluded from participation in Government programs, or is convicted of a criminal offense related to health care, the employment or business arrangement will be terminated immediately.

References:

- Snell,Roy ;Saunders,Brent;Murphy ,Joseph and Ryan,Elizabeth. The Health Care Compliance Professional’s Manual HCCA Publication // Aspen Publication. June 2004
- OIG Model Compliance Program Guidance Clinical Laboratories; 62FR 9435-9440
- OIG Model Compliance Program Guidance for Hospitals; 63 FR 8987-8998
- OIG Compliance Program Guidance for Home Health Agencies 63 FR – 42410 – 42426
- OIG Compliance Program for Nursing Facilities; 65 FR 14289 – 14306

- Final Compliance Program Guidance for Individual and Small Group Physician Practices ; 65 FR 59434 – 59452
- HealthCare Fraud and Abuse: Practical Perspectives – Linda A. Bauman 2002
- OIG Draft Supplemental Compliance Program Guidance for Hospitals; 69FR, 32012-32031