

## SHORE HEALTH SERVICES, INC. - ADMINISTRATIVE/COMPLIANCE PLAN

### ***STANDARDS OF CONDUCT***

✓ Shore Memorial Hospital ✓ Shore Rehab ✓ Shore LifeCare ✓ Shore Health Care at Home  
✓CMC ✓ MMC

Written: 8/98                                      Revised: 2/99, 5/01                      Reviewed: 5/2000 Approved by

Board of Directors: 4/28/99, 6/27/01

Board Reviewed: 5/31/00

### **PURPOSE:**

Shore Health Services, Inc. (SHS) is a competitive and productive organization. It is committed to the creation of a work environment in which employees utilize certain standards of conduct. These standards promote clinical and organizational ethics and support our Guiding Principles (Integrity, Quality Customer Service, Professionalism and Teamwork) in the following manner:

1. Act with integrity, fairness, and professionalism and in accordance with SHS key values.
2. 2. Maintain confidentiality.
3. Avoid conflict of interest.
4. Comply with relevant laws, regulations, policies and procedures
5. Provide fair and accurate reporting to internal and external customers.
6. Promptly report areas or issues of concern through appropriate processes.

### **Decision Tree on Issues**

1. Issue or concern is identified.
2. Follow the following decision tree steps.

- a. Does the act or issue comply with the law?
  - If you know or suspect it's wrong, don't do it.
- b. If you're in doubt, ask! Keep asking until you get the answer that makes sense.
  - How would you feel if you did it?
  - How would it look to family, friends, client, or the general public?
- c. Follow your chain of command to get an answer.
  - Discuss the issue with your immediate supervisor. If, for some reason, you do not feel comfortable bringing the concern to your supervisor, go to the next steps.
  - Discuss the issue with your supervisor's superior or another senior manager. It is SHS policy to ensure you are not punished for raising legitimate issues, facts or questions that require further examination.
- If necessary, use other company resources to get an answer, such as (but not limited to): Human Resources, Risk Management, SHS Compliance Officer, or go to the next step.
- d. Call the Confidential Help Line toll free: 1-757-414-0604

Use Shore Health Services, Inc. Resources

The following is a list of Shore Health Services, Inc. ("SHS") resources that you may utilize in an effort to get your questions answered.

#### Human Resources

Director, Human Resources      757-414-8775 Risk Management

Administrative Director Quality Management      757-414-8665

Quality Management Coordinator      757-414-8652

Compliance Officer      757-414-8665

757-414-0604 (Confidential Help Line)

#### Standards of Business Conduct

SHS has established a confidential, toll free, Help Line (1-757-414-0604) that any employee or physician can use to ask questions related to appropriate business practices or billing issues, or to report any other potential violation of ethical or lawful business practices. The toll free number allows employees to report a concern anonymously. All reports are kept confidential and callers are not required to give their names. SHS promises that a caller will never suffer punishment as a result of his/her making a call to the Help Line. The phone message line will not be traced and no calls will be subject to retaliation or discrimination for expressing his or her concerns in good faith. (Of course, should a caller report that he/she has committed some wrong doing while an employee of SHS, SHS reserves the right to take appropriate disciplinary action concerning the wrongdoing.)

The Help Line is not intended to replace the established communication channels, such as talking with a supervisor, but gives the employee another way to obtain answers if the employee is uncomfortable approaching the supervisor or department manager.

Employees may not use the Help Line to make accusations which the employees know are false or to file personal grievances by repeating gossip.

The Help Line is monitored each day by a staff member in the office of the Compliance Officer or his/her designee. The Compliance Officer will investigate any matter or concern reported to the Help Line. If the caller gives his/her name and wants to receive a reply from the Compliance officer, the employee will receive an update on the status of the investigation.

### Treatment of Employees

All SHS's employees shall be treated with respect, integrity, dignity and fairness.

*Guiding Principles: Integrity, Teamwork*

It is the responsibility of every employee of SHS to create a work environment in which employees are treated with respect. Diversity is valued and opportunities are provided for personal and professional development. Employee harassment or abuse of any kind or employee discrimination on the basis of race, gender, age, disability, national origin, **religion, citizenship status, ancestry, marital status, sexual orientation**, or other illegal basis is prohibited.

At the same time the organization will not hire anyone who is not legally eligible to work.

It is the policy of the organization to provide its employees with a work environment free of harassing, intimidating, or disrespectful behaviors. All employment actions are to be based on an

employee's ability; achievement, experience, and conduct, without regard to race, color, religion, national origin, citizenship status, ancestry, gender, age, marital status, disability or sexual orientation.

Employee data, including personal information, performance appraisals, and salary data, are confidential. Information on employees will only be released as provided for in the policies of Shore Health Services.

SHS is committed to fair and equitable treatment for all employees. If an employee feels he/she has been treated unfairly the employee should use shore's existing "problem solving process" procedures to try to resolve the problem. Employees properly using "problem solving process" procedures shall be protected from retribution in any form.

### Patient Care

SHS and its employees and affiliates shall compassionately deliver the most appropriate, effective and efficient care to our patients.

*Guiding Principles: Quality, Professionalism, Teamwork*

All patient care must be appropriate and designed to meet the intended outcomes of the patient care plan. Patients must always be treated with sensitivity, respect and professionalism.

### Quality of Care

We are committed to providing the care and services necessary to attain or maintain our patient/resident's highest practicable physical, mental, and psychosocial well being.

Patient's will be informed, to the extent possible, about the therapeutic alternatives to, as well as the risks associated with, the care they are offered. Patient's background, culture, religion and heritage are to be respected.

SHS is committed to the rights of all patients/residents to a dignified existence that promotes freedom of choice, self determination, and reasonable accommodation of individual needs. Shore Health Services is committed to providing an environment that is free of resident abuse and/or neglect. Any allegations of abuse and/or neglect will be investigated timely and thoroughly and the organization will ensure that residents are protected from any further incidents and that any and all governing authorities will be notified of any issues.

## Business and Clinical Practices

SHS employees and affiliates shall display good judgment and high ethical standards in our business and clinical practices.

### *Guiding Principles: Integrity, Professionalism*

Conduct all your business and clinical practices with honesty, fairness and integrity. These qualities are shown by your truthfulness, fairness and behavior. Behaving in this way is appropriate in all situations, no matter what your job or department may be.

### Billing Practices

All SHS's employees and affiliates are to bill accurately and honestly, and in accordance with the requirements of government programs and payer contracts and agreements.

All representatives of SHS will refrain from conduct that violates the fraud and abuse laws.

These laws prohibit: (1) submission of false, fraudulent, inaccurately or misleading claims to any patient or third party payer; (2) providing any remuneration in exchange for, or to induce, referrals of patients; and (3) making false or misleading statements to secure payment for any service.

### *Guiding Principles: Integrity, Teamwork*

Charge codes, services, dates and other billing forms must accurately and completely describe only those services actually provided. Services must be accurately and completely coded, both for proper billing practices and to make sure the patients' record are correct and complete. Billing must be in compliance with the regulations of state and federal payers and comply with the terms of any other payer contracts or agreements. If any false or fraudulent claim is submitted to a federal payer (e.g.' Medicare, Medicaid, CHAMPUS, FEP) Shore Health Services, Inc. could face severe civil and criminal penalties under federal laws.

Proper medical documentation must be prepared in a timely manner to support all services rendered. Medical records must be treated as legal documents. Medical records may be amended to correct an error or to complete existing documentation, but medical records may not be erased or altered.

Billing data must be kept for the length of time required by law. Clinical, administrative or clerical staff involved in the preparation and/or submission of charge or billing data must be trained in accurate coding and documentation practices. Billing policies and procedures should

be in writing, approved by management, and appropriately updated to remain current and credible. These policies and procedures must be available to all employees involved in the creation of charge or billing data.

When any payer agreement requires the collection of co-payments and/or deductible amounts, these amounts will be collected to the full extent of the agreement. Decisions to act in any manner that does not comply with state and federal regulations or other specific payer agreements regarding collection of co-payments or deductibles, and within SHS written policy is *prohibited*.

If any employee suspects that either erroneous or false charge data or claims submission is occurring the employee must immediately alert his/her supervisor or manager. Additionally, an employee may call the SHS Confidential Help Line if the employee believes the issue has not been resolved.

#### Financial/Professional Records

##### *Guiding Principles: Integrity*

All financial/professional records must be accurate and complete. Company books and records may not contain any false or misleading information. Financial transactions should be recorded in accordance with generally accepted accounting principles and SHS system policies, guidelines and standards.

Records maintained by professionals (such as pharmacists, nurses, doctors, or physical therapists) must conform to accepted standards and principles of the particular profession and shall not contain any false or misleading information or data.

##### Confidentiality and Privacy (Respect for Patients)

Every employee must protect SHS's confidential information as well as the confidential information of our patients.

All patients are to be treated with dignity, respect, and courtesy, with recognition of their rights to security and personal privacy. Patients and their family or significant others will be involved in decisions regarding the care delivered, to the extent possible.

All representatives of SHS will refrain from conduct that violates the Privacy Regulations. These regulations control the use and disclosure of health information. Representatives of SHS will abide by policies and procedures developed to comply with these regulations.

##### *Guiding Principles: Integrity*

Never disclose confidential patient information to any unauthorized persons. Information obtained, developed or produced by SHS and its employees, information supplied to use by outside consultants or vendors for the benefit of SHS, or information about SHS customers is confidential. This information should not be disclosed to anyone outside of SHS, including friends, family, relatives, business or social acquaintances, customers, suppliers or others. Unless you are specifically authorized to do so, do not provide this information to other SHS employees except on a "need to know" basis.

##### Government Requests

Requests for information from government auditors, investigators or other officials should be brought to the attention of senior management. In order to make sure that the information we

provide is accurate, up to date, consistent, and complete. If indicated, senior management will refer the request to our legal counsel or other appropriate division or individual for assistance.

*Guiding Principles: Integrity, Teamwork*

It is the company's policy to cooperate with requests for information from U.S. government agencies, such as Health and Human Services (HHS), Office of the Inspector General (OIG), Federal Trade Commission (FTC), Food and Drug Administration (FDA), Occupational Safety and Health Administration (OSHA), or similar state agencies, concerning SHS operations. At the same time, we want to make sure the information we provide is accurate, up to date, consistent and complete and that we are consistent in our responses to such request. Therefore we ask that you speak with your supervisor before responding to these requests. If a government official or agency asks you for any information or an interview concerning SHS, notify your supervisor as soon as possible. Your supervisor will take appropriate action. It is also essential that release of any information comply with HIPPA regulations and standards.

Anti Competitive Practices

SHS competes aggressively, but fairly, in the marketplace in compliance with federal and state antitrust laws.

Facility representatives will comply with antitrust laws governing business practices.

*Guiding Principles: Integrity*

It is unlawful to agree, or attempt to agree, with our competitors to fix prices, divide geographic markets or product markets or make any agreement with a competitor that artificially raises the price of our services to our clients or improperly reduces competition.

Particular care should be taken in pursuing joint ventures or alliances with other healthcare providers.

It is unlawful to engage in the following types of conduct:

- (1) agreements, whether written or verbal, between competitors to fix fees or prices; (2) other types of collusion (including price sharing) with competitors;
- (3) Group Boycotts; and
- (4) unfair trade practices such as bribery, misappropriation of trade secrets, deception, intimidation, and similar practices.

Representatives of SHS are expected to seek advice from the compliance office and/or senior management when confronted with situations that may involve a risk of violating antitrust laws.

Marketing

All SHS's employees and affiliates shall market SHS services and products fairly and honestly.

*Guiding Principles: Integrity*

SHS and its affiliates will advertise to inform the community of the availability and value of **our services and products**; to provide educational information; and to inform the public of SHS views on public policy issues.

We should always remember the trust the public places in us to provide accurate information about our services.

Advertising should be honest and accurate and, when we present SHS's views on issues, we must clearly distinguish opinion from factual data.

Advertising should not disparage, demean or criticize competitors, customers, or patients.

Advertising should not exploit customer or patient fears to sell our services.

#### Conflicts of Interest

All SHS **employees and affiliates shall avoid conflicts of interest** in their personal and professional business.

All Directors, officers, employers, medical **staff members and volunteers are** expected to **recognize and disclose at the earliest possible time actual and potential conflicts** of interest.

#### *Guiding Principles: Integrity*

A conflict of interest occurs if your activities or personal interests influence or appear to influence the objective decisions you make in performing your job responsibilities for SHS. You should not participate in activities that could conflict with, or affect, your responsibilities at SHS unless you have disclosed the activities to your supervisor and received the appropriate authorization from SHS management.

A good rule of thumb is that a potential conflict of interest exists any time an objective observer of your business decisions might wonder if these actions are motivated solely by your responsibilities to SHS or are being influenced by other factors.

You or any member of your family cannot receive gifts, loans or other special preferences from a person or organization that does business or wants to do business with SHS or is a competitor of SHS. The only exception is a gift of small value extended as business courtesy, such as sales promotion items or **occasional meals**. SHS has a written policy on gifts and gratuities. All employees and affiliates are required to comply with the terms of the policy.

#### Customer Gifts

All SHS employees and affiliates must use good judgment when giving gifts to, or receiving gifts from, customers or potential customers.

#### *Guiding Principles: Integrity*

SHS employees may not give or accept any gift, endowment, loan or other benefit that might appear to improperly influence a business relationship or decision. If a SHS employee receives any substantial gift or favor, it must be returned and the employee's supervisor should be notified. SHS's has a written policy on gifts and gratuities and all employees and affiliates must comply with the terms of the policy.

Patients or other individuals wishing to make a monetary gift should be referred to the Development Office at 442-2205.

#### Improper Use of Funds

SHS's employees and affiliates may not use company funds for improper or illegal activities.

#### *Guiding Principles: Integrity*

A "kickback" is any inducement offered to improperly influence a business decision on grounds that are not directly related to the merits or the decision. Payments to physicians or other parties to influence the flow of referrals from physicians to SHS or one of its affiliates are not permitted. Gifts of substantial value or extravagant entertainment of government employees, physicians or other parties in a position to influence patient referrals are also prohibited.

You cannot use company funds to contribute to a political party, committee, organization or candidate in connection with a federal campaign. You may, of course, make private, personal contributions to the campaigns of candidates of your own choice.

#### Environment/Toxins

SHS is committed to promoting practices that do not harm the environment or that minimize damage to the environment.

#### *Guiding Principles: Integrity*

SHS policy is to comply with all environmental laws and regulations as they relate to our business. SHS's employees *may have occasion or need to* handle hazardous chemicals, infectious agents and low-level radioactive materials at various locations. All employees are expected to handle materials in accordance with established controls, storage and disposal procedures.

#### Health and Safety

SHS is committed to maintaining an environment that is safe for patients, employees and visitors. To achieve this goal SHS has instituted policies and procedures to protect employees, patients and visitors from accidental injuries and exposures to hazardous substances. All representatives of SHS are expected to understand and follow these policies and to comply with applicable federal, state, and local occupational health and safety laws, regulations and standards, including infection and exposure control measures. Supervisors are expected to make sure their employees understand the health and safety standards applicable to their work areas. Anyone who becomes aware of harmful or dangerous conditions should report them to the safety officer.

#### Company Property

SHS's employees and affiliates may use company property for appropriate business purposes only.

#### *Guiding Principles: Integrity*

Company property is made available to SHS employees only for authorized SHS business purposes and should not be used for personal reasons. This applies to physical assets such as office equipment, computers, software and supplies or medical supplies, as well as other types of items such as company records, patient information and customer lists. Company property must not be taken out of company facilities, unless it is necessary to do so in order to properly perform your job. If it has been removed from company facilities, you must return the property to the facility when it is no longer needed for business purposes.

All SHS employees are expected to maintain and properly care for company property.

#### Intellectual Property

SHS prohibits the unauthorized use of copyrighted, trademarked or licensed material and safeguards its intellectual property rights in all proprietary (i.e. SHS-owned) information and material.

#### *Guiding Principles: Integrity*

SHS will take reasonable steps to prevent copying or unauthorized use of copyrighted or licensed materials, as well as to ensure that all propriety information of the company is properly safeguarded.

#### Computers and Network Security

#### *Guiding Principle: Integrity*

While SHS does not routinely monitor either electronic or voice mail communication, employees should not expect that these communications will be private. Electronic and voice mail communications may be accessed at any time for any purpose by authorized representatives of SHS without prior notification to the involved employees. Employees are expected to maintain security of electronic networks and protect confidential information by not sharing their passwords to these systems. If an employee feels their password has been obtained by someone they should take measures and steps to have the password changed.