

BAPTIST HEALTH DEACONESS, LLC
CORPORATE RESPONSIBILITY
PROGRAM MANUAL

Approved by Baptist Health Deaconess Madisonville, Inc.

and

Approved by Baptist Health Deaconess Medical Group, Inc.

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BAPTIST HEALTH DEACONESS, LLC

CORPORATE RESPONSIBILITY PROGRAM MANUAL

I. Policy, Purpose and Scope; Definitions

A. Policy and Purpose

It is the policy of Baptist Health Deaconess, LLC, including its affiliated entities Baptist Health Deaconess Madisonville, Inc. and Baptist Health Deaconess Medical Group, Inc. (collectively "BHD") to achieve our Mission with a high standard of individual and organizational ethical and legal conduct. The health care industry is subject to complex and extensive body of regulations that are constantly changing. The BHD Board of Directors believes that a formal program is necessary to assure that our Mission is fulfilled in keeping with this high standard of conduct. The Board has resolved to have an effective Corporate Responsibility Program not only to avoid significant liabilities but to preserve the trust of the people and communities we serve.

The purpose of the BHD Corporate Responsibility Program is to prevent and detect violations of the Standards of Conduct set forth in this manual. The Board expects all Personnel, contractors, agents and medical staff members to observe the Standards of Conduct at all times.

B. Scope

The Corporate Responsibility Program shall be implemented throughout BHD and shall address all applicable laws.

C. Definitions

1. "Baptist Health Deaconess Madisonville, Inc.," ("BHD") means all healthcare facilities, businesses operated under, and services provided by BHD.
2. "Compliance Objective" means a specific goal of the Corporate Responsibility Program that is intended to ensure compliance with the Standards of Conduct.
3. "Conflict of Interest" shall have the same meaning as expressed in the BHD Conflicts of Interest Policy.
4. "Corporate Responsibility Program" or "Program" means the formal program adopted by the BHD Board to establish and ensure compliance with the Standards of Conduct.
5. "Corrective Action" means discipline of individuals and other actions intended to effectively address instances of Misconduct.

6. "Entity" means any facility, businesses operated under, and services provided by BHD.
7. "Manual" means this Corporate Responsibility Manual.
8. "Misconduct" means the failure to observe a Standard of Conduct, including, but not limited to, any violation of law, Compliance Objective Protocol or other requirement of this Program.
9. "Mission" means the Mission statements adopted by BHD.
10. "Personnel" means the directors, officers and employees of BHD.
11. "Protocol" means a written plan or procedure for achieving a Compliance Objective or other defined goals of the Program.
12. "Standards of Conduct" means a set of principles by which BHD and its Personnel, contractors, agents, and medical staff members are expected to conduct the affairs of BHD.

II. Standards of Conduct

- A. The business of BHD will be conducted according to all applicable federal, state and local laws.
- B. All individuals working within BHD will perform their responsibilities in light of our Mission and with honesty, integrity and professionalism.
- C. All individuals working within BHD should perform their responsibilities in ways that avoid conflicts of interests; this includes our employees, agency personnel, volunteers, and the medical staff within BHD.
- D. All billing by BHD entities will be for the services and items actually provided, in keeping with the rules of the government and other payers.
- E. When working with our medical staff, contractors and other healthcare organizations whether internal or external, all BHD employees will conduct themselves in keeping with applicable laws, in particular, those laws that prohibit fraud and abuse, waste, restraint of trade and improper benefits.
- F. All individuals within our BHD entities will strive to maintain a cooperative relationship of mutual trust with all government agencies.

- G. BHD will vigorously pursue its Corporate Responsibility Program to achieve all Compliance Objectives and to develop a culture of compliance throughout BHD.
- H. Licensed and other professional employees working at BHD are expected to adhere to any ethical standards required by their respective licensing agencies and to follow any ethical guidelines recommended by their professional association.

III. Program Organization

A. BHD Board of Directors

1. **Authority.** The BHD Board of Directors has the ultimate responsibility to assure the organization's compliance with the Standards of Conduct. To that end, the BHD Board authorizes those individuals who have responsibility for carrying out the Corporate Responsibility Program to do so vigorously and empowers them to execute their duties professionally and in a manner that best achieves the Program's purpose.
2. **Duties.** In addition to specific duties noted elsewhere in this Manual, the BHD Board shall:
 - a. support the Corporate Responsibility Program and encourage a culture of compliance throughout BHD;
 - b. require the production of reports from the Compliance Officer at least bi-annually and timely respond as necessary to matters addressed in reports;
 - c. be available to the Compliance Officer regarding any matter related to the Program; and,
 - d. act on any matter arising from the Program that requires the BHD Board's action.

B. Entity Board

1. **Authority.** The Entity Board shall have such authority as delegated by the BHD Board, as set forth in this Manual or as may be required by law with regard to matters arising from this Program. The Entity Board shall empower entity compliance committees and personnel to carry out this Program.
2. **Duties.** In addition to specific duties noted elsewhere in this Manual, the Entity Board shall:
 - a. support the Corporate Responsibility Program and encourage a culture of compliance throughout the entity;
 - b. exercise those duties related to the Program which the Entity Board is delegated by the BHD Board, is required to exercise by this Manual or as may be required by law;
 - c. require the production of reports from the Compliance Officer at least

- annually and timely respond as necessary to matters addressed in reports;
and,
- d. be available to the Compliance Officer(s) regarding any matter related to the Program.

C. Entity Compliance Committee

1. **Composition.** The entity Compliance Committee shall be composed of the Compliance Officer, applicable department and operational leaders, senior physician leader as an ad hoc member of the Committee, and other individuals appointed at the discretion of the entity's President and the Compliance Officer. The entity President shall be an ex-officio member of the Committee. The entity Compliance Officer will chair the entity Compliance Committee.
2. **Authority and Reporting.** The Committee shall have sufficient authority to carry out its duties. The Committee shall report to the Compliance Officer or designee, entity's Senior Executive and the BHD Board at least annually.
3. **Duties.** In addition to specific duties noted elsewhere in this Manual, the entity Compliance Committee shall:
 - a. support the Corporate Responsibility Program and encourage a culture of compliance;
 - b. advise the Compliance Officer and assist in the implementation and operation of the Program;
 - c. assess activities for risk of unlawful conduct and encourage, review and approve, the strategies, policies and protocols designed to fulfill Compliance Objectives and ensure compliance with the Standards of Conduct;
 - d. Suggest amendments to the Program for approval by the Compliance Officer and the Compliance Committee to address specific circumstances.

D. Entity Compliance Officers

1. **Appointment.** Each entity Compliance Officer shall be appointed and may be removed by the entity President and the BHD Board.
2. **Authority.** The entity Compliance Officer shall have sufficient authority to carry out the duties of the office and shall report directly to the entity President and BHD Board.
3. **Duties.** In addition to specific duties noted elsewhere in this Manual, the entity Compliance Officer shall:
 - a. support the Corporate Responsibility Program and encourage a culture of compliance throughout the entity;
 - b. oversee the implementation and operation of the Program at the entity.
 - c. ensure that contractors, agents and medical staff members who provide

- services or supplies to or on behalf of their entity are aware of the Program and are informed of the expectation that they must comply with the Standards of Conduct when carrying out their entity-related activities; and,
- d. provide updates to the BHD Board, the entity President and to the entity Compliance Committee, but not less than annually.

E. Counsel and Advisors

1. The Compliance Officer may retain assistance from legal counsel, accountants and other experts to provide assistance regarding the Program.
2. As requested by the Compliance Officer, BHD Counsel shall provide legal services for the Program (including the retention of outside counsel when necessary).

IV. Education and Training

A. Policy and Objective

All Personnel shall be trained regarding the Corporate Responsibility Program, and educated about laws relevant to their activities according to a plan developed by the Compliance Officer. Such training and education also shall be a fundamental component of orientation for new Personnel. In addition, all contractors, agents and Medical Staff members of BHD shall be made aware of the Program and the expectation that they observe the Standards of Conduct and cooperate to help achieve the Compliance Objectives relevant to their BHD-related activities. Future BHD agreements shall include a provision requiring the contractor to observe the BHD Standards of Conduct and fully cooperate with the BHD Corporate Responsibility Program, including submitting to reasonable inquiries to determine that the contractor, and their respective sub-contractors and agents, are fully complying with laws applicable to their BHD-related activities.

B. Elements

1. **Subjects.** BHD Personnel shall be educated about the Program and law relevant to their activities. The specific laws to be covered in the educational process shall be determined by the Compliance Steering Committee(s).
2. **Educators/Trainers.** Compliance Officers shall retain or arrange for individuals to provide the required education and training. Educators and trainers may include both BHD personnel and external professionals.
3. **Methodology.** Any effective methodology may be utilized to educate and train BHD Personnel, including live presentation, videotaped presentation, written material and computer-based training tools.

4. **Frequency.** All BHD Personnel shall receive training regarding Compliance Objectives and compliance protocols specific to their BHD activity as part of their initial job orientation. All new Personnel shall be trained regarding the Program and general laws applicable to their activities within ninety (90) days of their initial starting date. All Personnel shall be timely informed of material changes in the Program or law applicable to their activities. All Personnel shall receive general re-training about the Program and re-education about the law annually, as determined by the Compliance Steering Committee.
5. **Cooperation.** All BHD Personnel shall fully cooperate with the education and training process, and shall seek to stay abreast of the law governing their activities.

C. Information Resource

1. The Compliance Officer shall maintain a resource of information regarding the law and the Corporate Responsibility Program which may be readily accessed by BHD Personnel. This resource may be computer-based, written material, videotapes, or in other forms determined to be an effective resource by the Compliance Officer. The information should be readily available to all Personnel, regardless of location, and resource centers may be established at each entity.
2. The Compliance Officer shall establish a method by which BHD personnel may ask questions about the Program or the law relevant to BHD activities.

D. Certification, Record Keeping and Reporting

Completion of training and education of BHD Personnel shall be evidenced in writing or maintained electronically. All such evidence of completion shall be retained according to the BHD Record Retention Policy. The failure of Personnel to fulfill the education and training requirements of this Program without good cause shall be grounds for corrective action. All records of individual evaluations and corrective actions related to the education and training process shall be retained according to the BHD Record Retention Policy.

V. *Audit and Monitoring*

A. Policy and Objective

A dynamic corporate responsibility program includes an ongoing process to determine its effectiveness. The BHD Corporate Responsibility Program shall include auditing and monitoring to determine compliance with the law and the requirements of this Program.

B. Methodology

1. **Responsibility and Staffing.** The Compliance Officer shall be responsible for auditing and monitoring, and shall retain sufficient resources to perform these functions properly. The Compliance Officer may delegate certain responsibilities as necessary, but shall retain overall responsibility for auditing and monitoring.
2. **Process.** The Compliance Officer shall determine the process of auditing and monitoring, including the use of external consultants. Billing for physicians' services and supporting documentation will be audited periodically for compliance with billing regulations and payor policies. An assessment of the effectiveness of the auditing and monitoring process may be obtained from an external consultant at the discretion of the Compliance Officer, or upon the direction of the BHD Board.
3. **Frequency.** The process of auditing and monitoring shall be continuous. The Compliance Officer shall determine the schedule for audit activities and may perform audits of any activity without prior notice.
4. **Cooperation.** All BHD Personnel and contractors shall fully cooperate with the audit and monitoring process.

C. Record Keeping and Reporting

1. **Reports.** The Compliance Officer shall develop a method for recording and reporting material information gathered from auditing and monitoring. The Compliance Officer shall submit a report at least annually to the entity Compliance Committee regarding auditing and monitoring activities at their respective entity.
2. **Confidentiality.** All information gathered by the auditing and monitoring process shall be confidential and shall not be reported or released except as provided in this Manual, as required by law or as otherwise directed by the Compliance Officer.
3. **Retention.** All records, reports, and meeting minutes relating to the auditing and monitoring process shall be maintained as determined by the Compliance Officer and shall be retained according to the BHD Record Retention Policy.

VI. Reporting and Investigation

A. Policy and Objective

It is the objective of this Corporate Responsibility Program to develop and maintain an open line of communication whereby BHD Personnel, medical staff members and contractors may readily communicate concerns about or report violations of the law or Program requirements. To encourage communication, the Program shall include several ways for matters to be communicated and assurance that the person or entity may communicate in good faith without fear of retaliation.

B. Mechanism for Reporting Misconduct

The Compliance Officer shall develop a plan for allowing Personnel, medical staff members and contractors to report concerns or specific instances of Misconduct. This procedure shall be in writing, well-publicized and, at a minimum, include the following elements:

1. A mechanism to allow reports to be made to an individual's supervisor, any Department Compliance Leader, or the Compliance Officer.
2. A process by which all reports are timely addressed.
3. A toll-free telephone number by which Personnel, medical staff members, contractors and others may report concerns or Misconduct 24-hours a day.
4. A log that records the date and nature of all communications, whether the matter was investigated and the date of its disposition. Summary information about communications shall be included in reports by the Compliance Officer to the BHD Board and Compliance Steering Committee and entity Compliance Committees.
5. A mechanism to allow reports to be made anonymously or upon condition of anonymity provided that the identity of the person may need to be revealed as part of a law enforcement effort.

C. Investigation

1. **Time.** Information from audit and monitoring activities, as well as from reports of individuals, may require investigation to determine if Misconduct has occurred. An appropriate investigation shall be conducted upon receipt of information indicating possible Misconduct. Investigations shall be pursued diligently and shall be completed promptly given the particular circumstances.

2. **Responsibility/Delegation.** All investigations shall be conducted according to a plan developed by the Compliance Officer. Legal counsel shall provide counsel regarding investigations and Corrective Action activities. No matter shall be investigated by individuals who may have been involved in the alleged Misconduct.
3. **Process.** Investigations may be conducted by any lawful means, and all material information gathered during investigations shall be included in reports.
4. **Confidentiality.** Information gathered during an investigation shall be confidential and shall not be reported or otherwise communicated except as provided in this Manual, as required by law, or as otherwise determined by the Compliance Officer in consultation with BHD Legal Counsel. Upon request, the identity of persons making reports of Misconduct or providing information for an investigation shall remain confidential unless disclosure is required by law or necessary to properly address matters raised in the investigation.
5. **Cooperation.** All Personnel, contractors, medical staff members and agents shall fully cooperate with any investigation and shall take no action to interfere with investigations.

D. Record Keeping and Reporting

1. **Investigation Report.** All reports of Misconduct shall be in writing or reduced to writing utilizing a format approved by the Compliance Officer. A record shall be kept of all material information gathered during an investigation and an investigation report shall be prepared.
2. **Confidentiality.** All Misconduct reports and investigation records shall be confidential and shall not be disseminated or communicated except as provided by this Manual, as required by law or as otherwise determined by the Compliance Officer in consultation with BHD Legal Counsel.
3. **Retention.** All reports and investigation records shall be retained according to the BHD Record Retention Policy.

VII. Corrective Action

A. Policy and Objective

It is the policy of BHD that Corrective Action be taken in response to Misconduct of BHD Personnel, contractors, medical staff members or agents which may place at risk BHD's reputation as a reliable, honest and trustworthy provider of healthcare services. It is the objective of this Program that corrective action appropriate for

the Misconduct be imposed in a timely and consistent manner without regard to the individual's or entity's level of responsibility or influence. BHD shall endeavor to not employ, appoint or otherwise engage the services of any individual or entity with a history of material Misconduct, or who has been convicted of a health care related crime, debarred from relevant professional endeavor or excluded from participation in government payment programs.

B. Procedure

1. The Compliance Officer shall utilize the BHD “Just Culture” policy when developing a Corrective Action Plan for responding to Misconduct of BHD Personnel, contractors, medical staff members or agents. The Corrective Action Plan shall at a minimum:
 - a. provide for well-publicized ranges of corrective actions which may include additional training or education, verbal or written reprimand, suspension, termination of appointment or employment, or termination of contract;
 - b. require that Misconduct that has resulted in over-payment for services or misappropriation of funds be promptly repaid or accounted to the rightful owner;
 - c. require a review of relevant Program systems to determine whether future Misconduct of the same nature could be better avoided or detected; and
 - d. allow information regarding the nature of Misconduct and Corrective Actions to be communicated to government authorities when appropriate.

C. Precautionary Action

Upon the receipt of information indicating likely Misconduct, Compliance Officers may take precautionary action to address any apparent Misconduct if the Officer believes such action is needed to prevent further Misconduct. Such action shall remain in effect until lifted by the Officer or until final Corrective Action is imposed.

D. Record Keeping and Reporting; Confidentiality

All reports, recommendations, minutes and final determinations regarding Corrective Actions shall be retained according to the BHD Record Retention Policy. This information shall be confidential and shall not be disseminated or otherwise communicated except as provided in this Manual or as required by law.

VIII. Program Evaluation and Amendment

A. Policy and Objective

The Corporate Responsibility Program and the performance of Compliance Officers, Leaders, Committees and Teams shall be regularly assessed to assure that the Program is organized and administered to effectively prevent and detect Misconduct.

B. Evaluation

The organization of the Program and the performance of the Compliance Officers, Leaders, Committees and Teams shall be annually evaluated using a process designed by the Compliance Officer and approved by the Compliance Steering Committee and the BHD Board. The evaluation shall be responsive to the assessments and recommendations of any external consultants and BHD Personnel, and shall include an assessment of whether and to what degree Compliance Objectives have been satisfied.

C. Record Keeping and Reporting

The records of the evaluation of the Program and the performance of the Compliance Officers, Leaders and Committees shall be in writing. These reports and all minutes of meetings in which evaluations are discussed shall be retained according to the BHD Record Retention Policy.

D. Amendment

- 1. Process.** This Corporate Responsibility Program Manual may be amended with the approval of the BHD Board. The BHD Board may amend the Manual on its own initiative or upon the recommendation of the Compliance Officer or the Compliance Committees. The Appendices to the Manual may be amended upon the approval of the Compliance Committee and the BHM CEO. Protocols intended to achieve Compliance Objectives may be amended with the approval of the Compliance Officer.
- 2. Effect.** Any amendment of the BHD Corporate Responsibility Program Manual, or of any Appendix or Protocol shall be effective after all required approvals are obtained.

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