

Sarasota Grace Hospital Compliance Guide

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July 2018

Updated July 2018

The plan outlined below serves as a blueprint by which all employees at Sarasota Grace Hospital are expected to adhere to in regards to the organization's financial security. Each portion of the plan indicates various aspects by which the Finance department works to safeguard our organization from the possibility of fraud and abuse. Please note that this plan is in no way exhaustive and in-addition to our training program should only serve as a foundation for employees.

More contact information will be provided in subsequent sections but any questions or concerns regarding this compliance plan or fraud protection at Sarasota Grace Hospital should be addressed to either the Chief Financial Officer or Compliance Officer

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The Role of the Chief Compliance Officer

Sarasota Grace Hospital has insured that the organization will employ the services of a Compliance Officer at all times. The Compliance Officer will work independently of the Finance department and will only report to the CFO. It is the Chief Compliance Officers responsibility to ensure that all departments of Sarasota Grace are functioning under the clearest definition of the law and are doing so in good faith of our patients. To better illustrate the responsibilities and role of the CCO, this guide provides the exact job description which is used to recruit this individual. The job description below was drafted by the CFO and approved by Human Resources.

Chief Compliance Officer

Sarasota Grace Hospital- Sarasota, FL

Sarasota Grace Hospital in Sarasota, Florida is actively seeking a Chief Compliance Officer to function as an independent reviewer of compliance issues and concerns within the Title IV hospital. The Compliance Officer is expected to serve as a source of guidance for the Board of Directors, Senior Management, employees, and patients in regards to the procedures and policies put in place to ensure compliance with organizational, stat, and federal policies.

Duties & Responsibilities

- Maintain, edit, and improve the Sarasota Grace Hospital Compliance Program and Plan to ensure that it fully protects the organization and its employees while preventing any possibility of illegal activity or conduct.
- Oversees the ongoing functions of the Compliance Committee and assists the CFO in approving members to the committee. The Compliance Officer will also be responsible for running the committee's monthly meetings including setting the agenda, maintain structure, and ensuring order.
- Consults with essential departments and outside legal counsel to take appropriate actions during compliance investigations and ultimate resolution.
- Receives and responds to all alleged violations or breaches of the Code of Conduct or Compliance Plan. Responsible for monitoring the anonymous digital claim system and serving as a direct point of contact for employees to discuss concerns with.
- Act as an independent reviewer to ensure that all compliance issues or concerns are being fully evaluated and that efforts to prevent compliance issues are operating effectively.
- Provides monthly reports to the Board of Directors, Compliance Committee, CEO and Senior Management Team on the status of compliance efforts and ongoing investigations.
- Lead the in-house compliance training program for staff both during orientation and subsequent refresher courses.

Qualifications

- Master's Degree in Business, Finance, or Economics required; JD or LLM preferred
- 10-15 years of experience in finance, accounting, or compliance
- 8-10 years of experience in healthcare, specifically in business, finance, accounting or compliance

The Compliance Committee

The Compliance Committee represents a volunteer body comprised of members of the Board of Directors, outside counsel, the Chief Compliance Officer, and the Director of Medicine who are tasked with reviewing and maintain the Sarasota Grace Compliance Program and associated initiatives. Members of the committee excluding those directly employed by Sarasota Grace Hospital are asked to serve 2-year terms though they may choose to extend if they wish. The entire committee is represented by 9 individuals, 3 that work for Sarasota Grace, 1 representing outside council, and 5 from our Board of Directors. The committee is expected to meet once a month though meetings can be held remotely if needed.

As approved by the Board of Directors, CEO and CFO members of the Compliance Committee are responsible to adhere to the following expectations:

- Members are expected to attend every committee meeting either in person or remotely when allowed. Members may miss up to 4 meetings per year but are required to give 72-hour notice.
- The committee works on legislative sessions which are broken down by financial quarters. Each legislative session, members of the committee will be assigned aspects of the compliance program to monitor and review including Compliance Plan, Training, Ongoing Investigations, Compliance Programs (such as the Bill of Service), and Regulations. Once assigned members will be expected to prepare a report once a month on their section.
- Committee members assigned to the same section during a legislative session may meet privately while working on the ongoing upkeep or review. All of these meetings must be held on campus and a detailed record of notes must be presented to the Compliance Officer within 7 days of the meeting.
- Compliance Committee members are responsible for helping with the ongoing training and orientation of new employees. Each committee member will be expected to serve as the presenter at no less than 2 training or orientation sessions per quarter.
- During an active investigation, Committee members will be presented with the compliance claim and associated information prepared by the Compliance Officer. Each member is responsible to review the information in its entirety and take an active role in the investigation. Roles may include serving as a witness interviewer, processing organizational data, drafting reports, and assisting the Compliance Office in reviewing employee testimonies.

The list of policies and initiatives found within this guide are in no way meant to be exhaustive but are included to illustrate the many ways the Compliance Team work to prevent illegal activity. A complete list of initiatives and programs can be found in your employee portal at any time under “Internal Documents.” Please take time outside of the training provided to review this document.

All of the policies, procedures, and programs of the Compliance Team are built and structured to closely adhere to the mission of Sarasota Grace Hospital; *“To provide affordable and easily accessed healthcare services and health resources to our community through personalized care and a focus on the culture of Sarasota and the Florida Gulf Coast.”*

Sample Policies & Programs

● Physician Compensation & The Quality Ladder Program

- o As listed in the Sarasota Grace Hospital agreement all medical focused employees (including but not limited to physicians, surgeons, physician assistants, etc.) are eligible to receive bonuses and financial incentives through our Quality Ladder Program only.
 - Our Quality Ladder Program instituted in 2017, is a comprehensive review system which includes two levels of review:
 - Patients receive completely anonymous surveys after each visit with a medical professional and receive points to use at local vendors for completing a survey. The survey asks patients to assign quality metrics to the physician based on their recent visit including quality of interaction, time spent with physician, physician’s ability to explain treatment, and resources provided to them by the physician.
 - The second level of review is on an organizational level. Each quarter a committee including the Compliance Officer and outside council review the statistics for every physician employed or contracted by Sarasota Grace Hospital. Again, they complete an evaluation where quality metrics are based on patient readmittance rate, patient hospitalization rate, number of patients gained or lost in terms of competitors, and thoroughness of patient files (12 files are randomly chosen and presented anonymously to the committee).
 - Each quarter both of these scores are averaged to receive a number from 1 to 5 and bonuses are awarded along this scale.
 - o No physician or medical staff member will ever receive compensation based on the quantity of patients they see during a quarter nor the number of tests which they administer.
 - Our testing staff include technicians in both our labs and imaging groups also receive bonuses based on the Quality Ladder Program.
 - o Sarasota Grace is excited to not only employ excellent medical staff but also work as community partners with independent physicians in the area. As part of our referral

agreement, physicians must sign an addendum which brings them under the umbrella of the Quality Ladder Program. If a physician chooses to sign a referral agreement with Sarasota Grace than their patients are immediately enrolled to receive surveys under the Quality Ladder Program. The physician is also agreeing that they can be reviewed by the Quality Ladder Committee to receive a reduced bonus for those who score either a 4 or 5 on the quality metrics.

- **Bill of Services**

- As one united hospital, Sarasota Grace has chosen to create a single unified price for every procedure conducted on the premises which is presented in our Bill of Service.
- Patients at any point can visit our website www.sarasotagrace.org/billofservice to see the complete list which is separated by the various practice areas in which our surgeons and physicians operate.
- Each section of the Bill of Services includes a per hour cost associated with the following elements: anesthetic, space & equipment, nursing staff, and supplies. Please be aware that each procedure will have two prices listed, one for Medicare patients and one for private payers.
- The prices listed in the Bill of Service represent a complete cost of procedure from initial consultation through discharge. For procedures requiring out-patient care those services are also listed accompanying the corresponding procedure.
- The hospital reserves the right to consider cases which do not fall into these defined categories. This decision will be made by the Director of Medical Billing, the CFO, and the Compliance Officer prior to any bill being sent to the insurance company. The hospital assumes the cost associated with a bill being held up for submission due to this decision.

- **Stages of Approval**

- To ensure that Sarasota Grace Hospital can provide our patients the highest quality of care in the most effective way possible, the organization has instituted a coding system for medical procedures and the needed approval.
- Every physician who works directly for Sarasota Grace is responsible to adhere to the stage of approval system which separates tests and procedures into a 3-tier system.
 - Tier 1: Represents routine tests and procedures. Examples include blood test, stool or urine tests, stress tests, basic x-ray etc. which may be routinely used to check the ongoing health of a patient. Physicians and Physician Assistants do not need outside approval for tests and procedures at this tier.
 - Tier 2: Represents more advance screenings, utilization of more advanced imaging equipment or tests related to scheduled surgical procedures. Examples would include a toxicology report, 3D imaging, biopsy, spinal taps etc. For procedures in this tier, Physician Assistants must receive approval from the lead physician of the department. Physicians may be asked to supply written reasoning for the procedure or asked to provide copies of medical files to the lead physician.
 - Tier 3: Represent major surgeries, procedures requiring the assistance of nurses or specialists, or those tests which pose significant risk to a patient.

Examples include any surgical procedures on the brain, heart, or lungs, extended radiation therapy, or procedures not involving the GI tract where a camera will be inserted into a patient. For this tier physicians must provide a written document to the lead physician including copies of diagnostic notes, and the results of any diagnostic testing. Physician Assistants may not initiate procedures at this tier without a physician seeing the patient. The Compliance Officer may ask at any time to see the written files and requests for procedures at this tier.

- o Please note that situations brought into the Emergency Room where a patient's life and well-being are at risk are not bound to the tier system. Instead those patients will be coded green, yellow or red to determine the severity of the situation. This process is listed in an additional section of the compliance manual.

As an employee of Sarasota Grace, you are expected to uphold the policies and procedures listed in this guide. Upon hire you received a complete printed copy of the guide with an attestation. The attestation which you have signed, explains that you accept full liability of your actions and will comply fully with any investigations conducted either internally or by representatives from the Department of Justice. **Failure to uphold the tenants of this attestation will result in disciplinary action.** More information can be found later in this plan.

Compliance Training

Compliance training is mandatory for all employees regardless of their department or seniority. An initial training session will be held during employee orientation which occurs exactly 1 week prior to their official start date. This session will be led by the Chief Compliance Officer or a member of the Compliance Committee. As Sarasota Grace is a bi-lingual campus, this session may be provided in Spanish by a member of the Finance & Accounting team.

In addition to our initial training several additional training opportunities are presented depending on the department which an employee works in. Sarasota Grace Hospital has employed the services of Relias, a digital healthcare agency who specializes in providing online training to healthcare employees. Through our Relias portal, Department Heads and Senior Management can assign courses to employees or provide a selection of possible courses. Each course lasts about 30-45 minutes and can be taken from any computer or tablet.

The Chief Compliance Officer and Compliance Committee will also host several in-depth compliance workshops for employees in specific departments. These workshops last approximately 3 hours and have been designed in conjunction with our outside legal counsel. Workshops include:

- Case Study Review
- Training on various financial management tools
- Discussion on new regulations
- Extended Question & Answer session with Compliance Team

A complete breakdown of the training expectations for individual departments can be found below:

- Building Services, Housekeeping, Dietary, Transportation, & Security
 - As part of our standard employee practices individuals in these departments are expected to complete training online through our partnership with Relias.
 - Employees are assigned by their Department Head 7 courses during the first and last quarter of the fiscal year which can be accessed through Relias.
 - Out of the 14 courses per year, 2 are required to focus on Healthcare Fraud & Compliance. These courses have been reviewed by the Compliance Committee who have approved them as proper training methods for employees.
- Marketing, Business Services, Administrative Staff, & Human Resources
 - Employees in these departments are expected to complete the same 14 courses per year through Relias including the 2 mandatory compliance focused courses.
 - In addition to the Relias courses, staff in the departments listed above are required to attend 2 compliance workshops offered throughout the year.
- Physicians, Nursing Staff, Finance, Accounting, Senior Management, Pharmacy Staff, Admissions, Billing, & Patient Representatives
 - In addition to completing Relias training programs throughout the year, staff in these departments are required to attend 1 compliance workshop every quarter during the full length of their employment.

- o Failure to achieve a score of 80% or higher during the 2 mandatory compliance courses via Relias will result in additional workshops and courses being assigned.
- o If a member of our physician, finance, accounting, or billing staff fails to meet the 80% threshold in 3 consecutive compliance courses they may be put on temporary suspension pending an investigation by the Chief Compliance Officer.

Making a Claim or Reporting a Violation

To help employees report and discuss potential fraud or abuse violations, Sarasota Grace has implemented a digital portal which can be accessed via the employee portal. Employees can log onto the same portal where they view their PTO, benefits, human resource documents, etc. and click on the Compliance Tab.

Under the Compliance Tab is a complete collection of resources including the PowerPoint shown at orientation, copies of recent case studies, links to digital resources including guides from the Department of Justice, and a series of guides produced by the Compliance Committee. Employees who feel that they may have witnessed a violation of some kind may click on the link "Submit a Claim." Once clicked the link will take the employee to a secured site which only the Chief Compliance Officer and our digital security team have access to. By using a separate site to collect claims, employees can ensure that no identifying information is provided including the IP address of the computer which they are using. However, there is an optional line within the claim form where an employee can list their name if they choose.

Employees who wish to report a claim in person may do so directly to the Chief Compliance Officer. To help keep the privacy of our employees upheld during this process, staff may reach out to Human Resources to schedule this meeting.

Lastly, employees may type a formal claim and drop it in the locked box outside the Finance & Accounting Office. This box is checked every Monday morning and only the Chief Compliance Office has the combination which unlocks the box. Similar to the digital claim form, a typed claim does not need to include the employees name or contact information.

Stages of Investigation

Once the Chief Compliance Officer receives a claim of a violation of financial compliance policies they will immediately begin an investigation. It is important to note that while a claim may list the wrongdoing of an individual, investigations are held on a department wide level and files may also be requested from connected departments.

A rough outline of the stages of a compliance investigation are listed below:

1. Interviews

- a. Upon receiving a claim of fraud, the Chief Compliance Officer will set up a series of interviews with all members of the effected department including any individual who may have been identified in the claim.
- b. These interviews are conducted by members of the Compliance Committee and should occur within 7 business days of an official claim being made.
- c. As agreed upon in the Compliance Attestation, all interviews are to be recorded so that they can be reviewed at a later date if necessary.
- d. During these interviews the goal is not always to receive a confession of guilt but instead to get a preliminary understanding of how the department operates and to gauge how familiar employees are of their responsibilities when it comes to compliance.
- e. It is vital that these interviews are kept confidential and no action be taken by the Compliance Team until all interviews are completed.

2. Review

- a. Stages 1 & 2 of an investigation should be held simultaneously if possible to prevent any tampering of data and to alleviate the disruption the investigation may cause on the departments ability to serve our patients.
 - i. If the review stage cannot be conducted simultaneously due to size or severity of the case, the Chief Compliance Officer may request that all files of the affected departments are frozen by the Information Technology department and Chief Technology Officer.
- b. The review stage is the longest and most difficult stage within an investigation as it requires all financial data handled by a department to be turned over to the Compliance Team who will then carefully review every document and file for any potential violation.
- c. If the claim is directly linked to the administration of care especially when unnecessary tests or diagnosis are involved the department will need to suspend all treatment during the review stage.
 - i. Sarasota Grace Hospital agrees to work with patients to find alternative providers of treatment within the system or with partner physicians.

3. Consultation

- a. After completing Stages 1 & 2 of the investigation the Compliance Team will consult with counsel and discuss any findings or points of concern they may have.

- b. It is important to note that this consultation period is not directly linked to any disciplinary actions which may be enacted against the individual or individuals found guilty of violation. Instead this period is used to prepare the Compliance Team to make recommendations to the Board of Directors and Executive Team on how the hospital should handle a violation.
4. Reporting
 - a. After a complete review of all the information conducted during the investigation and based on the consultation with outside counsel the Compliance Committee will have an emergency meeting to prepare their report.
 - b. Once completed the Committee and Chief Compliance Officer will be expected to present a full report to the Board of Directors, Executive Team, and Human Resources. The report includes tangible action items which the organization will take to correct this violation and the suggested disciplinary actions that should be taken against the guilty party.
 - c. It is also during this reporting stage that the Chief Compliance Officer is legally obligated to report the violation to the Department of Justice with assistance from outside counsel. Additionally, if any patients are involved they must also be informed of the violation at this time.
5. Action
 - a. In conjunction with the Human Resources team, employees found actively violating or assisting in a violation will be placed through the disciplinary process listed in this guide.
 - b. Departments found in violation or engaging in fraud will be placed on full suspension while the hospital works to re-establish appropriate operations.
 - i. Employees found to not have violated or to not have been involved in the violation will be compensated and asked to report to work as normal while assisting the Compliance Team.
 - c. The hospital will draft a statement outlining the violation which will be released to the local media. Depending on the severity of the issue a press conference may be called.
 - d. Outside counsel will begin drafting up settlement agreements in conjunction with guidance provided by the Department of Justice.
6. Response
 - a. After the action steps have been completed the Compliance Committee will meet to review the situation and how the violation was able to occur. This response stage is the point at which changes to the hospital structure and the frequency of compliance review may need to be altered moving forward.
 - b. The Compliance Committee will meet with the Board of Directors, CEO, and CFO without the presence of the Chief Compliance Officer to provide a report on not only how this situation occurred but the CCO's response and handling of the investigation.

Employee Conduct & Disciplinary Guidelines

During the hiring process all employees receive the complete compliance document which has been drafted and approved by the CFO, CEO, Chief Compliance Officer, Compliance Committee and Board of Directors. Attached to that guide is an attestation which is required to start employment at Sarasota Grace. By signing the attestation, you not only agree to uphold the expectations, policies and procedures of Sarasota Grace but agree to participate fully in any investigations into illegal behavior.

The ultimate disciplinary actions taken against employees found to have committed fraud or served as accomplices to any action will be determined by the Human Resources department and the CEO. However, certain standard procedures have been put into effect in response to any employee found guilty of fraud. These include:

- Immediate removal from position
- Loss of rights to severance and saved PTO days
- Confiscation of all company owned products such as cellphone, laptop, vehicle, etc.
- Cancelation of health benefits within 30 days of removal

It is also important to note that if found guilty of fraud an employee may be expected at the request of legal counsel to pay a portion of any settlement organized by Sarasota Grace Hospital. At the advice of legal counsel, individuals who cannot financially support a portion of the settlement may be asked to provide the portion in assets.

For the case of employees who may have served as accomplices to the actions of fraud the Human Resource department has developed a performance improvement plan. This plan and disciplinary action only account for employees whose actions may have furthered the violation but without intention. The performance improvement plan includes:

- 15-day suspension (without pay)
- Mandatory enrollment in an intensive education program sponsored and provided by Relias
- Quarterly evaluations conducted by Human Resources and the Chief Compliance Officer
- Randomized review of files, data, work product, and work station for a period of 1 year following the incident

Compliance Attestation

I, _____(name)_____ hereby confirm that I have received training and resources on Healthcare Financial Compliance and Fraud Prevention on _____(date)_____. In addition to completing my compliance training, I have been provided the complete compliance plan for Sarasota Grace Hospital and have been given at least 24 hours to review it.

By signing this attestation, I agree to cooperate fully with any investigation into the actions of my department in regards to possible claims of fraud or abuse. I understand that during an investigation, I will be called upon to provide a testimony in the form of an interview and will be asked to turn over all files and data to the Compliance Department.

As part of Sarasota Grace Hospital's commitment to preventing financial fraud, I agree to participate in the assigned trainings which have been clearly outlined in my employment agreement. I understand that failure to complete these trainings may result in suspension or possible termination over time.

My signature below serves as a symbol of my commitment to prevent financial fraud and the consequences it may pose to the community we serve. I have been provided with information in my preferred language which outlines how to file a claim of violation and the possible disciplinary actions possible for those found guilty of a violation.

I understand all of the documents presented to me and agree to the terms and conditions set by them. I understand that the completion of this document is a requirement for me to start my employment with Sarasota Grace Hospital and sign under good faith and without coercion.

_____ (print name) _____

_____ (department) _____

_____ (signature) _____

_____ (date) _____