Compliance Program Description

Document for Consideration
Request PSJH Audit and Compliance Committee Recommend
to the Board for Approval

December, 2019
Contents:

Introduction Page 3
Purpose Page 3
Compliance Program Structure Page 4
Policies, Procedures & Guidelines Page 5
Education Page 6
Reporting Compliance Concerns Page 7
Sanctions & Disciplinary Actions Page 8
Auditing & Monitoring Page 8
Investigations Page 9
Conclusion Page 10
Introduction and Purpose

Healthcare compliance is complex. It is not always easy to know the right answer or to make the best choice, but the Providence Compliance Program ("program") is intended to help support our commitment to integrity and compliance. The terms integrity and compliance are both used in this document. Integrity refers to conduct that meets ethical and organizational standards regardless of whether a law requires such conduct. To act with integrity is to engage in conduct that aligns with our standards, values and expectations. Compliance means acting in accordance with applicable laws, regulations, policies, procedures and other explicit standards.

The program supports our workforce members in fulfilling their legal, professional, and ethical obligations. Ongoing guidance from the United States Department of Health and Human Services OIG publications (e.g., Compliance Program Guidance for Hospitals, Compliance Program Guidance for Laboratories, Compliance Program Guidance for Nursing Facilities, etc.) has been incorporated into the Providence Compliance Program. In addition, the Providence Compliance Program is guided by the elements recommended in the United States Sentencing Commission’s Federal Sentencing Guidelines, the Deficit Reduction Act of 2005, and the Affordable Care Act.

The program is intended to provide added assurance that our organization:

1. Complies in all material respects with international, federal, state and local laws, policies and procedures that are applicable to its operations;

2. Satisfies conditions of participation in health care programs funded by the state and federal governments, the terms of its contractual arrangements, and applicable requirements and waivers associated with CMS’s Models;

3. Detects and deters criminal conduct or other forms of misconduct by our workforce members and/or agents who work on our behalf;

4. Promotes self-monitoring and provides for, in appropriate circumstances, voluntary disclosure of violations of law and regulations;

5. Establishes monitoring and auditing to assure that there is an active detection mechanism in place to dynamically review the risks and behaviors of the organization, and;

6. Supports the mission, values, and vision of Providence.
Providence Compliance Program & Structure

The elements of the program include:

1. Compliance Program Structure
2. Policies including Codes of Conduct
3. Education and communication
4. Reporting Compliance Concerns
5. Enforcement
6. Monitoring and Auditing
7. Investigation and Remediation

The Audit and Compliance Committee of the Providence Board of Directors (ACC) has oversight of the program and approves and/or reviews related workplans and their status for implementation of the program. Leadership at Providence recognizes that integrity and compliance are driven by involvement and responsibility at the highest organizational levels. The program is managed by the Chief Compliance Officer (CCO), a high-level official within Providence, who reports to the Providence SVP/Chief Risk Officer (CRO). The CRO assures that the Full Board, the Audit and Compliance Committee (ACC) of the Board who has direct oversight of the compliance program, and senior leadership receive periodic compliance reports, but no less than annually. The CCO has access to the ACC Chair to provide direct information at any time, if needed.

The CCO collaborates with the CRO, General Counsel, and other executive leadership to provide assurance that our organization materially meets the elements of an effective compliance program as set forth by regulatory requirements and legal guidance. Providence has provided necessary and appropriate resources to support the program. The CCO, the Chief Privacy Officer, and the RIS Compliance workforce members are resources responsible to implement the program.

Committee structures supporting the program include:

a) Integrated Risk Management Committee which oversees the risk portfolio of Providence and in which compliance reports any key concerns or recommendations for consideration to mitigate compliance and/or privacy risks. This Committee is comprised of senior executives including but not limited to President and CEO, EVP of Strategy and Operations, EVP Chief Financial Officer, EVP Chief Administrative Officer, EVP Chief Legal Officer. This group meets quarterly.

b) Executive Council. The Executive Council has overall input and decision making of the strategy and direction of the organization and identifies areas of need and high-level process questions related to risk mitigation. This Council provides feedback and approval
on some compliance risk strategies. The Council is comprised of the Senior Leadership of the organization and meets monthly.

c) Providence Compliance & Privacy Committee. This Committee monitors and provides guidance on the program and potential risk mitigation processes. Membership for this Committee includes senior leaders and representatives from key functions across Providence. This Committee meets quarterly.

d) Other regional, service area, and/or line of business compliance committees are either established or in the process of being established in evolving governance structures.

Policies, Procedures, & Guidelines

The program establishes necessary policies and codes of conduct as appropriate. The compliance policies in effect as of the approval date of this document can be found here https://www.Providence.org/about/integrity-and-compliance. Policies are developed as appropriate and there is an ongoing review and revision process of all system policies. Generally, the procedures are written by the organization’s regions, facilities, and service lines to operationalize these policies. However, when appropriate, the program may define the parameters for implementation of the policy.

**Code of Conduct:** All Providence workforce members and/or our agents are required to:
- Uphold ethical principles in the workplace;
- Share responsibility and accountability for keeping the organization in compliance with applicable laws, regulations and policies governing business practices; and
- Understand the obligation to promptly report concerns about improper or inappropriate actions without fear of retaliation.

There are some Providence business segments who feel they need their own code of conduct due to their business line. These codes integrate the system foundation code into their documents with their information. Our Codes of Conduct are an essential component of the program and establish the expectation that all workforce members and agents of our organization, when acting on behalf of the organization, will comply with the standards established in the Codes of Conduct.

Other documents on policies and procedures may also be published at various organizational levels. Healthcare practitioners granted privileges at any of our facilities are governed by their respective medical staff by-laws and must follow them. These by-laws provide a process for resolving ethical and compliance issues related to the practice of medicine at our facilities.
organization. The program, the Department of Legal Affairs, and other appropriate departments provide supplementary compliance guidance on legal and regulatory compliance through publication of periodic regulatory memoranda and guidelines.

**Conflict of Interest.** The organization maintains conflict of interest policies which are at the governance level, designed to meet IRS and other regulatory requirements for maintaining independence in decision making by our workforce members and agents. Key executives and workforce members are required to complete an annual conflict of interest disclosure. All workforce members are required to disclose potential conflicts of interest, when applicable, even if not required an annual disclosure. Disclosures that indicate potential or actual conflicts of interest are reviewed and overseen by our CRO and legal. When applicable, conflict of interest management plans are developed to address identified conflicts. Significant conflicts of interest, should they arise, are discussed with management by the CRO and General Counsel, as needed

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**Education**

Workforce members receive education about their responsibilities related to international, federal, state and local laws, regulations, applicable policies and procedures and guidelines as required for their business needs. The program provides general integrity and compliance education, including Medicare required fraud, waste and abuse topics, to its workforce members and agents. We also provide focused and job-specific education in those functional areas that involve greater compliance risk. Training includes:

- **New employee orientation-onboarding:** Each new workforce member must complete assigned training as part of the orientation process no later than 90 days of hire. New workforce members receive compliance education consisting of information on the program, including the reporting process, significant compliance policies and procedures, and a discussion of our organization’s commitment to integrity and compliance and its integration to the mission and values of the organization. The system code of conduct is provided (which may be supplemented by another specific code related to a business area). These are usually provided in paper format or electronically to workforce members and agents prior to hire but in no event later than 90 days of hire. Thereafter, any changes in the code(s) will be communicated and a link will be provided to the Code(s). New orientation and annual education will include any updates.

- **Annual Training Requirements:** Existing employees must complete assigned training by the due date that is established by the program. Completion is tracked and communicated to the regional and ministry leaders for assuring requirements are met.

- **Focused Training:** As regulatory or other cognizant agencies change their requirements
they generally communicate these changes with respect to compliance matters affecting the provision of care/services or billing practices in health care. As needed, training on new guidance or other pertinent topics is provided to target groups whenever necessary using a variety of mediums including print, webcasts, in-person, and online training.

The program compliance office collaboratively tracks and trends with business offices and leaders to determine where training and education might be necessary to achieve compliance. In addition, the CCO is a member of the Providence Learning Council that reviews all training requirements for workforce members to assure that other regulatory training requirements are met.

### Reporting Compliance Concerns

To support the commitment to our mission, values, promise, and our culture of excellence, Providence fosters and supports a safe, non-threatening environment where individuals may ask questions about integrity and compliance matters and report their concerns. Anyone who has a concern about the integrity, compliance, or ethics of our organization has an opportunity to report those concerns confidentially and without fear of retaliation. In addition, our workforce members have a duty to report any activity someone believes may violate a law or regulation.

We encourage workforce members to speak first with their manager or supervisor about concerns. Others (e.g., Board members, volunteers, contractors and students) are encouraged to speak with their primary organization contact. If they are uncomfortable or unsure about how to do this, the program team members are available to help. Workforce members can also submit concerns:

- By contacting staff in other support functions, such as compliance, risk, legal, or human resources - whichever is most comfortable for the workforce member;
- Anonymously through the 24/7 Integrity Hotline. (All Integrity Hotline matters are reviewed by the Risk Integrity Services (RIS) Director of Investigations and forwarded to RIS professionals or Human Resources for investigation and resolution.);
- Confidentially (such requests are honored to the extent allowed by law); or
- Privately (the reporter reveals his/her identity and allows it to be used as needed).

Our organization prohibits retaliation against any workforce member for making a good-faith report of their concerns about actual or potential wrong-doing – including violations of our code of conduct and policies and procedures. Retaliation is also prohibited against any workforce member who in good faith assists in the investigation of any reported concern. Concerns about possible retaliation or harassment stemming from a compliance report may be reported to any compliance office and/or to human resources. Retaliation is subject to discipline up to and including termination.
Sanctions & Disciplinary Actions

All workforce members are expected to conduct themselves with integrity and are responsible for their actions. Workforce members are expected to know and understand their responsibilities in following the organization’s policies, procedures, standards and guidelines. Workforce members are accountable to take action as described in our Code(s) if they knew, or should have known, of a violation of law, regulation, or policy.

Any workforce member who violates federal, state, or local laws, regulations, or policy, procedure, standard, or guideline is subject to disciplinary action in accordance with established policies. This action is determined according to the nature of the compliance or integrity violation, case-specific considerations, and the individual’s work performance. Corrective action plans are designed to assure that specific violations are appropriately addressed and resolved. Management is responsible to develop and implement corrective action and monitor it to assure issues are resolved. Compliance Audit and/or internal audit will also periodically monitor and/or audit an area of concern raised to assure it has been resolved.

Auditing and Monitoring

The organization provides auditing and monitoring services in a variety of ways:

- The program routinely monitors risk areas and processes of the organization as needed or as directed by the CRO, the ACC of the Board, and/or management. The auditing and monitoring function within the program collaborates with IRM and the Risk and Integrity Services—Internal Audit (IA) to identify a plan based on the integrated risk assessment process, IA observations, and identified risk areas which are then implemented in the following year. This plan is dynamic and may change based on risks of the organization or as another function may perform the audit and/or monitor.

- The RIS-IA function supports operations by performing independent, objective and systematic evaluations of operational units. IA is responsible for providing independent analyses, advice, recommendations and observations concerning risks and operational issues that affect the organization, including the prevention and detection of unethical, non-compliant or illegal operations or behavior.

- Research Compliance also does auditing and monitoring of research areas of the business. An identified plan is established based on a risk assessment process which is implemented in the following year. This plan may change based on risks of the organization in the research area. Research is a high priority risk area for the organization and due to its complexities and requirements, a separate compliance team was established to provide services to these areas. The plan is developed in collaboration with IA, legal, regional, and local feedback.
• In addition, accountability for self-monitoring occurs at every level of the organization but particularly by management to help identify if there are areas of compliance risk which should be elevated and/or addressed by management.

*Revenue Cycle Compliance:* Providence audits and monitors compliance with state and federal False Claims Act requirements. We provide information on our expectations and policy to our workforce members and contractors. We expect that workforce members and contractors who are involved with creating and filing claims for payment for our organization services will only use complete and accurate information. The organization further expects that those who certify and attest compliance with state and federal law will take reasonable steps to ensure that business practices are compliant. The organization monitors and audits compliance with coding, documentation and billing requirements to detect errors, inaccuracies and improper payments or claims. We take appropriate actions to correct any billing or claims inaccuracies, and to adjust, repay or collect overpayments by government payers and others as identified through the auditing process. Workforce members and contractors are expected to report any concerns about billing issues, or any other issue they feel is illegal or otherwise inappropriate. Corrective action to address non-compliance in this area is monitored by the program.

In all cases, when instances of non-compliance are discovered, they are documented, and corrective action is implemented by management to mitigate the risk and/or resolve the risk. Education and/or policies and procedures may be developed and/or revised based on the nature of the non-compliance. Ongoing monitoring will provide assurance that the mitigation activities are successful.

**Investigations**

The organization commits to investigate promptly all concerns and complaints raised by workforce members or agents. RIS has established an Investigations unit specifically tasked with reviewing, leading, and coordinating complaints and conducting independent investigations as needed.

Moreover, Providence commits to cooperate with government inquiries and investigations and maintains standard protocols that involve the Department of Legal Affairs (DLA) and the CRO and/or CCO as appropriate. Workforce members who receive a search warrant, subpoena, or other demand or request for investigation, or if approached by a federal agency, should follow all appropriate processes to ensure a timely and appropriate response. The organization’s response to any warrant, subpoena, investigation or inquiry must be complete and accurate. Retention of documents/records meet applicable regulations and policies.
Conclusion

An effective compliance program fosters a culture of integrity and compliance that begins at the highest levels and extends throughout the organization. This description of the Providence Compliance Program is a statement of our organization’s commitment to excellence in all that we do and to maintaining an effective compliance program. We realize that the legal and regulatory environment in which healthcare operates changes quickly. For this reason, we periodically review, revise, and update our Providence Compliance Program to provide reasonable assurance that it continues to meet the expectations of all our healthcare partners, including federal and state government, regulatory agencies, providers, and the communities we serve.

1The Compliance Program applies to Providence St. Joseph Health and its Affiliates (collectively known as “Providence”) and their workforce members (employees), employees of affiliated organizations; members of system, community ministry and foundation boards; volunteers; trainees; independent contractors; and others under the direct control of Providence (collectively referred to as workforce members). Providence educational institutions are excluded from this healthcare related policy. The Providence Compliance Program also applies to our health plans that, because of the unique requirements of Medicare Advantage/Part C and Medicare Part D, have established focused compliance programs addressing those requirements. The Providence Compliance Plan also extends to oversight of downstream contractors, vendors, and contractors as applicable.

1 For purposes of this policy, “Affiliates” is defined as any entity that is wholly owned or controlled by Providence St. Joseph Health (Providence), Providence Health & Services, St. Joseph Health System, Western HealthConnect, Covenant Health Network, Inc., or is jointly owned or controlled by Providence or its Affiliates and bears the Providence, Swedish Health Services, Swedish Edmonds, St. Joseph Health, Covenant Health Network, Covenant Health, Kadlec Regional Medical Center, or PacMed Clinics name.