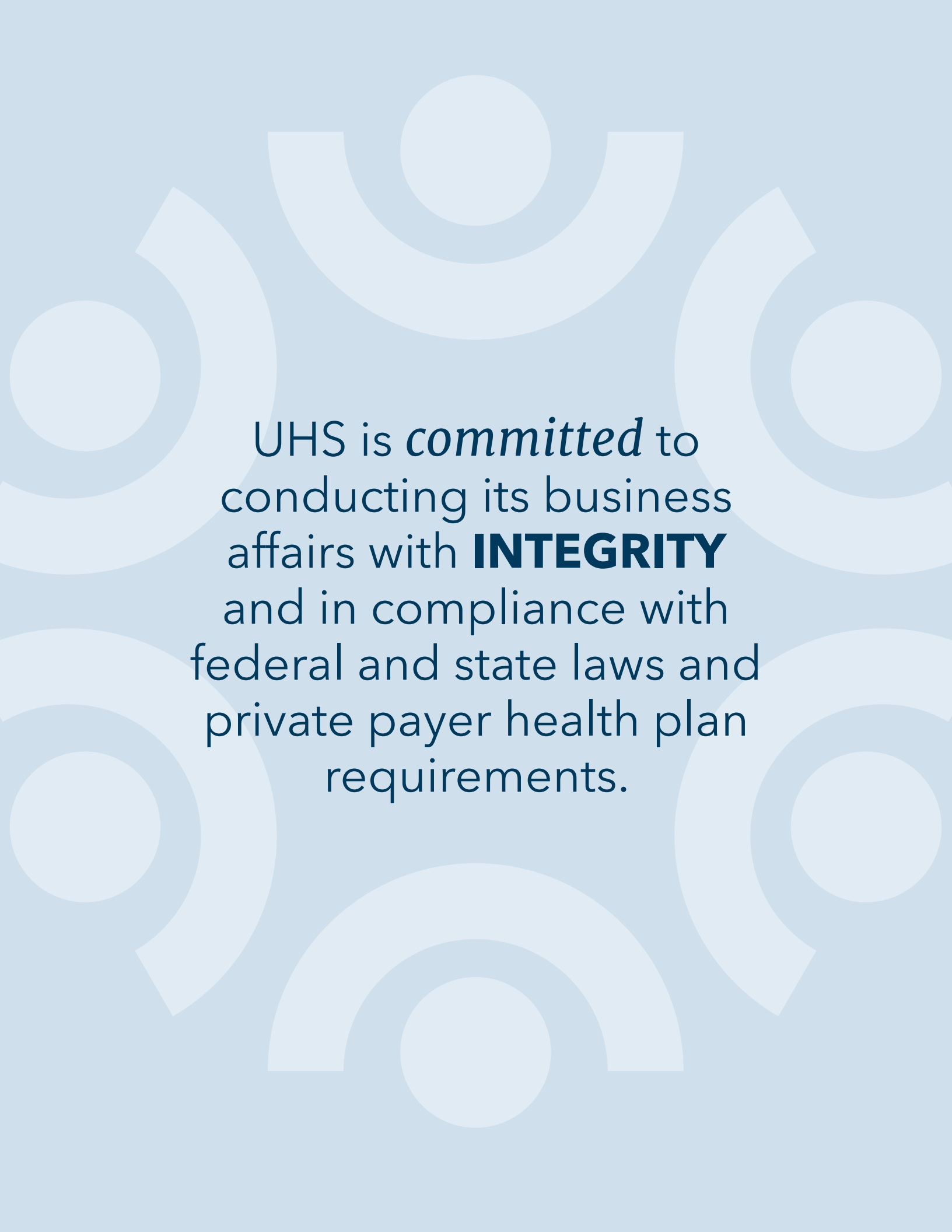


# *Compliance Program Manual*





UHS is *committed* to conducting its business affairs with **INTEGRITY** and in compliance with federal and state laws and private payer health plan requirements.

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# Preface

UHS<sup>1</sup> has implemented a Compliance Program to assure that its operations conform with the federal government's efforts to prevent fraud, waste, and abuse within the healthcare industry. UHS is committed to conducting its business affairs with integrity and in compliance with federal and state laws and private payer health plan requirements. Organizational policies on ethical and legal conduct are designed to prevent, detect, and resolve violations of the law. The *UHS Code of Conduct* and other related policies have been implemented to reflect these commitments.

This Compliance Program Manual ("Manual") describes how the UHS Compliance Program operates consistent with government guidance and recommendations. It outlines the elements of an effective compliance program and provides information to key stakeholders about the Compliance Program as a resource in their daily activities.

Although the term "employees" is used as the target audience throughout this Manual, the general principles of compliance are applicable to all volunteers, physicians, and individuals or organizations contracted to perform services on behalf of UHS. Adherence to these compliance standards is required for all individuals and entities associated or doing business with UHS. Certain government-sponsored payer programs require that all individuals or entities acting on behalf of UHS are held to the same level of ethical and compliant behavior as the organization. UHS expects those acting on behalf of its patients to act in a manner that upholds compliance with all laws and regulations governing the provision of high-quality healthcare services.<sup>2</sup>

For additional information on UHS' Compliance Program or requests for educational presentations related to compliance issues, please contact UHS' Vice President, Chief Compliance Officer. All suggestions for modifications or updates to this Manual should be submitted to the Vice President, Chief Compliance Officer.

1. UHS is a registered trademark of UHS of Delaware, Inc., the administrative services company for Universal Health Services, Inc. Universal Health Services, Inc. is a holding company and operates through its subsidiaries including UHS of Delaware, Inc. All healthcare and management operations are conducted by subsidiaries of Universal Health Services, Inc. Any reference to "UHS" or "UHS facilities" in this document relates to the healthcare or management operations of Universal Health Services' subsidiaries. Further, the terms "we," "us," "our" or "the company" in such context similarly refer to the operations of Universal Health Services' subsidiaries. Any employment referenced in this document is not with Universal Health Services, Inc. but solely with one of its subsidiaries.

2. Medicare Parts C&D require all contractors of Medicare providers (known as first-tier, downstream and related entities (FDR)) to adhere to the same compliance obligations as the entity for which they are providing services.



## I. Introduction

### A. OBJECTIVE OF THE COMPLIANCE PROGRAM

1. UHS' Compliance Program is designed to establish a culture within the organization that promotes prevention, detection, and resolution of instances of conduct that are inconsistent with its *Code of Conduct*, or which do not conform to federal and state laws and private payer health plan requirements.

### B. MISSION STATEMENT AND THE CODE OF CONDUCT

1. UHS' Mission Statement defines the organization's purpose and mission:

To provide superior quality healthcare services that:

- **PATIENTS** recommend to family and friends
- **PHYSICIANS** prefer for their patients
- **PURCHASERS** select for their clients
- **EMPLOYEES** are proud of
- **INVESTORS** seek for long-term returns

The *Code of Conduct* defines the approach UHS will take to carry out its mission. The *Code of Conduct* encompasses a wide range of compliance topics and related policies as a means of providing healthcare with integrity, honesty and accuracy. The *Code of Conduct* applies to all UHS subsidiaries, employees, affiliated physicians, volunteers, and contractors of UHS. All applicable personnel are personally responsible and accountable for their own conduct in complying with these standards.

2. The Mission Statement is the guiding philosophy which governs the conduct of all employees. In addition, the *Code of Conduct* and related policies are statements of action with which all must comply.
3. Employees may be affiliated with professional organizations which adopt their own ethical standards (e.g., nurses, accountants). Employees are expected to abide by the ethical standards adopted by their individual professional associations in addition to the *Code of Conduct* as such organizations are able to address ethical challenges specific to an individual's specialty, expertise and industry that cannot be comprehensively addressed by the *Code of Conduct* or this Manual.

### C. FOUNDATIONAL COMPLIANCE CONCEPTS

1. The concepts and issues described in this Manual assume an underlying commitment to foundational compliance principles. The following is a description of some of those principles:
  - a. **The Spirit and the Letter of the Law:** The "letter" of the law refers to the written word on the legal page which describes, in detail, the application of certain laws. The "spirit" of the law, as the name implies, is the spirit in which the law was written, or the intent of the law. It is not possible to write a law in such a way that it can accommodate for every instance in which that law might be violated. As such, employees are required to abide by both the spirit and the letter of the law.
  - b. **Avoid the Appearance:** One's actions may not be in violation of the law, but it may "appear" that they are in violation of the law. Employees are strongly encouraged to avoid even the appearance of violating the law. No matter how innocent in fact a particular act may be, if it is one that can lead others to believe that a violation may have occurred, an investigation, audit or other legal action may result. The Compliance Program is aimed at identifying processes or events throughout the organization that may even "appear" to be out of compliance with the law to resolve such instances and avoid unnecessary audits, investigations, or other legal action from government enforcement agencies.
  - c. **Conscious Avoidance:** Conscious avoidance is defined as a deliberate "closing of the eyes" and pretending not to know when someone may be violating a law. The Compliance Program's objective is to seek out instances of conduct that do not comply with applicable laws or regulations and resolve them, thereby reducing risk from government or other law enforcement agencies. If employees identify instances of conduct that may be in violation of the law, they should not "close their eyes" but rather should report such instances to their manager, Facility Compliance Officer, a representative of the Corporate Compliance Department or the Compliance Hotline.

- d. **Collective Knowledge:** Collective knowledge represents the total of an organization's knowledge of a process or event. Even though individual components of a process may not be in violation of a law or regulation, the collective actions of an organization (or lack thereof) could equate to a violation. Organizations sometimes compartmentalize knowledge, subdividing the elements of specific duties and operations into smaller components. The aggregate of these components constitutes the organization's collective knowledge of a particular operation. It is irrelevant whether employees administering one component of an operation know the specific activities of employees administering another aspect of the operation. Management personnel are strongly encouraged to examine the collective processes throughout their departments, and between departments, to ensure compliance with the law. The key is to identify means of improving system processes to promote compliance.
- e. **Reckless Disregard:** In an industry as complex as healthcare, human error represents a factor that contributes to violations of the law, albeit unintentionally. However, if an organization is conducting its business practices in such a way that due diligence is not taken to ensure that its operations and practices are in compliance with the law, it could be construed that the company is acting with reckless disregard. Reckless disregard, at its worst, could be interpreted as gross negligence. Staff education, training, audits, monitoring, and other proactive approaches to ensuring compliance with the law constitute appropriate efforts to conducting business with responsible due diligence. Without such programmatic functions in place, even unintentional errors found could place a company in a difficult position to prove that it has otherwise acted with conscious integrity.

## **D. DEFINITION OF A COMPLIANCE PROGRAM**

1. The Compliance Program is designed to promote organizational compliance with applicable legal requirements by deterring and detecting actual or alleged violations of laws and regulations or resolving such situations, if identified. The Compliance Program encompasses a wide array of possible legal and regulatory risk. While all risk to violating legal and regulatory requirements falls under the broader umbrella of the Compliance Program, specific focus will be placed on those areas of particular concern to government enforcement activity including topics with the greatest risk to government overpayments or which are associated with civil fines and penalties. It should be noted that matters of bioethics, including the ethical provision of care to patients or the handling of special ethical considerations, are addressed by the appropriate bioethics committees of the medical staff and are not addressed under the auspice of the Compliance Program. Such matters do not constitute a potential violation of law as much as appropriately addressing challenging medical-ethical matters.

2. To combat fraud, waste and abuse, the Department of Health and Human Services' (DHHS) Office of Inspector General (OIG) has issued several publications outlining how to implement voluntary compliance programs referred to as "compliance program guidance."<sup>3</sup>
3. Compliance Program Guidance publications<sup>4</sup> provide the foundation for the Compliance Program as presented in this Manual. It has been built upon the U.S. Sentencing Guidelines<sup>5</sup> seven elements of an effective compliance plan which include:
  - a. Written Standards of Conduct
  - b. Oversight Responsibilities including designation of a Compliance Officer and a Compliance Committee
  - c. Conducting Effective Education and Training
  - d. Developing Effective Lines of Communication
  - e. Enforcement of Standards
  - f. Auditing and Monitoring
  - g. Responding to Detected Offenses and Developing Corrective Action Initiatives

## **E. BENEFITS OF A COMPLIANCE PROGRAM**

1. In addition to fulfilling UHS' responsibility to promote the accurate submission of claims to government and private payers, numerous additional benefits may be gained by implementing an effective compliance program. Compliance programs make "good business sense" and help the organization fulfill its fundamental care-giving mission to patients and the community and assist in identifying weaknesses in internal controls and management. Other important benefits include the ability to:
  - a. concretely demonstrate to employees and the community UHS' strong commitment to the honest and responsible provision of healthcare services and corporate conduct in harmony with its values;
  - b. create a means of direct communication to the governing board about compliance risk and related issues;
  - c. provide a means of monitoring legal relations between the organization and other healthcare providers, including physicians;

3. *General Compliance Program Guidance*, Nov 2023, DHHS OIG.

4. <https://oig.hhs.gov/compliance/compliance-guidance/>

5. United States Sentencing Guidelines, §8.b



- d. provide a more accurate view of employee and contractor behavior relating to fraud, waste and abuse;
- e. identify and prevent criminal and unethical conduct;
- f. enhance the organization's ability to assess, identify and mitigate risk;
- g. improve the quality of patient care and the privacy and security of patient information;
- h. create a centralized source for distributing information on healthcare statutes, regulations and other program directives related to fraud, waste and abuse and other legal compliance issues;
- i. develop a methodology that encourages employees to report potential compliance issues or concerns;
- j. develop procedures that allow the prompt and thorough investigation of alleged misconduct by managers, employees, independent contractors, physicians, other healthcare professionals, volunteers and consultants;
- k. initiate immediate and appropriate corrective action; and
- l. minimize the loss to the government from false claims, through early detection and reporting, thereby reducing the organization's exposure to civil damages, penalties, criminal sanctions, and other administrative remedies such as debarment or exclusion from government payer programs.





## II. Program Structure & Function

### A. WRITTEN STANDARDS OF CONDUCT

1. To be effective, the Compliance Program and *Code of Conduct* must be communicated to all employees and other key individuals. The Facility Compliance Officer and Facility Compliance Committee is primarily responsible for establishing procedures to ensure that every employee, medical staff member, volunteer and contracted entity is familiar with and abides by the Compliance Program and applicable policies.
2. Written standards of conduct and associated policies and procedures exist to provide guidance and direction on how to comply with certain laws or the way operations are arranged to promote compliance across the organization. An explanation of the organization's ethical approach to fulfilling its Mission, along with associated compliance areas, is also available through the *Code of Conduct*.
3. Compliance policies are created to address specific compliance risk areas of concern to the government to promote awareness of these requirements to those who perform the underlying actions pursuant to these functions.
4. Compliance policies are readily available and accessible to all employees via the organization's various Intranet sites and policy systems to ensure access to the organization's policies on compliance topics or risks.
5. Compliance policies and procedures will be understandable to those for whom they are written and updated routinely as the underlying laws, regulations and guidance changes over time.

## **B. OVERSIGHT RESPONSIBILITIES**

1. Governing Board – Quality & Compliance Committee of the Board
  - a. The Quality & Compliance Committee of the Board is charged with ultimate oversight of compliance at UHS. The Governing Board has appointed a Chairperson of the Quality & Compliance Committee who oversees the activity of the Committee. The Quality & Compliance Committee meets routinely through the year and receives status reports from the Vice President, Chief Compliance Officer as to the progress, activity, and effectiveness of the Compliance Program.
2. Chief Compliance Officer
  - a. UHS has designated a Vice President, Chief Compliance Officer to oversee and monitor the implementation of the Compliance Program across the organization. The Vice President, Chief Compliance Officer reports directly to the Chief Executive Officer of UHS. All compliance personnel within the structure of the Compliance Program report directly or indirectly to the Chief Compliance Officer. The Chief Compliance Officer establishes the strategy and coordinates the implementation of all aspects of the Compliance Program.
  - b. The Chief Compliance Officer makes a report to the Quality & Compliance Committee at their regularly scheduled meetings or more frequently as deemed appropriate based on the nature and severity of current compliance-related issues or trends.
  - c. A more complete description of the role of the Chief Compliance Officer can be found on the Compliance Connection intranet site.<sup>6</sup>
3. Corporate Compliance Department
  - a. The Corporate Compliance Department assists with the overall implementation of the Compliance Program at UHS. This department may be comprised of numerous roles including Division Compliance Officers,<sup>7</sup> Regional Compliance Officers, directors, managers, analysts, auditors, coordinators, or other support staff to ensure the appropriate operation of UHS' Compliance Program.
4. UHS Compliance Committee
  - a. The UHS Compliance Committee serves as the highest management level authority on implementing the Compliance Program. The Vice President, Chief Compliance Officer chairs the UHS Compliance Committee. The Compliance

6. Policy and procedure Compliance 2.0 – Chief Compliance & Privacy Officer

7. Policy and procedure Compliance 4.0 – Division Compliance Officers

Committee is comprised of relevant leaders of both operational and supporting departments. All other committees, formal or ad hoc, designated specifically to support compliance across the organization serve under the direction of the UHS Compliance Committee. A more complete description of the operation of the UHS Compliance Committee can be found on the Compliance Connection intranet site.<sup>8</sup>

5. Facility Compliance Officers

- a. Each hospital, facility or operating division of UHS is assigned a Facility Compliance Officer (or "FCO"). The FCO is responsible for implementing all aspects of the UHS Compliance Program within their hospital, facility or operating division under the guidance of Corporate Compliance.
- b. FCOs may hold other roles in addition to the role of FCO. A more complete description of the role of the FCO can be found on the Compliance Connection internet site.<sup>9</sup>

6. Facility Compliance Committee

- a. Each hospital, facility or operating division of UHS has a Compliance Committee. The Facility Compliance Officer (or "FCO") serves as the chair of the facility's Compliance Committee.
- b. A more complete description of the role of the Facility Compliance Committee can be found on the Compliance Connection internet site.<sup>10</sup>

## C. EDUCATION AND TRAINING

1. **Code of Conduct:** To be effective, the Compliance Program and *Code of Conduct* must be communicated to all employees. The Chief Compliance Officer and UHS Compliance Committee are responsible for establishing procedures to ensure that all employees are familiar with and abide by the Compliance Program. Training and education programs are systematic and ongoing to enhance and maintain the awareness of Compliance Program policies among existing and new staff. To ensure visibility, awareness, and access by internal and external parties, the *Code of Conduct* is available on UHS' Intranet site and on the organization's main Internet page. Employees electronically "attest" to having received, reviewed, and agreed to comply with the *Code of Conduct* through annual training and new employee orientation.
2. **Annual Training:** The Compliance Program will be reviewed with all employees through annual compliance training which may include such topics as the structure

8. Policy and procedure Compliance 3.0 - Compliance Committee

9. Policy and procedure Compliance 5.0 - Facility Compliance Officers

10. Policy and procedure Compliance 3.1 - Facility Compliance Committee

of the Compliance Program, including use of the Compliance Hotline; privacy and security of patient information; fraud, waste, and abuse; proper billing and coding; physician arrangements; conflicts of interest; etc. In addition, supplemental materials dealing with subjects such as compliance with fraud, waste, and abuse may be distributed to those employees with specific responsibilities in areas that pose the greatest risk to the organization. Adherence to policies and procedures, including the *Code of Conduct*, is a factor in job performance and the employee evaluation process.

3. **New Hires, Appointments and Contractors:** Each new employee, medical staff member, volunteer and contractor will receive a copy of the *Code of Conduct*. All new employees to UHS are introduced to the Compliance Program as part of the New Employee Orientation process. Attendance and participation in ongoing training programs is a condition of continued employment and failure to comply with training requirements may result in disciplinary action. The *Code of Conduct* will be distributed to newly appointed medical staff members at the time of appointment. Adherence to the Compliance Program will be included in all contract language and this Compliance Program Manual will be made available to all contractors and vendors. Newly hired employees will be required to complete a group of online computer-based learning modules within 30 days of hire. This training includes compliance training modules necessary for their initial hire at UHS.
4. **Education and Training Oversight:** The Chief Compliance Officer and UHS Compliance Committee are responsible for ensuring the proper content, distribution and documentation of attendance by all employees at training and education programs.
5. **Retention of Education and Training Records:** Training and education programs are applicable to physicians, employees, volunteers, and contractors who provide services to the organization. Training conducted in an online environment will be retained within those systems including certificates of completion and results of exams. For in-person training, management will maintain sign-in sheets to ensure that employees have completed the required training. Training offerings may include either pre, post or embedded quizzes or exams to test participants' knowledge and learning of the material presented.
6. **Specialized Training:** Departments with potential high risk for compliance issues may be given special training in addition to the annual training. The department manager of each department identified as high risk will work with the Chief Compliance Officer, or a member of the Corporate Compliance Department to determine the most appropriate format and depth of training based on existing needs and risks identified by government enforcement agencies.
7. **Compliance Program Manual:** This Compliance Program Manual is a document to be used as a reference for employees for specific details related to the Compliance

Program. This Manual provides a description of the Compliance Program, how it is structured, who oversees its operation, educational training requirements, auditing and monitoring activities and how occurrences of non-compliance are to be reported. This Manual is available through the Corporate Compliance Department's Intranet site.

## **D. EFFECTIVE LINES OF COMMUNICATION**

1. **Asking Questions and Reporting Concerns:** UHS is committed to the belief that all employees are responsible for reporting to their manager any activity they believe is inconsistent with the Compliance Program, the *Code of Conduct*, UHS policy or any legal or regulatory requirement.<sup>11</sup> Any question or concern should be reported to an employee's manager, their Facility Compliance Officer or Corporate Compliance. If the employee's manager does not resolve the issue or if the employee feels uncomfortable bringing issues forward to management, for any reason, the employee is encouraged to report concerns to their Facility Compliance Officer who will treat all concerns as confidential to the extent allowable by law.
2. **UHS' Compliance Hotline:** Another method for asking questions or reporting concerns is the UHS Compliance Hotline operated by a third-party hotline service which has been retained to receive reports regarding compliance concerns.<sup>12</sup> There are two ways in which an individual (the "reporter") can ask questions or express concerns through the Compliance Hotline - through a web intake form or by telephone.
  - a. The Compliance Hotline is facilitated by a third-party hotline company. The Compliance Hotline is not staffed by UHS employees. Reporters can have the confidence in knowing their voice will not be recognized by someone within UHS if they otherwise would like to remain anonymous.
  - b. The Compliance Hotline service is available 24 hours a day, 7 days a week, 365 days a year.
  - c. The Compliance Hotline toll-free telephone number is **800-852-3449**. The Compliance Hotline website can be accessed at **[uhs.alertline.com](https://uhs.alertline.com)**.
  - d. All submissions made to the Compliance Hotline are kept confidential to the extent allowable by law. Reporters may make an anonymous report by communicating a question or concern without leaving their name or other identifying information.

11. Policy and procedure Compliance 7.0 - Reporting Unethical or Illegal Conduct

12. Policy and procedure Compliance 8.0 - Compliance Hotline Program

- e. It may not always be possible to guarantee the confidentiality of a reporter's identity while investigating a concern based on the facts provided or the report given whether they make a confidential or anonymous call. Compliance representatives will strive to focus on addressing and resolving the issue being reported and not identifying the person reporting the issue.
  - f. Once a report is made on the Compliance Hotline service, the reporter is given a unique report identification number (called a "Report Key") which they will be informed can be used to place a return call with the Compliance Hotline service to obtain an answer to their question or a status or resolution of their concern.
  - g. Posters providing information about how to access and use the Compliance Hotline are posted in employee commons areas throughout the organization. Information about the Compliance Hotline can also be found on the Compliance Connection Intranet web site. Instructions for obtaining additional copies of the Compliance Hotline poster can be found on the Compliance Connections website.
3. **Other Avenues for Asking Questions and Reporting Concerns:** Communication of compliance questions or concerns may also be made directly to the Corporate Compliance Department through several avenues including the following:
- a. The Compliance Hotline (Toll-Free Number): **800-852-3449**
  - b. The Compliance Hotline (Internet intake form): **www.uhs.alertline.com**
  - c. The Regional or Division Compliance Officer or UHS' Vice President, Chief Compliance Officer within the Corporate Compliance Department
  - d. Written communication addressed to:  
  
Chief Compliance Officer  
Corporate Compliance Department  
Universal Health Services  
367 South Gulph Road  
King of Prussia, PA 19406
4. Confidentiality and Anonymity
- a. **Anonymity:** Through the various reporting avenues available to employees, precautions will be taken to ensure the confidentiality of reported matters and the identity of the reporter. Employees are welcome to make an anonymous report to representatives of the Corporate Compliance Department. In the process of making a report, it is possible that the reporter's identity may otherwise be made known through the course of communicating the issues or investigating the concern. Corporate Compliance Department staff will make

every effort to keep an individual's identity confidential when reporting concerns. However, should the federal government or other legal entity or agent become involved in the investigation, there does come a point by law where the reporting individual's identity may need to be revealed. It is expected that this would be a rare situation and employees are encouraged to report all instances of conduct that may be in question.

- b. **Communicating to Anonymous Reporters:** Employees should be aware that questions or concerns made anonymously may limit the organization's ability to research, investigate or resolve a particular concern if insufficient information is given to follow-up on the question or issue. Additional information may be requested if such anonymous reports are made through the Compliance Hotline. In these cases, communication may be made by the Corporate Compliance Department back to the original reporter through the Compliance Hotline service requesting additional information. Those reporting concerns through the Compliance Hotline may contact the Compliance Hotline to submit additional information on a previously reported concern at any time while the case remains open. A reporter's personal information (e.g., name, email address) is not provided to the Corporate Compliance Department when a report is made anonymously through the Compliance Hotline service.

#### 5. Non-retaliation<sup>13</sup>

- a. UHS maintains a non-retaliation policy for individuals reporting compliance concerns. This means if employees make a "good faith" report pertaining to a compliance concern, they will not be punished for reporting the concern. A "good faith" report is one in which an employee reports activities that he or she truly believes have occurred and that potentially violate the *Code of Conduct* or any law, statute, regulation, rule, or other legal requirement. Individuals do not need to prove that a compliance violation has occurred to report a concern. Any concern, perceived in good faith, is worth reporting so the appropriate individuals can conduct a meaningful investigation.
- b. The non-retaliation policy does not protect an individual who has engaged in misconduct from disciplinary action. If the employee is involved in the wrongdoing that he or she is reporting, they may still be subject to disciplinary action. Additionally, the non-retaliation policy does not protect individuals who knowingly report false or malicious information. If an employee is found to have knowingly reported false or malicious information, they may be subject to disciplinary action.



## 6. Reporting Process

- a. All UHS employees are responsible for acting in accordance with the following principles and procedures:
  - i. UHS is committed to establishing a work environment for employees to seek and receive prompt guidance regarding any possible violations of the *Code of Conduct* or other law, statute, regulation, rule, or related policies.
  - ii. UHS will maintain policies to ensure open communications with employees. The Corporate Compliance Department will publish written and hotline methods of communicating violations. All communications will be handled on a timely basis with confidentiality to the extent feasible and legal. Furthermore, management personnel will have an "open door" policy to receive any employee report on possible violations.
  - iii. Employees are encouraged to consult with their manager on possible violations of the *Code of Conduct* and related policies. Management should respond to questions and/or refer the possible violation to the appropriate personnel or the Facility Compliance Officer.
  - iv. Any employee who receives an inquiry, subpoena, or other document regarding the organization's business, including notice of an audit, review, or more formal government investigation, whether at home or in the workplace, from any government agency, must follow UHS policy related to such contacts.
  - v. If an employee questions whether an action is legal or has difficulty interpreting a law, he or she should consult with his or her manager, the Corporate Compliance Department, or the Legal Department, as appropriate. Employees should report any actual or suspected violations of the *Code of Conduct* to their manager or their Facility Compliance Officer.
  - vi. The Corporate Compliance Department is responsible for the review, evaluation, and investigation of any reported violation, whether actual or alleged, and will consult the appropriate subject matter experts, as necessary.
- b. Employees are expected to cooperate with any investigation undertaken by the Corporate Compliance Department, internal or external legal counsel, contractors, and government enforcement agencies.
- c. The Corporate Compliance Department prepares routine monthly, quarterly, and annual reports identifying compliance work, accomplishments and identified proposed changes pursuant to reported matters.

7. If UHS is made aware of compliance concerns that impact third-party health plan operations, communication will be made to the health plan to make them aware and/or partner in resolving the concern, as applicable.

## **E. ENFORCEMENT OF STANDARDS**

1. Human Resources policies provide guidance for consistently applied and enforced discipline for non-compliant behavior. Furthermore, the policies provide for a fair and equitable basis for discipline. Corrective action taken regarding issues related to legal compliance will follow the established disciplinary process through the Human Resources Department.
2. UHS management will document the reasons for employee corrective action taken for violations of the *Code of Conduct*, applicable laws and regulations and related policies. Appropriate corrective action will be in accordance with Human Resources' policies. Adherence to organizational and business unit policies and procedures is a consideration in the job performance guidelines of each employee's evaluation process.
3. In accordance with the Compliance Program, the *Code of Conduct*, and related compliance policies, the factors to be considered in corrective action for compliance matters may include:
  - a. Nature and impact of the violation
  - b. Disciplinary action imposed for similar acts of willful or unintentional violations
  - c. Corporate Compliance Department investigations and reported conclusions of the violation
  - d. Adequacy of management's actions to guide and direct appropriate employee conduct
  - e. Retaliation against fellow employees for reporting the violation
  - f. Degree of cooperation in the investigation
  - g. Degree to which training and awareness was provided but not adhered to
4. Any violation of the Compliance Program or key compliance risks will subject a manager, employee, agent and/or contractor to corrective action which may include, without limitations, termination of employment, engagement or affiliation with UHS. Reports to law enforcement, applicable professional boards, or government agencies may also be required.

5. Any person in a supervisory or management role found permitting, aiding, ignoring, or covering up the actions of an employee engaged in behavior that is not consistent with the UHS' *Code of Conduct*, related legal and regulatory requirements or the *Code of Conduct* may also be subject to corrective action, up to termination of employment, engagement, or affiliation with UHS. Managers will also receive corrective action for failure to adequately instruct their employees or for failing to detect noncompliance with applicable policies and legal requirements, where reasonable diligence on the part of the manager would have led to the discovery of any problems or violations and given UHS the opportunity to correct them earlier.<sup>14</sup>

## **F. AUDITING AND MONITORING**

1. Auditing and monitoring activities are essential to proactively, concurrently, or retrospectively evaluate operational performance to ensure compliance with applicable legal or regulatory requirements. The Corporate Compliance Department will oversee auditing and monitoring activities for potential compliance risk.
2. Auditing and monitoring activities can address a variety of compliance risks, including billing and coding, fraud, waste and abuse, physician arrangements, anti-kickback laws, false claims, privacy of patient information, etc. Auditing is the retrospective review or analysis of a process or event while monitoring is the concurrent and/or ongoing review of a process over time using a consistent measuring standard. Both audits and monitors are used to assess whether the organization is achieving compliance with a particular risk area.
3. Audits will be conducted based on a pre-defined audit scope. All audit work papers will be retained by the Corporate Compliance Department and an audit report outlining the findings of the audit will be communicated to key management and other applicable process owners.
4. Audits may be conducted by members of the Corporate Compliance Department, or they may be performed by outside contractors under the guidance of the Corporate Compliance Department. Outside auditors are often used when subject matter expertise is required to appropriately audit a topic or where resources are not available within the Corporate Compliance Department. On occasion, Corporate Compliance will consult with legal counsel to determine if an audit needs to be conducted under attorney-client privilege to further protect the investigation.
5. Results of these auditing and monitoring efforts may be reported to the Quality & Compliance Committee of the Board, the UHS Compliance Committee, or Facility Compliance Committees.

14. Office of Inspector General, Compliance Program Guidance for Hospitals, Federal Register, Vol. 63 No. 35

6. The Corporate Compliance Department has implemented an ongoing exclusion/debarment screening program to actively screen all employees, physicians and third-party contractors, vendors and suppliers to ensure that UHS is not employing, affiliating with or otherwise conducting business with any individual or entity that is debarred or excluded from participating in Federal or State funded programs.<sup>15</sup>

## **G. RESPONDING TO CONCERNS AND DEVELOPING CORRECTIVE ACTIONS**

1. All reports of compliance concerns will be investigated by the Corporate Compliance Department as appropriate to the nature of the concern.<sup>16</sup> All investigations will be logged in a compliance database management system including information obtained in the research, outcome, or resolution of the concern. This information will also be held confidential by the Corporate Compliance Department. There may be instances where legal counsel is enlisted to oversee the investigation depending on the nature and severity of the events or processes involved.
2. When a compliance concern, or a risk for a possible compliance concern, is identified, corrective action will be taken to mitigate or eliminate the compliance risk from occurring or recurring. Appropriate actions may include development of policies and procedures, providing education or awareness training, applying coaching, counseling, or disciplinary action, improving processes, correcting errors, making refunds to government or private payers, etc.
3. For findings involving high-risk compliance concerns, the Corporate Compliance Department will work with management to develop a formal corrective action plan to address or correct the issue.<sup>17</sup> Formal corrective action plans are implemented for compliance concerns that may involve processes that span across multiple departments or that raise significant risk to the organization to warrant a more formal approach to addressing and resolving the issue. Corrective action plans will memorialize the risks identified, the corrective actions taken, the person(s) responsible for implementing the action(s) and an estimated date by which the action(s) will be completed. Corrective action plans will be retained in the compliance issues management tracking database for monitoring and future reference.
4. All information collected from compliance reports are kept with the Corporate Compliance Department to ensure confidentiality and are shared only with those who participate in the research and resolution of the issue.<sup>18</sup> Summary reports may

15. Policy and procedure Compliance 13.0 – Exclusion, Debarment and Sanction Screening

16. Policy and procedure Compliance 9.0 – Investigations

17. Policy and procedure Compliance 10.0 – Compliance Corrective Action

18. Policy and procedure Compliance 12.0 – Compliance Document Retention

be shared with management and governing board committees in routine meetings, but will not include personally identifiable information.

5. Where compliance risks identify an overpayment to a government payer, such overpayments, once identified, will be returned to the applicable government entity within 60 days of the date of discovery, per policy,<sup>19</sup> and as required by law.

## **H. COMPLIANCE RISK ASSESSMENT**

1. Each year, a comprehensive risk assessment is performed across the organization to evaluate current risks to compliance. The source of information from which the risk assessment is conducted may include any of the following factors:
  - a. Review of industry literature to determine focus areas or trends for compliance risks
  - b. Office of Inspector General Work Plan focus areas
  - c. Interviews with senior leaders or leaders in key high-risk areas
  - d. Analysis of previously reported compliance concerns
  - e. Interviews with industry experts on present and future risk trends in the industry
  - f. Feedback from management and governing board members through surveys or other feedback mechanisms
  - g. The outcome of recent audits conducted either internally or externally that address compliance risk
2. Based on the results of the risk assessment, a formal Compliance Work Plan will be created which will include, among other things, an auditing and monitoring program for the year.



## III. Comments and Questions

### A. OFFERING COMMENTS AND ASKING QUESTIONS

1. If individuals have comments or questions related to UHS' Compliance Program, they are encouraged to contact the Vice President, Chief Compliance Officer.
2. UHS reserves the right to add, delete or modify policies, practices and guidelines relative to the Compliance Program or the *Code of Conduct* at any time as laws and regulations change or as may be necessary to carry out the compliance needs of the organization. This Manual will be reviewed by the Compliance Committee at least annually to make any appropriate updates to Program development or regulatory changes.







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