

Union Health Compliance Plan

Table of Contents

| | |
|--|----|
| SECTION I. THE COMPLIANCE PROGRAM | 4 |
| BACKGROUND..... | 4 |
| STANDARDIZED COMPLIANCE POLICIES & PROCEDURES..... | 4 |
| STRUCTURE OF CORPORATE COMPLIANCE PROGRAM & OVERSIGHT AUTHORITY | 5 |
| ROLE OF LEGAL COUNSEL..... | 5 |
| ROLE OF BOARD AND MANAGEMENT COMPLIANCE COMMITTEES | 6 |
| CONTRACT MANAGEMENT..... | 6 |
| HUMAN RESOURCES..... | 7 |
| PERSONNEL POLICIES | 8 |
| TRAINING & EDUCATION | 8 |
| CONTINUING EDUCATION..... | 9 |
| MONITORING & PERIODIC AUDITING | 9 |
| COMPLIANCE WITH SETTLEMENT AND CORPORATE INTEGRITY AGREEMENTS..... | 10 |
| SECTION II. BILLING, FINANCIAL, AND REGULATORY | 10 |
| CODING & BILLING COMPLIANCE | 10 |
| ACCOUNTING FOR FINANCIAL TRANSACTIONS | 11 |
| REGULATORY ISSUES..... | 12 |
| REFERRALS & KICKBACKS | 12 |
| DEFICIT REDUCTION ACT OF 2005 MANDATORY FALSE CLAIMS EDUCATION REQUIREMENTS | 13 |
| FEDERAL FALSE CLAIMS ACT..... | 13 |
| FEDERAL QUI TAM “WHISTLEBLOWERS” ACTIONS & EMPLOYEE PROTECTIONS | 14 |
| FEDERAL STATUTORY & ADMINISTRATIVE REMEDIES | 14 |
| INDIANA STATE LAW FALSE CLAIMS PROVISIONS..... | 15 |
| STATE QUI TAM “WHISTLEBLOWERS” ACTIONS & EMPLOYEE PROTECTIONS | 16 |
| PROCEDURES FOR DETECTING FRAUD AND ABUSE..... | 16 |
| CONFLICTS OF INTEREST | 17 |
| SECTION III. HIPPA | 17 |
| HIPAA RULES & REGULATIONS | 17 |
| HIPAA BACKGROUND..... | 18 |
| HITECH | 18 |
| PRIVACY RULE..... | 18 |
| SECURITY RULE..... | 18 |
| ENFORCEMENT RULE..... | 19 |
| BREACH NOTIFICATION RULE | 19 |
| BUSINESS ASSOCIATES | 19 |
| PROTECTED HEALTH INFORMATION | 20 |
| USES & DISCLOSURES OF PHI..... | 20 |
| MINIMUM NECESSARY RULE | 20 |
| PRIVACY PRACTICE NOTICE..... | 21 |
| ADMINSTRATIVE REQUIREMENTS | 21 |

RECORDS RETENTION POLICY 22

SECTION IV. REPORTING AND DISCIPLINE 22

 REPORTING SYSTEMS..... 22

 COMPLIANCE LINE POLICY..... 23

 SELF-REPORTING VIOLATIONS 24

 THIRD PARTY IDENTIFIED VIOLATIONS 25

 INVESTIGATIONS AND CORRECTIVE ACTION 25

 DISCIPLINE 25

SECTION V. CODE OF CONDUCT 26

 UNION HEALTH CORPORATE COMPLIANCE PLAN HISTORY 34

SECTION I. THE COMPLIANCE PROGRAM

BACKGROUND

This Union Health Compliance Plan (“*Plan*”) documents essential aspects of the Compliance Program (“*Program*”), including but not limited to, those pertaining to the privacy of patient information. As part of its ongoing efforts to maintain an effective Program, this Plan is established by **UNION HEALTH SYSTEM, INC.** and its affiliates, including, but not limited to, **UNION HOSPITAL, INC.**, which may also operate under assumed names such as **UNION HOSPITAL TERRE HAUTE** and **UNION HOSPITAL CLINTON**, **UNION ASSOCIATED PHYSICIANS CLINIC, LLC**, which may also operate under the assumed name **UNION MEDICAL GROUP**, and the **CENTER FOR OCCUPATIONAL HEALTH, INC.** (collectively, “*Union Health*”), and approved by their respective boards of directors or managing members (collectively, the “*Boards*”). The purposes of the Program include implementing policies and procedures to prevent and detect violations of any law or regulation, whether civil or criminal, and to promote an organizational culture that encourages compliance with the law.

The requirements and guidance provided in this Plan apply to all Union Health workforce members, generally defined as providers, residents, employees (leased or contracted), volunteers, students, and all other such persons who act for or on the behalf of Union Health. This Program is intended to complement, not replace, other policies and applicable state and federal laws and regulations. **All internal records, reports, and audits created as part of the Program are deemed proprietary and confidential.**

The Program shall be designed and maintained to include the published guidance of the Health and Human Services Office of Inspector General for Compliance Programs (“*Guidance*”) that is relevant or applicable to Union Health, including the following:

- a. Compliance Program Guidance for Hospitals
(63 Fed. Reg. 8987; February 23, 1998)
- b. Supplemental Compliance Program Guidance for Hospitals
(70 Fed. Reg. 4858; January 31, 2005)

Furthermore, Union Health shall periodically review and audit the Program to confirm compliance with current Guidance.

STANDARDIZED COMPLIANCE POLICIES & PROCEDURES

Union Health has written policies and procedures to ensure that all employees have access to guidance and protocols that should be followed in performing their duties. This Plan documents the Program’s policies and procedures, as well as the procedures that the Corporate Compliance and the HIPAA Compliance & Privacy Officers (respectively, “*Compliance Officer*” and “*HIPAA Compliance Officer*” and collectively, “*Officers*”) will utilize to monitor various aspects of corporate compliance. This Plan will be communicated to all new and existing employees and medical staff members through training sessions related to the Program.

The Officers will review the corporate compliance policies and procedures at least annually to assure that they are current and address applicable law federal and state statutes, as well as third party regulations and requirements.

With respect to specific departmental policies and procedures, Union Health will periodically conduct reviews of each department's operations and will amend, when required, individual policy and procedure manuals to include aspects of compliance with the specific laws and regulations applicable to each risk area. In consultation with the leadership of applicable departments, the Officers are responsible for updating these policies and procedures.

STRUCTURE OF CORPORATE COMPLIANCE PROGRAM & OVERSIGHT AUTHORITY

The Boards have formally adopted this Plan and the Program by resolution. The Boards review and give final approval to any proposed changes or additions to the Program. The Boards have established a Board Corporate Compliance Committee ("**BCC**"). BCC is the Board committee designated to monitor and oversee activities and effectiveness of the Program.

Effective corporate compliance programs assign a high-level employee or employees to oversee and implement the Program. The Program provides the Officers a direct reporting line to the Chief Legal Officer. However, as necessary, the Officers have access to report to the President of Union Health and to Union Health's Boards of Directors by way of the Board's Compliance Committee.

Additionally, in recognition of the key responsibilities of various division managers to implement the Program, Union Health has established a Management Compliance Committee ("**MCC**"). The MCC is critical to consistent, successful Program implementation by monitoring and auditing the Program and communicating between the Corporate Compliance Department and the divisions and entities. To the extent feasible, each division or entity will have representation on the MCC.

The Compliance Officer is responsible for overseeing the compliance of practices and treatment methods with respect to relevant health care laws and regulations, while the HIPAA Compliance & Privacy Officer has a primary responsibility of overseeing the compliance of all HIPAA-related laws and regulations. The job descriptions of the Officers are located in the Human Resource Department and the Corporate Compliance Department.

ROLE OF LEGAL COUNSEL

The Officers may consult in-house and/or outside counsel as they deem necessary. While the Officers report to the Chief Legal Officer, they maintain independent authority to consult with Union Health's President and/or outside counsel to assure the integrity and efficacy of the Program. In the event an Officer is unavailable to perform his/her duties, the Chief Legal Officer, or in the alternative Corporate Counsel, shall be consulted.

ROLE OF BOARD AND MANAGEMENT COMPLIANCE COMMITTEES

The Boards are familiar with the Program and exercise oversight of Program effectiveness. The BCC monitors Program activity and effectiveness. In addition, the BCC may make recommendations and reports to the full Boards for action related to the Program. The BCC's responsibilities include, but are not limited to, review of training and education activities, review of allegations of non-compliant activity, and review of new initiatives being undertaken by regulatory authorities at Union Health. All decisions and actions taken by the BCC will be reported to the Boards on a regular basis (at least four (4) times per year).

In addition to monitoring the Program, the BCC reviews disciplinary action against policy violators. To ensure consistent application of disciplinary measures, the BCC will, as needed and appropriate, review the specific violation, reference historical disciplinary action for a similar offense, and evaluate the violator's work history. The Officers are responsible for documenting the facts pertaining to the violation and the corrective action taken.

The MCC is appointed by the President of Union Health. The MCC reviews the status of the Program, discusses issues and non-compliant activity, and recommends changes to the Program. The following is a summary of the roles of the MCC:

- Monitor the organization's compliance activities to ensure processes, policies and procedures exist to detect and mitigate noncompliance with federal and state laws and regulations and to deter any criminal activity;
- Recommend for approval to the Boards changes or updates of the Program and the Corporate Compliance Department's annual audit plan;
- Revise, review, and approve procedures for compliance policy and procedure distribution including the dissemination of regulatory updates;
- Review Program training activity to be certain that regular and continued training is undertaken for the Boards, management, and employees including monitoring of continuing education for Corporate Compliance matters;
- Review the results of monitoring and auditing activity regarding the Program's effectiveness including Compliance Line (as hereinafter described) activity;
- Serve as a committee to share information throughout Union Health and facilitate implementation of necessary changes to policies, controls or processes;
- Members of the committee will serve as representatives for their division, department, or entity; and
- Review such other matters as may be deemed appropriate by the Chief Legal Officer or Officers.

CONTRACT MANAGEMENT

Union Health requires its agents, consultants, vendors, and independent contractors to comply with this Plan and those persons or organizations must agree to abide by applicable Union Health policies and the Program.

All contracts, written agreements, letters of understanding, grants, leases or similar documents should be

reviewed for conformity with the compliance requirements of the Program before execution. Counsel is available to all members of management, should they believe that a legal opinion is required, prior to approving any contract. Subject to unique confidentiality requirements, contracts, written agreements, letters of understanding, grants or leases, and similar documents must be recorded in the master listing of contracts and agreements maintained by the Corporate Compliance Department.

The Compliance Officer will implement regular checks to ascertain whether contractors and/or vendors are among excluded entities listed on the Department of Health and Human Services Office of Inspector General's List of Excluded Individuals/Entities (<http://exclusions.oig.hhs.gov>) and the General Services Administration's List of Parties Excluded from Federal Procurement and Non-Procurement Programs (<http://www.sam.gov>).

HUMAN RESOURCES

Union Health maintains interview requirements and job descriptions for all levels of staff. Union Health also retains a copy of the application, resume and testing results, as applicable, for each applicant hired as established under the respective document retention policy for tracking applicants through the hiring process.

The Human Resources Department will use a standardized form for researching a candidate's background for criminal activity, including conviction of a crime or charges pending. Criminal history checks shall be done for all applicants offered employment. Criminal history checks also are initiated for internal candidates seeking promotion to a position of Director or higher. The employment status of the applicant, any current employee, or any current employee proposed for advancement who has been arrested, charged or convicted of a felony or a misdemeanor (excluding traffic infractions for which the maximum penalty is a money fine) will be referred to Chief Human Resources Officer or his/her designee. If deemed appropriate, in-house and/or outside legal counsel may be consulted.

Union Health will also maintain policies and procedures to assure that criminal background checks and sanction checks are conducted for volunteers, students, and non-employed individuals as necessary.

As part of Union Health's responsibility in conducting due diligence with regard to physician candidates, Union Health will research Medicare and Medicaid databases for any documented prior fraud and abuse offenses, including probationary status by any federal or state regulatory agency. All prior or pending malpractice claims will be documented and reviewed. Union Health will provide a standardized form and process for documenting applicants found to have violated a federal or state regulation. The Department of Health and Human Services Office of Inspector General's List of Excluded Individuals/ Entities and the General Services Administration's List of Parties Excluded from Federal Procurement and Non-Procurement Programs will be checked to ensure that any proposed employee, current employee or entity which Union Health proposes to enter into a contract with or has a contract with is not shown on these lists as an excluded party.

Union Health will ensure applicants for positions requiring credentials have proof of certification prior to their hiring or providing service to Union Health. Union Health will review the original certificate and maintain on file a copy of each employee's current certification. Each division is responsible for

implementing appropriate procedures to ensure that current certifications are maintained and updated.

Union Health maintains current job descriptions for each position. Each department shall, with coordination of the Human Resources Department, list the education, experience, and special requirements for each position within the department, as well as the title, reporting relationship, duties, and functions of each position. Department heads shall review job descriptions with the Human Resource Department, per the Accreditation Commission for Health Care (ACHC) and any other applicable accrediting organizations' standards, to ensure each job description is current. All job descriptions will include appropriate references to compliance with laws and regulations.

If compliance-related issues arise during Union Health's annual employee performance reviews, the Compliance Officer will be consulted. If privacy-related issues arise during Union Health's annual employee performance reviews, the HIPAA Compliance & Privacy Officer will be consulted. The Human Resources Department will work with the Officers to determine whether further action is necessary.

Union Health offers exit interviews in person or by electronic media to all employees upon their termination (voluntary or involuntary). Employees in the position of a manager or above will be contacted by the Human Resources Department and offered an exit interview. Among the purposes of the exit interview is inquiry about knowledge of any Program violations.

PERSONNEL POLICIES

Union Health has adopted and implemented a personnel policy handbook to govern the day-to-day operations of Union Health and to establish guidelines for the hiring, retention, evaluation, discipline, and discharge of employees. All personnel should familiarize themselves with the policies outlined in the respective handbook as they are updated or amended from time to time. Any violation of personnel policies should be reported to the Human Resources Department.

TRAINING & EDUCATION

Union Health will integrate the corporate compliance and privacy policies and procedures into the orientation program for all Union Health board members, employees, and medical staff members. Compliance and Privacy training will include laws and regulations, specific responsibilities of each department, methods to report violations, disciplinary measures for violations, and responses to third-party requests for information or interviews. This orientation will be supplemented by specific training for individual employee or medical staff responsibilities when applicable.

The Officers are responsible for monitoring, evaluating, and auditing the corporate compliance and privacy training program. The Officers will review educational videos and manuals to assure content accuracy, determine that attendance records are accurate, supervise timely completion of training, certify that employees have acknowledged completion of the training program and understanding of its content, and maintain written employee acknowledgement of completion of the training program and an understanding of its content and related documents, policies, and procedures. In addition, Union Health will retain a copy of any training material and a brief description of the subject matter of any education program.

CONTINUING EDUCATION

All employees will receive compliance and privacy training on an annual basis. As determined respectively by the Officers, the training will incorporate compliance and privacy issues pertinent to vocation and duties, including updates of regulatory information. Finance, Billing, Coding, Cost Reporting, Medical Records, and other departments' employees may be provided additional focused hours of training per year as determined appropriate.

The Officers are responsible for establishing a process for disseminating updates about changes in federal or state regulations or changes in Union Health's Program.

Directors and/or Managers are responsible for maintaining records related to continuing corporate compliance and privacy education.

MONITORING & PERIODIC AUDITING

Regular monitoring and auditing are incorporated in the Program to detect compliance violations and/or criminal conduct and to promptly identify, correct, or investigate actual or potential compliance issues.

The Compliance Auditor, or his/her designee (including third-party outside auditors), may conduct periodic audits and spot checks to ensure billing, claims processing and reimbursement procedures and practices adhere to federal and state laws and regulations. Any adjustments shall be verified and overpayments immediately remitted to the appropriate party. This shall also include periodic audits and spot checks to ensure that non-billing procedures and practices (such as patient care) adhere to federal and state laws and regulations. Monitoring procedures will be determined by the Compliance Officer, in cooperation with the Compliance Auditor, the department directors, and/or managers and implemented as part of Union Health's departmental policies and procedures. Records of all meetings must be maintained to document Program activity. The Compliance Officer has the authority at any time to request these records and to review them for completeness and content. For monitoring controls and audits that are conducted externally, or conducted independently by the Compliance Auditor, a record will be maintained of the work plan utilized, as well as a report of the findings based on the procedures and any necessary corrective action that will be taken by Union Health. The Compliance Auditor is responsible for retaining all such records.

The Compliance Auditor will conduct or arrange for various periodic audit procedures throughout the year. These audits will be conducted more frequently in areas that have potential billing compliance risks. For areas unrelated to billing or Program documentation, such as training and education, the audits will be conducted as necessary. In the absence of internal competence or capacity, the Compliance Auditor, in cooperation with the Compliance Officer as well as finance and legal representatives, will engage external auditors. All reports of audits shall be reviewed by the Compliance Auditor who shall act upon the results, including recommending and implementing corrective action, where required, and submission to the Board Committee for review.

COMPLIANCE WITH SETTLEMENT AND CORPORATE INTEGRITY AGREEMENTS

Union Health will comply with all settlement agreements entered into with any government representative and will implement policies and procedures to satisfy all reporting requirements under such settlement agreements. Annually, the Compliance Officer will review all previous settlement agreements and complete required reporting to the appropriate body.

SECTION II. BILLING, FINANCIAL, AND REGULATORY

The following sections of this Program discuss Union Health's policies and procedures related to specific coding, billing, financial, and other regulatory matters that are operational in nature. Related policies and procedures will be implemented by the individual departments throughout Union Health and will be monitored, under the Program, by the Compliance Officer.

CODING & BILLING COMPLIANCE

Union Health's coding and billing practices must comply with all federal and state laws, regulations, guidelines, policies, and third-party payers. Union Health develops and maintains policies and procedures that ensure both accurate coding and billing and submission of claims only for services that are actually provided and medically necessary and that any cost reports filed accurately reflect costs incurred for furnishing health care services. Furthermore, Union Health has policies and procedures to implement current and amended payment methodologies for particular services. Because coding and billing are areas governed by complex laws and regulations, this policy sets forth specific coding and billing procedures with which all coding and billing, reimbursement and claims processing personnel must comply.

- Designated coding and billing personnel will be required to attend a scheduled training session devoted to applicable issues including, by way of example, claims processing and submission, billing, coding and reimbursement matters;
- All reimbursement and coding and billing manuals and materials must be kept current and reflect current rules, regulations and practices;
- All policies and procedures are regularly reviewed in order to verify that all policies reflect any changes in coverage determination or payment alerts;
- Coding and billing, claims processing and reimbursement procedures and practices will be audited internally in conjunction with the Corporate Compliance Audit Plan under the direction of the Compliance Auditor. These internal audits shall consist of review of internal coding and billing, claims processing and reimbursement matters and confirm that policies are being administered appropriately. The Compliance Auditor, in cooperation with legal and finance representatives, as appropriate, will engage independent third parties to perform an external evaluation of coding or billing practices;
- Any coding and billing, reimbursement and claims processing personnel who identifies potential coding or billing or reimbursement discrepancies with respect to claims already submitted to government or private payers, is required to report those discrepancies immediately to his/ her supervisor or to the Compliance Auditor;
- Coding and billing, reimbursement and claims processing personnel shall report immediately

- to their supervisor any instruction received from payers, either verbally or in writing, which is inconsistent with current procedures. The supervisor shall bring such reports promptly to the attention of the Compliance Auditor, Compliance Officer and the MCC;
- All third-party agencies and contractors retained by Union Health to perform any coding and billing, claims processing, collection, and other tasks will be required to acknowledge their acceptance of and agree to conduct business in accordance with Union Health's corporate compliance policies and procedures;
 - Coding and billing, reimbursement and claims processing personnel may encounter additional uncertainties not outlined here. In such circumstances, coding or billing personnel should bring the issue to the attention of their supervisor, the MCC, the Compliance Auditor or call the Compliance Line.

ACCOUNTING FOR FINANCIAL TRANSACTIONS

Union Health has established and maintains a high standard of accuracy and completeness in its financial records. These records serve as the basis for managing the business, for measuring and fulfilling Union Health's obligations to patients, employees, suppliers, and others, and for compliance with tax and financial reporting requirements.

Union Health's policy is to comply with the recording requirements of applicable law and established financial standards and generally accepted accounting principles. In particular, Union Health's practices shall meet the following requirements:

- All employees, whether they are filling out a timecard, preparing a purchase requisition or are responsible for completion of budgets and financial statements, must follow the accounting, reporting and control procedures that established by Union Health;
- All items of income and all assets and liabilities are entered on the financial records of Union Health are accurately and adequately described as appropriate for legitimate business purposes and as required by law, and in accordance with general accepted accounting principles;
- All employees will hold all information confidential. Release of financial information will only be made after consideration of the interests of Union Health and with the express consent and authorization of the applicable entity's Chief Executive Officer and/or Chief Financial Officer.
- Reports submitted to third parties, including governmental authorities, will be accurate and complete. In addition, Union Health will make available to authorized agencies, the information necessary for such agencies to make appropriate determinations with respect to matters under their jurisdiction;
- Under no circumstances will records be falsified, back-dated, intentionally destroyed or otherwise tampered with for any reason. However, nothing is intended to prevent the purging of unnecessary documents consistent with Union Health's policy or the preservation of accurate records which support the reasons for certain actions that might subsequently be questioned;
- All employees will provide full access to the Compliance Officer, Compliance Auditor, and/or their respective designees, all records, supporting documents and files requested.

The standards and procedures outlined above do not cover every conceivable situation. However, they

provide a framework for defining appropriate standards of conduct. If there are specific questions, employees should contact their immediate supervisor, a MCC member, the Compliance Officer, the Compliance Auditor, or contact the Compliance Line.

REGULATORY ISSUES

Union Health provides health care services pursuant to appropriate federal, state and local certificates of need, licenses, permits and accreditation and is subject to numerous laws, rules and regulations, including access to treatment, consent to treatment, patient's rights, terminal care decision-making, medical staff membership and clinical privileges and Medicare and Medicaid regulations. Like other businesses, Union Health is subject to federal and state labor laws, discrimination laws, consumer protection laws, tax regulations and general and professional liability laws. Ensuring Union Health is conducting all of its business activities in accordance with these numerous applicable regulations, is the responsibility of the Compliance Officer.

Union Health delivers health care services while meeting an accelerated demand for data sharing in conjunction with adhering to federal, state, and local privacy laws, rules, and regulations, including the electronic transmission of data, use and disclosure notice, data safeguards, EMR access audits, privacy rights, medical records retention, continuity of care documents, consents, business associate agreements, breach responses and notifications, red flag rules, and HIPAA regulations. Monitoring the protection of Union Health's data, in accordance with applicable regulations is the responsibility of the HIPAA Compliance & Privacy Officer.

All employees should be familiar with the legal and regulatory requirements applicable to such employee's area of responsibility. Employees are not expected to become experts in every legal and regulatory requirement and whenever they have an issue raising possible legal or regulatory concerns, employees should consult with their supervisor or the Officers who have direct access to Chief Legal Officer or Corporate Counsel.

REFERRALS & KICKBACKS

There are a number of laws governing Medicare and Medicaid and other federal health programs. These laws prohibit the payment of remuneration in return for the referral of Medicare or Medicaid patients or to induce the purchase of goods or services to be paid for by Medicare or Medicaid.

The Federal Health Care Program Anti-Kickback Statute imposes criminal penalties on individuals and entities that knowingly and willfully solicit or receive remuneration in return for referring an individual to a person for the furnishing or arranging for any item or services or in return for purchasing, leasing, ordering or arranging for, or recommending purchasing, leasing, or ordering any good, facility, service, or item for which payment may be made in whole or in part under a Federal Health Care Program. The types of remuneration prohibited by this statute include, but are not limited to, kickbacks, bribes, and rebates.

The Federal Self-Referral Laws and Regulations and/or the Stark Laws and Regulations prohibit a physician from making a referral for the furnishing of designated health services for which payment may be made under the Medicare and Medicaid programs to an entity with whom the physician or physician's family

member has a financial relationship, unless the relationship or service qualifies under Stark Law statutory exception. The Stark Law prohibits any entity from billing the Medicare or Medicaid programs for items and services ordered by a physician who has a financial relationship with that entity if a statutory exception to such prohibition is not met or is not available.

Union Health has instituted certain policies and procedures to ensure that:

- No employee, physician, officer, agent or representative shall solicit, receive, and offer to pay, or pay remuneration of any kind (including rebates, kickbacks, or bribes) in exchange for referring or recommending the referral of any individual to another person, hospital or medical facility of Union Health for services or in return for the purchase of goods or services to be paid for by Medicare or Medicaid;
- No employee, physician, officer, agent or representative shall offer or grant any benefit to a referring physician or other referral source on the condition that such physician or referral source refer or agree to refer any patients to a person or medical facility;
- No physician shall make referrals for designated health services to entities in which the physician or physician's family member has a financial interest either through ownership or a compensation arrangement unless a statutory exception is met or is available;
- No physician, nor any member of Union Health, may bill for services rendered as a result of an illegal referral; and
- If an employee believes that an illegal arrangement has been or may be entered into involving Union Health and a referral source or a vendor of good or services, he/she shall discuss the situation with his/her immediate supervisor, a MCC member, or the Compliance Officer.

DEFICIT REDUCTION ACT OF 2005 MANDATORY FALSE CLAIMS EDUCATION REQUIREMENTS

The Compliance Officer will educate employees about the False Claims Act ("*FCA*"), administrative remedies for false claims, Indiana law addressing false claims, and Union Health's procedures for detecting and preventing fraud and abuse in accordance with the Deficit Reduction Act of 2005.

FEDERAL FALSE CLAIMS ACT

Union Health's participation in federally funded health care programs involves filing claims for reimbursement with the federal government or its designees. The FCA is established by Sections 3729 through 3733 (Title 31 of the United States Code) and applies to those claims.

The FCA provides, in part, any person who:

- (1) knowingly presents, or causes to be presented, to an officer or employee of the United States Government or a member of the Armed Forces of the United States a false or fraudulent claim for payment or approval;

- (2) knowingly makes, uses or causes to be made or used a false record or statement to get a false or fraudulent claim paid or approved by the Government;
- (3) conspires to defraud the Government by getting a false or fraudulent claim allowed or paid;
- (4) has possession, custody, or control of property or money used, or to be used, by the Government and, intending to defraud the Government or willfully to conceal the property, delivers, or causes to be delivered, less property than the amount for which the person receives a certificate or receipt;
- (5) is authorized to make or deliver a document certifying receipt of property used, or to be used, by the Government and, intending to defraud the Government, makes or delivers the receipt without completely knowing that the information on the receipt is true;
- (6) knowingly buys, or receives as a pledge of an obligation or debt, public property from an officer or employee of the Government, or a member of the Armed Forces, who lawfully may not sell or pledge the property; or
- (7) knowingly makes, uses, or causes to be made or used, a false record or statement to conceal, avoid, or decrease an obligation to pay or transmit money or property to the Government, is liable to the United States Government for a civil penalty of not less than \$5,000 and not more than \$10,000, plus three (3) times the amount of damages which the Government sustains because of the act of that person.

FEDERAL QUI TAM “WHISTLEBLOWERS” ACTIONS & EMPLOYEE PROTECTIONS

The FCA charges the Attorney General of the United States of America with investigating its violations and authorizes the Attorney General to bring civil actions against violators. The FCA also allows private persons referred to as “*Qui Tam Relators*” or “*Whistleblowers*” to bring actions for its violations and, if the actions are successful, awards them a share of any recovery. Employers may not discharge, suspend, threaten, harass, or otherwise discriminate against employees who do lawful acts in pursuit of a private civil action for violations of the FCA. Employees who are subject to unlawful discrimination are entitled to “*all relief necessary to make the employee whole,*” including “*reinstatement with the same seniority status such employee would have had but for the discrimination, [two] times the amount of back pay, interest on the back pay, and compensation for any special damages sustained as a result of the discrimination.*”

FEDERAL STATUTORY & ADMINISTRATIVE REMEDIES

In addition to the FCA provisions enforced in the courts by the Attorney General of the United States or private persons, federal authorities (executive departments, military departments, the United States Postal Service, and certain other establishments) may pursue civil penalties for the filing of false claims and the making of false statements by internal hearing. Section 3802 of Title 31 of the United States Code indicates that:

- (1) Any person who makes, presents, or submits, or causes to be made, presented, or submitted, a claim that the person knows or has reason to know –
 - A. is false, fictitious, or fraudulent;
 - B. includes or is supported by any written statement which asserts a material fact which is false, fictitious, or fraudulent;

- C. includes or is supported by any written statement that –
 - (i) omits a material fact;
 - (ii) is false, fictitious, or fraudulent as a result of such omission; and
 - (iii) is a statement in which the person making, presenting, or submitting such statement has a duty to include such material fact; or
 - D. is for payment for the provision of property or services which the person has not provided as claimed, shall be subject to, in addition to any other remedy that may be prescribed by law, a civil penalty of not more than \$5,000 for each such claim. Except as provided in paragraph (3) of this subsection, such person shall also be subject to an assessment, in lieu of damages sustained by the United States because of such claim of not more than twice the amount of such claim, or the portion of such claim, which is determined under this chapter to be in violation of the preceding sentence.
- (2) Any person who makes, presents, or submits, or causes to be made, presented, or submitted, a written statement that –
- A. the person knows or has reason to know –
 - (i) asserts a material fact which is false, fictitious, or fraudulent; or
 - (ii) omits a material fact; and
 - (iii) is false, fictitious, or fraudulent as a result of such omission;
 - B. in the case of a statement described in clause (ii) of subparagraph (A), is a statement in which the person making, presenting, or submitting such statement has a duty to include such material fact; and
 - C. contains or is accompanied by an express certification or affirmation of the truthfulness and accuracy of the contents of the statement, shall be subject to, in addition to any other remedy that may be prescribed by law, a civil penalty of not more than \$5,000 for each such statement. The Attorney General of the United States is responsible for collecting, by judicial process, assessed civil penalties. Collection may also be affected by the administrative offset.

INDIANA STATE LAW FALSE CLAIMS PROVISIONS

In addition to the prohibitions and penalties imposed by federal law, Indiana law forbids the submission of false claims and statements to the State (see I.C. §5-11-5 .5-1, et seq). Indiana’s false claims law provides that a person who knowingly or intentionally:

- (1) presents a false claim to the state for payment or approval;
- (2) makes or uses a false record or statement to obtain payment or approval of a false claim from the state;
- (3) with intent to defraud the state, delivers less money or property to the state than the amount recorded on the certificate or receipt the person receives from the state;
- (4) with intent to defraud the state, authorizes issuance of a receipt without knowing that the information on the receipt is true;
- (5) receives public property as a pledge of an obligation on a debt from an employee who is not lawfully authorized to sell or pledge the property;
- (6) makes or uses a false record or statement to avoid an obligation to pay or transmit property to the state;

- (7) conspires with another person to perform an act described in subdivisions (1) through (6); or
- (8) causes or induces another person to perform an act described in subdivisions (1) through (6); is expected as provided in subsection (c), liable to the state for a civil penalty of at least five thousand dollars (\$5,000) and for up to three (3) times the amount of damages sustained by the state. In addition, a person who violates this section is liable to the state for the costs of a civil action brought to recover a penalty or damages.

STATE QUI TAM “WHISTLEBLOWERS” ACTIONS & EMPLOYEE PROTECTIONS

Indiana law gives the Indiana Attorney General and Inspector General concurrent jurisdiction to investigate the false claims statement and outlines the condition under which each may bring a civil action under the false claims provisions. Indiana law also authorizes a private person “*Qui Tam Relator*” or “*Whistleblower*” to bring a civil action to enforce the false claims provisions (with certain limitation with respect to State employees; incarcerated offenders; actions against the State, its officers, judges, justices, and employees, members of the Indiana General Assembly, and employees of political subdivisions; acts already subject to civil suit, criminal prosecution, or administrative proceeding; and actions based on information contained in a transcript of a criminal, civil, or administrative hearing, any public report, hearing, audit, or investigation, or a news media report) and, if the action is successful, to share in any recovery. Finally, Indiana law provides that, if an employer discharges, demotes, suspends, threatens, harasses, or otherwise discriminates against an employee because the employee objected to an act or omission prohibited by the false claims law, or “initiated, testified, assisted, or participated in an investigation, an action, or a hearing under” the false claims law, the employee is entitled to all relief necessary to make the employee whole. Such relief may include “(1) reinstatement with the same seniority status the employee would have had but for the [discrimination]; (2) two (2) times the amount of back pay owed the employee; (3) interest on the back pay owed the employee; and (4) compensation for any special damages sustained as a result of the discrimination.”

PROCEDURES FOR DETECTING FRAUD & ABUSE

Union Health has implemented the Program to detect and prevent fraud and abuse and to provide reasonable assurance of compliance with all applicable laws, rules, and regulations. This Program includes:

- (1) the establishment of written policies and procedures;
- (2) the involvement of senior leadership in compliance activities;
- (3) the implementation of training programs to inform Union Health personnel of their responsibility to comply with laws, rules and regulations, including those prohibiting fraud and abuse;
- (4) the maintenance of a confidential telephone hotline which personnel can use to report fraud and abuse;
- (5) the establishment of a system of progressive discipline action;
- (6) the execution of an ongoing plan of auditing and monitoring to detect activity not in compliance with laws, rules and regulations, including those addressing fraud and abuse; and
- (7) the completion of background investigations to avoid hiring persons who have engaged in illegal or unethical behavior.

Detailed documentation of the Program, including a list of Union’s policies addressing specific compliance issues, is available from the Corporate Compliance Department or the Corporate Compliance page of the Union Health internal web page. Fraud & Abuse concerns should be directed to the Compliance Officer.

CONFLICTS OF INTEREST

Employees may not participate in any activities which conflict or appear to conflict with their responsibilities to Union Health. Employees may not receive any profit or gain as a result of their position with Union Health apart from the normal compensation/benefit programs.

Conflicts of interest are considered to exist in situations where employees’ actions or activities involve:

- Receiving improper personal gain or advantage by reason of an employee’s position with Union Health;
- An adverse effect upon the interest of Union Health;
- Granting to another person, entity or organization information or benefit that would disadvantage Union Health; and
- Any appearance from which a person or entity might conclude that any such conduct has occurred.

Employees may attend or participate in social or entertainment events with individuals who seek or have business arrangements with Union Health, so long as the value does not exceed \$100 or is otherwise approved in writing (email shall suffice) by the Compliance Officer. Furthermore, occasional meals for business purposes and non-cash gifts of nominal value may be accepted.

Any related issues to a conflict of interest shall be disclosed to the appropriate supervisor, MCC, the Compliance Officer, or the Compliance Line. This includes, but is not limited to, any duality of interest and any non-cash gift(s) from actual or potential vendors received in excess of \$100.

In no instance shall Union Health employees offer, give, or promise anything of value to any government official, primary contractor, subcontractor, or others for the purpose of improperly obtaining or receiving favorable treatment for themselves or Union Health.

SECTION III. HIPAA

HIPAA RULES & REGULATIONS

Union Health protects the confidentiality and integrity of protected health information (“*PHI*”) as required by the Health Insurance Portability and Accountability Act of 1996 Privacy Standards and Security Standards (“*HIPAA*”), the Health Information Technology for Economic and Clinical Health Act of 2009 (“*HITECH*”), and other applicable federal and state laws and regulations. The HIPAA Compliance & Privacy Officer is responsible for maintaining and monitoring the Privacy Program and ensuring that Union Health is up to date on the various aspects of compliance with privacy-related requirements.

HIPAA BACKGROUND

HIPAA was signed into law to improve the portability and continuity of health insurance coverage in the group and individual markets for employees between jobs. Other objectives were to combat waste, fraud, and abuse in health insurance and health care delivery, to promote the use of medical savings accounts by allowing tax breaks, to improve access to long-term care services and coverage for employees with pre-existing medical conditions, and to simplify the administration of health insurance. Once HIPAA was signed into law, HHS began creating the first HIPAA Privacy and Security Rules. The Privacy Rule became effective in April 2003. This rule clarifies how a covered entity can use or disclose PHI and when a patient's authorization should be obtained. The Security Rule became effective in April 2005. This rule manages electronic PHI ("ePHI") and the safeguards that must be implemented. These rules are further discussed in the sections below.

HITECH

HITECH was enacted as a part of the American Recovery and Reinvestment Act of 2009. This act was created to foster the adoption and meaningful use of health information technology, specifically the use of Electronic Health Records ("*EHR*"). EHRs assist in the advancement of healthcare by improving the efficiency and coordination of care and making it easier for health information to be shared among covered entities. Healthcare providers wanted to switch from paper to EHRs, but the cost of the transition was expensive. As a result, HITECH introduced the Meaningful Use Incentives to assist healthcare providers to transition to an electronic format.

PRIVACY RULE

The HIPAA Privacy Rule establishes national standards for the protection of certain health information. This rule assures that PHI is properly protected while allowing the flow of health information to provide and promote high quality health care and to protect the public's health and well-being. It is used to strike a balance that permits important uses of information while protecting the privacy of people who seek care and healing and to be flexible and comprehensive to cover a variety of uses and disclosures that need to be addressed.

The Privacy Rule applies to health plans, health care clearinghouses, and to any health care provider who electronically transmits health information in connection with standard transactions adopted under HIPAA. Every health care provider who meets this description is called a covered entity, and Union Health is a covered entity.

SECURITY RULE

The key elements of the Security Rule are who is covered, what information is protected, and what safeguards must be in place to protect the electronic health information. The Security Rule puts the protections contained within the Privacy Rule into action by concentrating on the technical and physical safeguards that Union Health must put into place to secure electronic PHI. The Rule designates a series of 3 safeguards for covered entities to use: Administrative, Physical, and Technical, and implemented in that order:

- The Administrative safeguard requires the establishment of policies and procedures on how to comply with the rule.
- The Physical safeguard sets controls on physical access to data storage, and protections against inappropriate access.
- The Technical safeguard places protections on the communications containing PHI when it is electronically transmitted (ePHI).

One of the Administrative Safeguards states that Union Health must designate a security official who is responsible for developing and implementing its security policies and procedures. The Security Officer, or her/his designee, will monitor the Security Program. The HIPAA Compliance & Privacy Officer and the Security Officer will monitor the applicable portions of the HITECH Act.

ENFORCEMENT RULE

The Enforcement Rule creation was the result of covered entities failure to comply with the Privacy and Security Rules. This rule gave HHS the power to investigate complaints for a failure to comply with the Privacy Rule and the ability to fine covered entities for breaches that could have been avoidable if the Security Rule safeguards were put into place. Under HHS, this rule gave the OCR the power to criminally charge habitual offenders who fail to take corrective actions within 30 days; it also allows individuals to take civil actions against covered entities who cause them “serious harm” by inappropriately disclosing their information.

BREACH NOTIFICATION RULE

The Breach Notification Rule required covered entities to notify the affected individual within 60 days of the discovery of the breach of unsecured PHI. The notifications would be sent via first class mail, include the nature of the breach, the PHI that was breached, the steps taken to address the breach, and actions the individual can take to reduce potential harm. Breaches of 500 or more records must be reported to HHS within 60 days of the discovery, and breaches of less than 500 records must be reported to HHS by the end of the calendar year in which the breach occurred. In the event of 500 or more records affected, the covered entity must notify a media outlet who services the state or jurisdiction in which the breach occurred. This rule also requires a business associate to notify the covered entity of a breach or HIPAA violation so the covered entity can investigate and respond in the appropriate manner.

BUSINESS ASSOCIATES

A business associate is a person or organization that performs certain functions or undertakings on behalf of, or provides certain services to, Union Health that involves the use or disclosure of PHI. To be a business associate their functions or services must involve the use or disclosure of PHI, or where incidental access to PHI could occur. Union Health could also have another covered entity as a business associate.

The Rule requires Union Health enter into a business associate agreement when services or activities are to be performed by a business associate on behalf of Union Health. This agreement must include certain protections for the information in a business associate agreement. Union Health must impose detailed written safeguards on the PHI used or disclosed by its business associates. Moreover, Union Health cannot

contractually authorize its business associate to make any use or disclosure of PHI that would violate the Privacy Rule.

PROTECTED HEALTH INFORMATION

The Privacy Rule protects all PHI. More specifically, the rule's protections extend to all "individually identifiable health information" maintained or transmitted by Union Health or its business associate, in any form or media. This type of information includes demographic data, that relates to the individual's past, present or future physical or mental health or condition, the provision of health care to the individual, or the past, present, or future payment for the provision of health care to the individual, and that identifies the individual or for which there is a reasonable basis to believe can be used to identify the individual. Individually identifiable health information includes many common identifiers (e.g., name, address, birth date, Social Security Number).

USES & DISCLOSURES OF PHI

Union Health is permitted to use and disclose PHI without an individual's authorization under the following purposes or situations:

1. To the individual;
2. Treatment, payment, or health care operations;
3. Uses and disclosures with opportunity to agree or object;
4. Incidental use and disclosure;
5. Limited data sets; and
6. Public interest and benefit activities:
 - Required by law
 - Public health activities
 - Victims of abuse, neglect, or domestic violence
 - Health oversight activities
 - Judicial and administrative proceeding
 - Law enforcement purposes
 - Decedents
 - Cadaveric organ, eye, or tissue donation
 - Research
 - Serious threat to health or safety
 - Essential government functions
 - Workers' compensation

Union Health must obtain an individual's written authorization prior to any use or disclosure of PHI that is not for treatment, payment, or health care operations, psychotherapy notes, marketing purposes outside of the face-to-face communications between Union Health and the individual, or otherwise permitted by the Privacy Rule. This authorization must be in plain language, designate the information to be used or disclosed, the names of the individuals who are disclosing and receiving the information, contain an expiration date, contain the language on the right to revoke the authorization in writing, and other data.

MINIMUM NECESSARY RULE

Union Health must take reasonable efforts to use, disclose, and request the minimum amount of PHI needed

to accomplish the intended purpose of the use, disclosure, or request. Policies and procedures must be implemented to limit the uses and disclosures to the minimum necessary. The minimum necessary rule does not apply in the use or disclosure to a health care provider during treatment, to the individual who is the subject of the PHI, pursuant to an authorization, to HHS during an investigation or review, or enforcement, required by law, or in compliance with the HIPAA Transaction Rule or HIPAA Administrative Simplification Rule.

PRIVACY PRACTICE NOTICE

Union Health must provide a notice of its privacy practices. This notice must describe how Union Health may use and disclose PHI. This notice must state Union Health's duties to protect privacy, provide a notice of privacy practices, and that it will abide by the terms of this notice. This notice must describe individual's rights, including the right to complain to HHS and Union Health if they feel their rights have been violated. This notice will include HHS and Union Health's contact information in the event a complaint needs filed. The Rule gives specific distribution requirements such as it will be provided at the individual's first encounter at Union Health, posted in a clear and prominent place where individuals will be able to read the notice, available on the Union Health website, and as soon as practicable after emergency situations. A reasonable effort to obtain a signed acknowledgement from individuals in receipt of the notice must be made.

The Privacy Rule gives individuals the following rights that are explained on the notice of privacy practices:

- Access – right to review and obtain a copy of their PHI in Union Health's designated record set.
- Amendment – right to request Union Health amend their PHI in a designated record set when the information is inaccurate or incomplete.
- Disclosure Accounting – right to receive an accounting of the disclosures of their PHI by Union Health or a business associate. Certain disclosures do not have to be accounted for.
- Restriction Request – right to request Union Health restrict the use or disclosure of PHI for treatment, payment, or healthcare operations, to a person(s) involved in the individual's health care or payment of health care, or to family members or others about the individual's general condition, location, or death.
- Confidential Communications Requirements – right to request an alternative means or location for receiving communications of PHI by means other than those that Union Health typically employs.

ADMINISTRATIVE REQUIREMENTS

Union Health must implement and maintain written privacy policies and procedures that meet the Privacy Rule requirements. You can find the privacy policies in the policy and procedure manual that includes some of the following policies:

- Privacy Violation Investigations and Disciplinary Actions Policy
- Notice of Privacy Practice Policy
- Identity Theft Prevention and Detection (Red Flags) Policy
- PHI Policy
- PHI Breach Notification Requirements Policy

- Access Audit Policy

Union Health must designate a HIPAA Compliance & Privacy Officer who will be responsible for developing and implementing privacy policies and procedures, receiving complaints, and providing information on Union Health's privacy practices.

Union Health must train all workforce members on its privacy policies and procedures, as necessary and appropriate to carry out their responsibilities. Appropriate sanctions must be applied to those who violate the Privacy Rule.

Union Health must mitigate, to the extent practicable, any harmful effect it becomes aware of due to the use or disclosure of PHI by its workforce or business association in violation of the Privacy Rule.

Union Health must maintain reasonable and appropriate technical and physical safeguards to prevent intentional or unintentional uses or disclosures of PHI in violation of the Privacy Rule, and to limit the incidental uses and disclosures pursuant to permitted uses and disclosures.

Union Health must have procedures in place when individuals file a complaint with its compliance with the Privacy Rule.

Union Health will not retaliate against a person for exercising their rights provided by the Privacy Rule, for assisting in an investigation, or for opposing an act that the person believes in good faith, violates the Privacy Rule.

Union Health must maintain its privacy policies and procedures, notice of privacy practices, dispositions of complaints, any other actions, or designations that the Privacy Rule requires to be documented for six (6) years after the later date of creation or last effective date.

RECORDS RETENTION POLICY

The HIPAA Compliance & Privacy Officer will establish and monitor a records retention policy that complies with federal and state requirements. The HIPAA Compliance & Privacy Officer will segregate records documenting Union Health's compliance related obligations. In addition, the HIPAA Compliance & Privacy Officer will retain records substantially affecting obligations of Union Health, determine consistent standards for destruction of records to address any allegations of intentional document destruction, monitor and enforce preservation of documents as required in litigation, institute policies for magnetic or electronic record storage, and to enforce policies for ensuring confidentiality of both personnel and patient records.

SECTION IV. REPORTING, INVESTIGATIONS, AND DISCIPLINE

REPORTING SYSTEMS

The Compliance Officer will oversee internal policies and procedures for employee reports of compliance violations to supervisors or others. Procedures shall be established to ensure alleged violations are reported

to the appropriate MCC member and/or to the Compliance Officer. The steps for documenting, investigating, determining resolution, and keeping confidential an alleged compliance violation is the same whether reporting via the Compliance Line or other means.

The HIPAA Compliance & Privacy Officer will oversee internal policies and procedures for reports of privacy violations to supervisors or others. The steps for documenting, investigating, mitigating risk, enforcing sanctions, and keeping confidentiality is the same whether reporting via the Compliance Line or other means.

If you think someone has violated one of Union Health's policies and procedures, you are required to promptly report it immediately to your supervisor, via the Compliance Line Policy described below, or directly to:

Compliance Department
(812) 238-7533
Professional Office Building
4th Floor

Corporate Compliance Officer
(812) 238-7533
compliance@uhhg.org
(Health Laws, Fraud and Abuse)

HIPAA Compliance & Privacy Officer
Candie Cuffle
(812)-478-4188
caallen@uhhg.org
*(HIPAA, Patient or Employee Privacy, and
Information Security)*

Employees making reports, in person, in writing, or on the Compliance Line will be protected from any retaliation. It is your right to report issues directly to the applicable governmental departments, including:

United States Attorney for the Southern District of Indiana
10 West Market Street, Suite 2100
Indianapolis, IN 46204

Office of the Indiana Attorney General
Indiana Government Center South
302 W. Washington St., 5th Floor
Indianapolis, IN 46204

Office of the Indiana Inspector General
315 West Ohio Street, Room 104
Indianapolis, IN 46202

COMPLIANCE LINE POLICY

1-800-549-4623

Or

www.lighthouse-services.com/uhhg

Union Health has a reporting system known as the “*Compliance Line*” that has been publicized to Union Health’s employees and agents. The Officers will communicate to employees and agents about the Compliance Line at least annually. The Officers are responsible for monitoring the Compliance Line. The Compliance Line is available 24-hours a day for employees and agents to report violations and/or seek guidance pertaining to Union Health’s compliance policies and procedures or other issues which they wish to bring to management’s attention.

1. For calls to the toll-free number, each call shall be answered by a trained operator who will document the nature of the violation, division or department where the violation occurred, and the date and time the violation occurred and was reported. The operator will assign a case number to each call as a method to track the reported violation and as a reference for the caller to update the report. The operator shall not make promises regarding liability or in what manner Union Health will respond to a specific reported violation.
2. For online reports to the Compliance Line, the system will guide the online user through questions about the nature of the violation, division or department where the violation occurred, and the date and time the violation occurred and was reported. If the report-maker wishes for the Corporate Compliance Department to contact him/her directly, the submitter may provide his/her name and other contact information. If the submitter chooses to remain anonymous, he/she may return to the website to retrieve any follow-up response provided by the Corporate Compliance Department in addition to providing additional information. Although the report-maker may elect to remain anonymous, his/her identity may become known during an investigation of the information submitted.

The Officers will publicize the Compliance Line via, posters, a mailer, the employee handbook and/or a training class or on-line module. The Officers will communicate why employees and agents must report violations, what the components of the reporting system are, what will become of the information employees and agents report, and what punishment employees and agents will face for not reporting violations. The Officers will also advise employees and agents of Union Health that violations may be reported without fear of retribution, retaliation, or discrimination.

Policies and procedures shall be in place to ensure reasonable privacy, given that complete confidentiality cannot be guaranteed in cases requiring investigation, discipline or self-disclosure.

SELF-REPORTING VIOLATIONS

The Compliance Officer will ensure policies provide guidance with respect to issues or events that require self-disclosure to a governmental or regulatory body or other similar third party, as well as policies for educating and training employees after any violation is identified and reported. The Compliance Officer will report such occurrences to the Chief Legal Officer and BCC. The BCC may recommend to the full Board situations that require notification to the appropriate third party, steps to follow for contacting any such party and identifying those responsible for contacting such parties.

THIRD PARTY IDENTIFIED VIOLATIONS

The Compliance Officer will ensure written policies or procedures are established to provide guidance when responding to any contact from a local, state, or federal law enforcement or regulatory agency with respect to investigations of alleged compliance violations. Based on the content of the communication, these policies shall include steps to be followed in cases of a third-party questioning employees, submitting a subpoena, or seizing documents. The Compliance Officer is responsible for reviewing the merits of an accusation and for establishing a course of action with assistance from the legal counsel. The Compliance Officer will report such instances as deemed appropriate to the BCC who may require additional action with respect to any alleged or actual violation of federal or state law or regulation.

INVESTIGATIONS AND CORRECTIVE ACTION

The Officers are respectively responsible for investigating reported incidents of non-compliance and will manage such investigations as set forth in the “*Internal Investigation Policy*.” Union Health’s Chief Legal Officer will be notified, of incidents that may reasonably result in a non-compliance allegation and/or legal action. The Officers may employ additional personnel or consultants for assistance if necessary.

The Officers will design procedures to ensure that the investigation, follow-up, and corrective action of the reported violation maximizes Union Health’s duty to maintain confidentiality. All records related to reported violations will be preserved to ensure maximum protection for Union Health. A summary of each violation will also be presented to the BCC on a routine basis unless an emergency dictates immediate reporting. As deemed appropriate by the Compliance Officer or HIPAA Compliance & Privacy Officer, reports may be made directly to the full Boards.

DISCIPLINE

The Compliance Officer, in cooperation with Human Resources as necessary, is responsible for the consistent enforcement of Union Health’s compliance policies and procedures. Specifically, Union Health will discipline employees for:

- (1) failure to detect conduct by an employee that a reasonable person should know is criminal and could be expected to detect;
- (2) failure to report conduct by an employee that a reasonable person should know is criminal;
- (3) failure to report an employee’s violation of the Program;
- (4) negligently or intentionally providing incorrect information to Union Health and/or an authorized representative of Union Health and/or any governmental or regulatory body reviewing matters involving Union Health;
- (5) willfully providing false information to Union Health and/or a third party; and
- (6) intentionally reporting a false violation.

The HIPAA Compliance & Privacy Officer, in cooperation with Human Resources as necessary, is responsible for the enforcement of Union Health’s privacy policies and procedures. Specifically, Union Health will be consistent in providing sanctions or other form of remediation for employees who impact the privacy or security of patient or employee health information by, including but not limited to:

- (1) an accidental or inadvertent access, use, or disclosure;

- (2) failing to follow established privacy and security policies and procedures;
- (3) a deliberate or purposeful access, use, or disclosure without harmful intent; or
- (4) a willful or malicious access, use, or disclosure with harmful intent.

SECTION V. CODE OF CONDUCT

Union Health's Code of Ethical Conduct ("**Code**") is attached hereto as **Exhibit A** and is incorporated herein. As further described in the Code, violations can result in disciplinary action, including termination, prosecution, or both. Let the guidance described in the Code support you in your daily pursuit of Union Health's mission, vision, and values. Together, our ethical business decisions help maintain our reputation for quality, compassionate care while creating an internal community of integrity and fairness.

**UNION HEALTH
CODE OF ETHICAL CONDUCT**

***Mission:** We exist to serve our patients with compassionate health care of the highest quality.*

***Vision:** To lead Wabash Valley communities to their best health and wellness.*

***Values:** Patient-Focused, Collaboration, Integrity, Transparency, and Stewardship*

BACKGROUND

Consistent with our mission, vision, and values, this *Code of Ethical Conduct* (“**Code**”) has been adopted by the Board of Directors of Union Health System, Inc. to promote and maintain a culture of integrity throughout the system, which includes, Union Hospital, Inc. (also known as Union Hospital Terre Haute and Union Hospital Clinton), Union Associated Physicians Clinic, LLC (also known as Union Medical Group or UMG), and the Center for Occupational Health, Inc. (collectively, “**Union Health**”).

This Code applies to all members of our boards of directors, executives, medical/professional staff, contract staff, volunteers, students, researchers, foundation staff, and all other employees (“**we**”, “**us**” or “**our**”). Our community partners, agents, and representatives are also expected to respect our Code.

This Code is a fluid document designed to supplement existing Union Health policies and to serve as a guide for meeting our ethical and legal obligations. Therefore, compliance with the spirit, as well as the letter, of this Code is essential to maintaining Union Health’s reputation for consistently delivering ethical, safe, high-quality, and medically necessary health care services. Let this Code support and guide you in your daily pursuit of Union Health’s mission, vision, and values. Together, our ethical business decisions help create an internal community of integrity and fairness.

PATIENT-FOCUSED CARE

Consistent with the American Hospital Association’s Patient Care Partnership, our patients should experience:

- High quality care;
- A clean and safe environment;
- Involvement in care decisions;
- Privacy protections; and
- Help with billing claims.

We value each patient's total care, including mind, body, and spirit. We believe patients should be treated with the utmost dignity, and we will not refuse to see patients, nor will we discharge patients for strictly financial reasons.

The patient should be the primary decision-maker regarding his/her own health care. The patient or surrogate has the right to share in and approve decisions related to his/her care including the right to request the withdrawal of life-sustaining treatment. The patient has the right to accept, forgo or withdraw from treatment offered. Information regarding diagnosis, treatment, and prognosis delivered in the language which is understood by the patient or surrogate is basic to informed choice. Union Health is also aware that some patients may not want this information.

Union Health will protect the rights of patients whose capacity to act as their own advocate is diminished by virtue of incapacity.

We recognize that conflicts will arise among those who participate in patient care decisions and will seek to resolve all conflicts fairly and objectively and will access the clinical Ethics Committee for assistance in resolving conflicts according to established policy upon request.

We have a legal obligation to comply with laws and regulations regarding patient rights, including assisting patients, their families, and their significant others in understanding and exercising their rights and responsibilities. Patient Rights and Responsibilities are available online at <https://www.myunionhealth.org/patients-and-visitors/for-patients/rights-responsibilities>.

CONFLICTS OF INTEREST

One of the most important assets of any health care organization is its reputation in the community. Because of this, Union Health strives to proactively identify any actual or potential conflicts of interest. Conflicts of interest are situations in which personal considerations may impact, or appear to impact, one's loyalty and ability to fulfill responsibilities to Union Health. When evaluating specific circumstances, consideration should be given to whether that action is appropriate, fair, legal, free of improper influence, and whether that action could withstand the scrutiny of outsiders.

A possible conflict of interest exists whenever someone might reasonably think that an employee's actions are not in the best interest of Union Health. Conflicts of interest can range from accepting a gift from someone seeking to do business with Union Health to owning a company that is a Union Health competitor or supplier. Even though an arrangement may seem proper to us, we must be aware of how those outside Union Health might perceive it.

We are expected to disclose actual or potential conflicts of interest, which will be managed in accord with specific circumstances. Such disclosures can be made electronically by going to Union Health's [home page > Departments > Compliance > Disclosure of Interest Form](#), or by directly contacting the Compliance Officer.

LEGAL OBLIGATIONS

Obeying the law, both in letter and in spirit, is the foundation on which Union Health's ethical standards are built. We will respect and obey the laws, rules, and regulations of all relevant jurisdictions in which we operate.

Examples of health care-specific laws with which we should be familiar include, but are not limited to:

- **EMTALA** - The Emergency Medical Treatment and Active Labor Act and regulations relating to the admission, transfer, or discharge of patients, and providing care that is medically necessary.
- **HIPAA** - The Health Insurance Portability and Accountability Act has three (3) basic components:
 - **Privacy** (who is authorized to access health information and gives patients' rights concerning the medical records),
 - **Security** (protecting data stored in electronic media and implementing safeguards to control access), and
 - **Transaction and Code Sets** (how health care claims may be coded, transmitted and processed in order to receive payment).
- **Fraud and Abuse Laws** –
 - **The Anti-Kickback Statute, or AKS** – prohibits remuneration in exchange for referrals of patients or business reimbursed by a federal health care program;
 - **The Physician Self-Referral or Stark laws** – prohibits physicians from making referrals for certain services to entities with which they have a financial relationship; and
 - **The False Claims Act** – prohibits the submission of false claims to the Centers for Medicare & Medicaid Services. Further, we expect all individuals and entities associated with Union Health to be appropriately credentialed, licensed and otherwise qualified to perform their work-related responsibilities. We do not engage in business with, employ, or bill for services rendered by individuals or entities excluded, debarred, or otherwise ineligible to participate in federal health care programs.
- **Section 1557 of the Patient Protection and Affordable Care Act** – prohibits discrimination on the basis of race, color, national origin, disability, sex and age in federally funded health programs and activities.

Although we are not expected to know the details of all applicable laws, rules and regulations, it is important to know enough to determine when to seek advice from supervisors, managers, or other appropriate personnel. If you are uncertain about any law or regulation, contact the Compliance Department.

In addition to compliance with laws and regulations, we are required to understand and follow Union Health's policies and procedures, as well as the Employee Handbook and department/specialty manuals.

WORKPLACE ENVIRONMENT

Collaboration and Respect – In line with Union Health's core values and as an important aspect of a positive patient experience, we will treat each other with respect and courtesy and conduct ourselves in a professional manner. Disruptive behavior should be avoided, and conflicts or disagreements will be handled through established channels.

Safety - Union Health strives to maintain a safe and healthy work environment. Therefore, we follow the Occupational Safety and Health Act and other regulatory requirements, including environmental, safety, and health rules and practices. Accidents, injuries, and unsafe equipment, practices or conditions must be promptly reported and addressed. We are expected to perform our work in a safe manner, free of the influences of alcohol, illegal drugs, or controlled substances. The use of illegal drugs in the workplace will not be tolerated.

Diversity - The diversity of Union Health's workforce is a tremendous asset. We are committed to providing equal opportunity in all aspects of employment and will not tolerate any illegal discrimination or harassment based on race, color, religion, sex, national origin, age, disability, or any other protected class under applicable federal, state, and local laws. Employees must comply with all anti-discrimination, anti-retaliation, and anti-harassment laws whether local, state or federal.

Potential incidents of discrimination or harassment must be reported to the Compliance Officer. Complaints will be promptly and thoroughly investigated in consultation with Human Resources and department management. As deemed appropriate, corrective and/or disciplinary action will occur.

Union Health recognizes a responsibility to accommodate special needs of patients and staff with disabilities. To this end, Union Health will comply with applicable laws and regulations, and accommodations will be made in a manner which is respectful of the dignity of all.

CONFIDENTIALITY AND INFORMATION SECURITY

Nothing in this Code is intended to restrict employees from discussion, transmission, or disclosure of wages, hours or working conditions in accordance with applicable federal and state laws.

To ensure the privacy and security of patient information, all Union Health workforce members are prohibited from accessing their own medical record, and the medical records of their spouse, child(ren), parent(s), sibling(s), or any other patient without a valid business need. Inappropriate access will be investigated by the Privacy Officer and is subject to Union Health's Privacy Violation Investigations and Disciplinary Actions Policy, which could include termination. Investigations shall include access audits that reveal what part of the patient's medical record has been accessed by the workforce member.

To protect Protected Health Information ("**PHI**"), Union Health has implemented various information security safeguards, including, but not limited to:

- Encrypting mobile devices containing PHI;
- Limiting the access to and disclosure of information to the minimum necessary; and
- Prohibiting unauthorized software on Union Health owned devices.

You should never:

- Take copies of medical records out of the workplace without permission;
- Leave PHI unattended or in plain view of others; or
- Post PHI on social media.

Any unauthorized acquisition, access, use, or disclosure of PHI that compromises the privacy or security of PHI is a breach and will be addressed appropriately.

In addition to patient health information, employee records and Union Health's proprietary information, such as business, marketing and service plans, is also confidential. Confidential information is to be accessed only when authorized and for the purpose of fulfilling our job duties.

Our electronic systems are secured, and breaches of confidential information are investigated and addressed in accord with applicable law.

If you become aware of a potential breach, you should immediately report your concern to the Privacy Officer or to the Compliance Hotline. Union Health may be subject to fines and penalties for failing to respond promptly and properly to breaches.

All privacy related questions should be directed to the Privacy Officer.

STEWARDSHIP

As a non-profit organization, we continuously strive to manage assets and resources in a manner that improves quality while reducing the cost of health care. Property and resources such as facilities, equipment, software, and supplies should be used only for conducting the business of Union Health.

The integrity of clinical decision-making by a patient and the attending physician in matters involving use of Union Health services or resources for care and treatment shall be respected and never compromised by financial incentives to Union Health. Our policies and protocols are designed to ensure that clinical decisions including, but not limited to, tests, treatments and other interventions are based on identified patient health care needs, not on financial incentives.

The Finance Department is committed to maintaining accurate and complete financial records and conducts financial matters with fairness, honesty, accuracy, completeness, and sensitivity to the needs of the community. We will cooperate with and provide access to records, documents and files to internal and external auditors. Access to records will be in compliance with the Freedom of Information Act.

PUBLIC COMMUNICATIONS

Transparency is one of our core values. Public relations and marketing efforts conducted by our organization are planned with attention to fairness, honesty, accuracy, completeness, and sensitivity to the health care needs of the communities we serve. As with other Union Health services, advertising is designed and implemented in the spirit of placing the needs of the patient first. To protect confidential information and ensure consistent messaging, however, all press inquiries are to be directed to the Marketing Department or Union Health's President.

COMPLIANCE DEPARTMENT

We are expected to understand and adhere to the Code and are encouraged to contact the Compliance Department with questions. Lack of knowledge or understanding is not an acceptable

reason for breaking the rules. In addition, compliance resources are available on [the Intranet > Departments > Corporate Compliance and Privacy](#).

Contact Information:

Compliance Department
(812) 238-7533
Professional Office Building
4th Floor

Corporate Compliance Officer
(812) 238-7533
compliance@uhhg.org
(Health laws, Fraud and Abuse)

Candie Cuffle
(812)-478-4188
caallen@uhhg.org
(HIPAA, Patient or Employee Privacy, and
Information Security)

HIPAA Compliance & Privacy Officer

Accountability promotes a positive work environment.

We are required to report actual or suspected violations of this Code or other Union Health policies or procedures. Reports may be delivered directly to a supervisor, the Compliance Officer, the Privacy Officer, or may be anonymously provided by contacting the **Compliance Line** at:

- **1-800-549-4623** - The person answering the Compliance Line is NOT a Union Health employee. Call tracing or tracking devices are not used and your phone call will not be recorded. The representative will gather your information, give you a code number and tell you when to call back to find out what is being done to look into the situation; or
- www.lighthouse-services.com/uhhg - This website will guide you through a series of questions about your concerns. If you would like the Compliance Department to contact you directly, you may provide your name and other contact information. If you choose to remain anonymous, you may return to the website to retrieve any follow-up response provided by the Compliance Department in addition to providing additional information.

Retaliation is prohibited.

Acts of retaliation toward individuals who in good faith report actual or suspected illegal or unethical behavior are prohibited and will result in disciplinary action. Also prohibited, and subject to disciplinary action, are acts of retaliation directed against a workforce member who assists with the investigation of such report. If you feel you are being retaliated against, immediately contact the Compliance Officer.

WHAT DO I DO WHEN A QUESTIONABLE SITUATION ARISES?

Common sense and sound judgment are tools we use every day and can serve us well when a questionable business situation arises. If you are unsure of the right response in a situation, ask yourself a few simple questions:

- Is it in the best interest of the patient?
- Is this in the best interest of Union Health and the partners we serve?
- Is this action legal?
- Am I being fair and honest?
- How will I feel about myself afterwards?
- How would it look in the newspaper?
- What would I tell a friend to do?

If you are still in doubt, talk with or put a message in writing to either/or:

- Your supervisor;
- Corporate Compliance Officer (Health care laws, fraud and abuse);
- Privacy Officer (Patient or employee confidentiality and information security); or
- Contact the Compliance Line.

DISCIPLINE

Each of us knows that it is best to *do the right thing*, but this is more than just a matter of conscience. Failure to follow the guidance described in this Code may result in disciplinary action, including termination, prosecution, or both. Any waiver of the requirements of this Code may be made only by the Board and will be promptly disclosed as required by law or regulation.

CODE ADMINISTRATION

The Compliance Department is responsible for administration of this Code, and the Board Compliance Committee is tasked with oversight of the administration of this Code. Annually, all individuals subject hereto will acknowledge and affirm their receipt, understanding, and that they are not in breach of this Code's principles or terms.

The information contained in the Code is not a contract and is subject to amendment by members of the Compliance Department and/or the Board Compliance Committee without prior notice to you.

Nothing in this Code may modify controlling legal requirements. No right may accrue by reason of inclusion or omission of any statement within this Code or the Compliance Plan.

Please consult the Compliance Department, Union Health Employee Handbook, the Compliance Plan, and/or specific Union Health policies for further guidance with respect to workplace expectations.

Union Health Corporate Compliance Plan History

AMENDMENT HISTORY

| | |
|--------------------|-------------------|
| Adopted: | July 20, 1998 |
| Revised: | August 23, 1999 |
| Revised Effective: | March 1, 2001 |
| Revised Effective: | March 1, 2002 |
| Revised Effective: | January 1, 2004 |
| Revised Effective: | January 1, 2005 |
| Revised Effective: | January 1, 2006 |
| Revised Effective: | February 12, 2007 |
| Revised Effective: | February 22, 2008 |
| Revised Effective: | January 1, 2009 |
| Revised Effective: | April 1, 2010 |
| Revised Effective: | August 24, 2011 |
| Revised Effective: | November 20, 2012 |
| Revised Effective: | March 19, 2015 |
| Reviewed: | April 21, 2016 |
| Reviewed: | April 20, 2017 |
| Reviewed: | May 18, 2018 |
| Revised Effective: | February 14, 2019 |
| Reviewed: | February 20, 2020 |
| Revised Effective: | February 25, 2021 |
| Revised Effective: | May 11, 2021 |
| Revised Effective: | August 18, 2022 |
| Revised Effective: | August 24, 2023 |