



CORPORATE COMPLIANCE POLICY

Virtua is dedicated to providing each patient and their family with an outstanding experience, and to ensure the highest quality health care for the community. Virtua is committed to conducting its business activities in full compliance with all federal, state and local laws and regulations. Our Corporate Compliance Program has been established to ensure that each employee has a clear understanding of his or her responsibility and acts accordingly. Each employee has an obligation to know and to abide by the laws, rules, regulations, policies and procedures that have specific application to our job.

Purpose

Virtua's Corporate Compliance Program is intended to provide reasonable assurance that Virtua conducts business activity in full compliance with all federal, state and local laws and regulations.

Each employee has a personal obligation to:

- Uphold Virtua's Vision, Mission and Values.
- Become familiar with Virtua's Code of Conduct (Code) (Section V) and how it pertains to the laws and regulations, policies and procedures relative to each employee's job.
- Report known or suspected violation of the Code, law or regulation or any other Virtua policy and practice using the chain of command.
- Participate in the investigation and provide solutions to prevent future occurrences of alleged violations.

Virtua Compliance Program Elements

Virtua developed and implemented the Corporate Compliance Program, which includes the following elements as recommended by the Office of Inspector General's Compliance Program Guidance for Hospitals.

1. Establish and maintain standards of conduct through the Code of Conduct. Code of Conduct is updated, revised and distributed. (Section II)
2. Virtua has a Corporate Compliance Officer to oversee the day-to-day operations of the Corporate Compliance Program and reports to the Audit/Compliance Committee of the Virtua Board of Trustees on all compliance-related issues. (Section III and IV)
3. Develop and conduct training programs to instruct employees in compliance-related decision making. (Section V)
4. Encourage open communication and use of the chain of command. Oversee the operations of the Employee Hotline as a mechanism to receive concerns. (Section VI and VII)

5. Review problem areas identified by callers to the Compliance Officer and the Employee Hotline, and consistently enforce standards through corrective action and/or disciplinary mechanisms.
6. Establish auditing and monitoring mechanisms in accordance with the Office of Inspector General's Workplan to ensure compliance. Conduct testing of all employees, medical staff and vendors to ensure participation in the Medicare and Medicaid programs.
7. Respond to detected violations of standards, laws, and regulations and preventing future similar occurrences.

I. Virtua Code of Conduct

The Virtua Code of Conduct was created to guide employees in making the right decision when encountering situations involving legal and ethical issues in their daily activity. Over the years, Virtua has established numerous policies and procedures to promote compliance with sound legal and ethical principles, which are not described in the Code. Nothing contained in the Code is intended to lessen the importance of adhering to these established policies and procedures.

1. Patient Care - Virtua is dedicated to providing high quality healthcare services that meet the needs and respect the rights of those we serve.
2. Health Insurance Portability and Accountability Act (HIPAA) - Virtua is dedicated to protecting the privacy of our patients by preserving the confidentiality of individually identifiable health information, whether or not such information is maintained electronically, in writing, is spoken or in any other medium.
3. Laws and Regulations - Virtua conducts business activities and patient care operations in full compliance with all applicable federal, state, and local laws and regulations.
4. Billing and Coding - Virtua is committed to properly coding and billing for services rendered with all applicable regulations.
5. Conflict of Interest - Virtua takes all reasonable precautions to avoid conflicts, or the appearance of conflicts, between our private interests and the performance of our official duties and responsibilities.
6. Property, Equipment and Other Assets - Virtua protects all assets that are entrusted in Virtua's care.
7. Health and Safety - Virtua is committed to maintaining a safe and healthy working environment, which complies with all relevant laws and regulations.
8. Human Resources - Virtua treats all applicants and employees fairly and equitably, and in accordance with all relevant governmental rules and regulations.
9. Communication - Virtua encourages open and candid communication and responds to issues and concerns in a timely manner.

II. Corporate Compliance Officer

The Corporate Compliance Officer (CCO) reports to the Audit and Compliance Committee of

the Board of Trustees for Virtua and the CFO. The CCO is also the Director of Internal Audit. The CCO's primary responsibilities include:

- Oversees the day-to-day operations of the Corporate Compliance Program.
- Coordinates review and audits under the Corporate Compliance Plan utilizing the Office of Inspector General's Compliance Program Guidance for Hospitals. This includes an annual risk assessment of areas.
- Reports all financial, operational and compliance related investigations quarterly to the Audit and Compliance Committee of the Board of Trustees for Virtua.
- Periodically updates the Code of Conduct.
- Develops, coordinates and participates in educational and training program that focuses on the elements of the Compliance Program, and ensures that all appropriate employees and management are knowledgeable of the compliance program.
- Reviews monthly the OIG List of Excluded Individuals/Entities (LEIE) for any excluded employees, physicians and vendors and coordinates any applicable finding with Human Resources, Purchasing and Medical Affairs personnel. The LEIE is a database which provides information to the public, healthcare providers, patients and others relating to parties excluded from participation in the Medicare, Medicaid and all Federal healthcare programs.
- Independently investigates and acts on matters related to compliance, including the design and coordination of internal investigations that respond to reports of problems or suspected violations, and any resulting corrective action.
- Monitors Alertline as a mechanism to receive concerns without fear of retaliation and reviews problem areas identified by callers.
- Consistently enforces standards through appropriate interventions and or disciplinary action.
- Responds, in conjunction with Legal, to external agency requests regarding compliance issue.

III. Audit /Compliance Committee

The Audit/Compliance Committee of the Board of Trustees will oversee the Compliance Program as follows:

- Meet quarterly to review the compliance audits and findings to ensure that corrective action was taken.
- Review the summary of Alertline calls and discuss calls that relate to compliance. Identify trends and evaluate the adequacy of the investigation, action taken and resolution of the call.
- Meet with external auditors on a semi-annual basis to monitor changes in the health care environment, and identify areas of impact and the effect of the changes.

- Conduct an Executive Session of the Committee, with members of management excused, providing candid discussion of investigations and corrective action.

IV. Education and Training

Training is conducted throughout Virtua as one of the seven elements of the OIG's guidance for an effective compliance program. Internal Audit provides assistance in training in the following formats:

- Systemwide Orientation for all new employees as an introduction to the Compliance Program.
- Annual training on billing for Patient Business Services on governmental billing regulations, policies and procedures.
- Quarterly education for new managers, emphasizing the chain of command.
- Annual compliance information at Safety Day education, which is required for all employees.
- On-line training on the Virtua Intranet.
- Board of Trustee training.

Attendance at all training programs is monitored and properly documented.

V. Communication and Use of the Chain of Command

Communication is the key to an effective compliance program. Employees are encouraged to use open and candid communication and response to issues and concerns in a timely manner. Any actual or perceived communication problem should be reported to management, Human Resources, the Compliance Officer or the Employee.

Virtua will not take any disciplinary action or treat an employee negatively for reporting in "good faith", a concern, issue, problem, and violation of law/regulation of the Code of Conduct to management, Human Resources, the Compliance Officer or the Employee Hotline. "Good faith" means that you are telling the truth, as you know it.

VI. Employee Hotline (Alertline)

A toll-free Employee Hotline is available when a question or concern arises and the employee does not feel comfortable discussing the matter with their supervisor or Human Resources representative. Calls to the Employee Hotline are answered by an outside company with trained personnel 24 hours a day, 7 days a week. Calls are not traced or recorded.

Information from the call will be communicated to the Compliance Officer for follow-up and response. All reports of improper conduct will be investigated. No disciplinary action will be taken solely on the basis of a hotline report (e.g., innocence is presumed).

All calls are kept confidential to the extent permitted by law. Although the caller is encouraged to identify himself or herself, the call can be an anonymous report.

The caller is given a "code" number, which will permit them to make a follow-up call and learn about the action taken.

To reach the Employee Hotline, call **1-800-268-0502**.

All calls, investigation and corrective actions reported to the Compliance Officer or Alertline are reported to the Audit/Compliance Committee of the Board of Trustees on a quarterly basis.

VII. Audition and Monitoring

The CCO will establish monitoring and auditing of the Compliance Program to provide reasonable assurance that Virtua conducts business activities in full compliance with all federal, state and local laws. Monitoring and auditing mechanisms include, but not limited to the following:

- Annual assessment of the OIG Workplan, identifying and measuring risk areas for all entities of Virtua. Inclusion of specific areas on the Compliance Plan with timeframes and resources.

Audits, results, corrective action and follow-up reviews are reported quarterly to the Audit/Compliance Committee.

VIII. Sanctions

Investigations will be conducted on compliance related issues with the assistance of, but not limited to:

- The caller, if self identified
- Management
- Senior Management
- Human Resources
- Compliance Officer
- Clinical personnel
- Medical Affairs Department
- Risk Management
- In house Legal Department
- External Legal, if applicable

Progressive counseling will be used in accordance with Human Resources policy and procedure REG-06-01 as an effective method to encourage employees to correct deficiencies in their conduct or performance. Disciplinary actions, up to and including termination, will be

determined on a case-by-case basis and will be taken appropriately, equitably and consistently, based on the degree of severity.

All calls are identified by code based on the information presented in the call.

IX. Summary

Compliance is **everyone's responsibility**. It is in everyone's best interests to do the right thing, each and every time.