

Link Title: UMA Compliance Policy
**University Medical Associates and Carolina Family Care
Human Resources Policy Manual
Policy 14.0 – COMPLIANCE**

DISCLAIMER: IN ACCORDANCE WITH SOUTH CAROLINA CODE § 41-1-110, THIS POLICY DOES NOT CREATE AN EXPRESS OR IMPLIED CONTRACT OF ANY KIND BETWEEN UNIVERSITY MEDICAL ASSOCIATES OR CAROLINA FAMILY CARE AND ANY EMPLOYEE. UMA AND CFC RESERVE THE RIGHT TO CHANGE, REVISE, RESCIND, OR MAKE EXCEPTIONS TO THIS POLICY AT ANY TIME.

I. POLICY

University Medical Associates and Carolina Family Care adhere to the highest legal and ethical standards in their business activities and ensure compliance with all applicable laws. University Medical Associates and Carolina Family Care demonstrate their commitment through the establishment of a Code of Conduct Compliance Agreement and a comprehensive Compliance Program.

II. INFORMATION AND PROCEDURES

A. Compliance Director and Committee

1. The UMA Chief Executive Officer and Executive Committee have appointed a Director of Compliance and committee to oversee the development of an organization-wide compliance program, and to monitor continued compliance with the established program.
2. The Director of Compliance: Assesses compliance related issues; provides support or guidelines to service areas for the development and continued assessment of area-specific procedures; provides support for educational programs; disseminates compliance related information; receives, evaluates and responds to reports of potential violations; and otherwise ensures that corrective measures are taken when necessary.
3. The Director of Compliance provides the UMA Chief Executive Officer and Executive Committee with relevant reports and information concerning violations. The UMA Board of Directors is updated on a regular basis.

B. Compliance with Applicable Laws and Areas of Special Concern

1. All employees must follow laws and regulations which relate to their duties.

Examples of violations include, but are not limited to: intentional deception or misrepresentation; practices which result in unnecessary costs or improper payments; improper claims; billing irregularities; waste; fraud; patient abuse; misuse of controlled substances; bribes; kickbacks; false statements; money laundering; obstruction of investigations; embezzlement; theft; unlawful employment practices and others.

2. Service areas with responsibilities covering areas of special emphasis are responsible for preparing an area-specific plan and training program.

Examples of areas or programs of special emphasis include: patient rights; referrals; billing; use of business information; conflict of interest; advertising and marketing; employment; government investigations; document retention and others.

3. Compliance with the Federal Deficit Reduction Act of 2005

The Medical University of South Carolina, its agents and affiliates as applicable under the Deficit Reduction Act of 2005 (including, but not limited to, the Medical University Hospital Authority and the University Medical Associates), including executive officers, faculty, staff, and other individuals employed by MUSC using MUSC resources or facilities, and volunteers and representatives acting as agents of MUSC is committed to complying with all applicable federal and state laws and regulations. All of these individuals work hard to ensure that we create accurate and truthful patient bills and submit accurate claims for payment from any payer, including Medicare and Medicaid, commercial insurance, and our patients. It's the right thing to do, and federal and state laws require accuracy in health care billing.

The Federal False Claims Act (31 USC 3729-33) makes it a crime for any person or organization to knowingly make a false record or file a false claim with the government for payment. "Knowing" can include deliberate or reckless ignorance of facts that make the claim false. The South Carolina Presenting False Claims for Payment Statute (S.C. Code Ann. 38-55-170), South Carolina Medicaid False Claims Statute (S.C. Code Ann. 43-7-60), South Carolina Medicaid False Application Statute (S.C. Code Ann. 43-7-70), South Carolina Insurance Fraud and Reporting Immunity Act (S.C. Code Ann. 38-55-510 et seq.), South Carolina Computer Crime Act (S.C. Code Ann. 16-16-10 et seq.), and South Carolina DHHS Administrative Sanctions Against Medicaid Providers Act (S.C. Code of Regulations R. 126-400 et seq.) also provide criminal, civil and administrative penalties and sanctions for providers and individuals who participate with providers in making false statements, misrepresenting facts, concealing facts, and submitting claims for unnecessary services. These laws carry significant sanctions including fines, imprisonment, court costs, attorney's fees and full restitution to the victim of the fraud.

Examples of possible False Claims include someone knowingly billing Medicare for services that were not provided, or for services that were not ordered by a physician, or for services that were provided at sub-standard quality where the government would not pay. Another example of a false claim would be billing Medicare or Medicaid for services that are covered or paid for by a study or grant.

A person who knows a False Claim was filed for payment can file a lawsuit in Federal Court on behalf of the government and, in some cases, receive a reward for bringing

original information about a violation to the government's attention. Penalties for violating the Federal False Claims Act can be up to three times the value of the False Claim, plus from \$5,500 to \$11,000 in fines, per claim. The South Carolina State Criminal False Claims Statute allows a similar lawsuit in state court if a False Claim is filed with the state for payment, such as under Medicaid or Workers' Compensation.

The False Claims Act protects anyone who files a False Claim lawsuit from being fired, demoted, threatened or harassed by their employer for filing the suit. If a court finds that the employer retaliated, the court can order the employer to re-hire the employee and to pay the employee twice the amount of back pay that is owed, plus interest and attorney's fees.

Our Compliance Program supports compliance with the False Claims Act by:

- Monitoring and auditing to prevent or detect errors in coding or billing.
- Promoting and enforcing the items included in our compliance policies and procedures: MUHA policy A-67 (Compliance Policy and Code of Conduct), UMA HR policy 14.0 (Compliance Policy), and University Code of Conduct.
- Educating MUSC employees and agents that they are responsible to report any concern about a possible False Claim.
- Investigating all reported concerns and correcting any billing errors discovered.
- Protecting MUSC employees and agents from adverse action when they do the right thing and report any genuine concern through the Compliance Office or the Confidential Hotline. State employees have additional protection through the State Employment Protection Act (S.C. Code Ann. 8-27-10 et seq.). The Compliance Office will investigate any allegation of retaliation against an employee or agent for bringing forward a legitimate concern.

C. Compliance Education and Communication

1. The Compliance Policy and Program are routinely communicated to all employees through the employee orientation process; posters located in common areas in departments, newsletters and broadcast messages, departmental meetings and other methods of communication.
2. The UMA/CFC managerial training includes a segment on compliance.
3. Managers are expected to inform employees of the compliance program and include compliance in the competency assessment and performance review process.
4. The compliance program includes an internal mechanism for reporting potential violations and a disciplinary plan for compliance violators.
5. Employees who report violations are assured they may do so without fear of retribution.
6. The exit process includes an opportunity for employees to report any possible violations of law or UMA/CFC, MUSC and MUHA policies.

D. Auditing and Monitoring

1. All service areas are required to assess compliance issues and as appropriate develop a systematic process to monitor and take corrective measures.
2. An internal response mechanism is available for any employee to report a potential violation. This includes a campus mailbox, confidential telephone hotline available 24 hours a day, 7 days a week, and opportunities to report to the immediate supervisor, the Compliance Department or Human Resources Department. The Compliance Department and Human Resources Department review and evaluate all issues reported, maintain records of potential violations, and take corrective measures as needed.
3. Periodic audits by internal and external sources will target selected areas to ensure compliance and to determine if proper controls are in place. Audit findings will be reviewed by the Director of Compliance and reported to the UMA Chief Executive Officer and Executive Committee.

E. Corrective and Preventive Measures

1. UMA/CFC applicants for employment are required to disclose whether they are "ineligible persons" as part of the application process. Pre-employment background checks, including Office of Inspector General (OIG) sanctions, and the General Services Administration's Excluded Parties Listing System (EPLS), are conducted on all prospective new hires prior to a confirmation of employment. Applicants with a demonstrated history of unlawful conduct which would constitute a compliance violation will not be favorably considered for employment. UMA and CFC employee census reports are compared quarterly to updated sanctions listings and addressed as needed.
2. UMA will also screen prospective suppliers/contractors prior to engaging their services and on a quarterly basis by the above procedure.
3. If UMA/CFC has notice that an employee/agent or contractor has become an ineligible person or entity, appropriate measures will be taken to remove the ineligible person or entity from responsibility for, or involvement in, UMA's/CFC's business

operations related to federal healthcare programs. See [Policy 7.0 - Criminal Record Searches](#) for more detailed information.

4. In accordance with the UMA/CFC Human Resources Disciplinary Action Policy 26.0, employees are subject to disciplinary action for compliance violations, including intentional failure to participate in required compliance training or to report suspected violations. Depending on the severity of the violation, disciplinary action may range from oral reprimand to termination.
5. Supervisors are held accountable for aggressively addressing any reports of compliance violations.
6. UMA/CFC employees terminated for compliance violations will not be eligible for reemployment without approval of the Chief Executive Officer.

F. Compliance Training Requirements

1. As a condition of employment, the [MUSC Code of Conduct](#) must be acknowledged and signed by all newly hired UMA/CFC "Employees and Agents" following the initial phase of compliance training conducted during the orientation process. Compliance training is mandatory for all employees, regular full-time, regular part-time, temporary and agency personnel.
2. The [MUSC Code of Conduct](#) is renewed annually as part of each employee's performance evaluation.
3. Mandatory training requirements for UMA/CFC employees, are outlined in detail in the UMA Compliance Department policy.
4. Employees who willfully and intentionally disregard mandatory training requirements will be terminated. Exceptions will be made for employees on extended FMLA leave; however, training requirements must be met within 30 days following their return to work or termination will follow.
5. Employees may be eligible for reinstatement with no break in service if the required compliance training is completed within three weeks of termination. Otherwise, reinstatement will not be offered and the termination will stand. Employees terminated for failure to complete compliance training will be offered only one opportunity for reinstatement under these circumstances, and will otherwise be ineligible for rehire for a repeat violation.

G. The Compliance Department's website www.musc.edu/uma/compliance may be accessed for more detailed compliance policies and procedures.

H. Code of Conduct Compliance Agreement

1. Introduction

This Code of Conduct establishes guidelines for professional conduct by those acting on behalf of the Medical University of South Carolina including executive officers, faculty, staff and other individuals employed by MUSC using MUSC resources or facilities, and volunteers and representatives acting as agents of MUSC. This Code of Conduct is not an attempt to define specifically what one should and should not do, but to communicate MUSC's expectations of proper conduct and what professional conduct MUSC values.

2. Conduct

Those acting on behalf of MUSC have a general duty to conduct themselves in a manner that will maintain and strengthen the public's trust and confidence in the integrity of MUSC and take no actions incompatible with their obligations to MUSC. With regard to professional conduct, those acting on behalf of MUSC should practice:

- Integrity by maintaining an ongoing dedications to honesty and responsibility;
- Trustworthiness by acting in a reliable and dependable manner;
- Evenhandedness by treating others with impartiality;
- Respect by treating others with civility and decency;
- Stewardship by exercising custodial responsibility for MUSC academic, intellectual, financial, and material assets and resources;
- Compliance by following Federal and State laws and regulations and MUSC policies and procedures related to their duties and responsibilities;
- Confidentiality by protecting the integrity and security of MUSC information such as patient records, employees files, student records and contract negotiation documents;
- Reporting any activity reasonably believed to violate Federal or State laws or regulations or MUSC policies or procedures.

3. Reporting Possible Violations

Report any activity reasonably believed in violations of any law or regulations, any MUSC policy, or any Federal or State healthcare requirements by means of the Confidential Compliance Hotline, 1-800-296-0269 (Toll-free, available 24 hours, 7 days a week).

MUSC will neither discriminate nor retaliate against any MUSC member who reports in good faith any instances of conduct that do not comply or appear not to comply with Federal or State laws and regulations or MUSC policies and procedures. A MUSC member has the right to remain anonymous, as allowed by law, and to use confidential mechanisms provided by MUSC to disclose non-compliance activity without fear of retaliation of such reports.

I. It is expected that all Human Resources Policies and Procedures will be observed by all employees in accordance with this policy and the Code of Conduct Compliance Agreement. Additional information specific to certain provisions of this policy are referenced in other Human Resource policies by subject. Any questions should be directed to either the Human Resources Department or the Compliance Department. Email communications to the Human Resources Department may be directed to umahr@musc.edu.

This policy has been approved by the Chief Executive Officer, University Medical Associates.

***Effective: July, 2004
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