

 <p><b>HAWAII HEALTH SYSTEMS CORPORATION</b> "Touching Lives Everyday"</p> <p><b>Policies and Procedures</b></p>	<p><b>Quality Through Compliance</b></p>	<p>Policy No.:</p> <p><b>CMP 001</b></p>
		<p>Revision No.:</p> <p>2*</p>
<p>Subject:</p> <p><b>HHSC Corporate Compliance Program</b></p>	<p>Issued by:</p> <p>Corporate Compliance Committee</p>	<p>Effective Date:</p> <p>December 9, 2010</p>
	<p>Approved by:</p> <p>HHSC Board of Directors by: Its Secretary/Treasurer</p>	<p>Supersedes Policy:</p> <p>CMP 001 (08/10/00; 7/1/2006) &amp; CMP 005 (08/10/00)</p> <p>Page:</p> <p>1 of 1</p>

It is the policy of the Hawaii Health Systems Corporation (HHSC) to protect and promote system-wide integrity at all times in pursuit of its mission to provide quality health care to all people of the State of Hawaii.

1. **Corporate Compliance Plan.** In furtherance of said policy, HHSC has established and implemented its Corporate Compliance Plan effective as of July 1, 2006. The Plan describes HHSC's Compliance Program (see Attachment 1).
2. **Code of Conduct.** In furtherance of said policy, HHSC has adopted and implemented its revised Code of Conduct ("Code") as of July 1, 2006 (see Attachment 2).

The Code shall apply to all HHSC employees, management, Board of Directors, medical staff and agents affiliated with HHSC throughout HHSC's diverse medical facilities, including: Hale Ho'ola Hamakua, Hilo Medical Center, Ka'u Hospital, Kauai Veterans Memorial Hospital, Kohala Hospital, Kona Community Hospital, Kula Hospital, Lanai Community Hospital, Leahi Hospital, Maluhia, Maui Memorial Medical Center, Samuel Mahelona Memorial Hospital and any other facilities or services which are currently operated or provided by HHSC, or which shall be operated or provided by HHSC in the future.

All to whom the Code applies shall conduct themselves according to the Code.

\*Only the Code of Conduct (Attachment 2) was revised on 12/9/10.

- Attachments:**
1. [Corporate Compliance Plan](#)
  2. [Code of Conduct](#)



**HAWAII HEALTH SYSTEMS**  
C O R P O R A T I O N

*"Touching Lives Everyday"*

## **CORPORATE COMPLIANCE PLAN**



**Issued by: Corporate Compliance Committee**

**Approved by: Thomas M. Driskill, Jr.  
President and CEO**

**Approved by: Hawaii Health Systems Corporation ("HHSC") Board of Directors**

## TABLE OF CONTENTS

<b>Description of Hawaii Health Systems Corporation's Corporate Compliance Program</b>	<b>3</b>
<b>Glossary of Important Terms</b>	<b>4</b>
<b>Written Standards</b>	<b>5</b>
<b>Chief Compliance and Privacy Officer, Regional Compliance Officers and Compliance Committee</b>	<b>7</b>
<b>Education and Training</b>	<b>9</b>
<b>Reporting</b>	<b>10</b>
<b>Disciplinary Standards</b>	<b>10</b>
<b>Hiring Criteria</b>	<b>11</b>
<b>Auditing and Monitoring</b>	<b>11</b>
<b>Investigation, Response and Prevention</b>	<b>12</b>

## DESCRIPTION OF HAWAII HEALTH SYSTEMS CORPORATION'S COMPLIANCE PROGRAM

**POLICY:** Hawaii Health Systems Corporation (HHSC or System) has adopted a Corporate Compliance Program (Compliance Program) to reaffirm HHSC's commitment to promoting full compliance with applicable federal and state laws and regulations, and Federal health care program requirements. The Compliance Program provides a solid framework for structuring a comprehensive range of compliance activities that are designed to avoid legal and ethical problems, to effectively address compliance allegations as they arise, and to remedy the effects of noncompliance.

**LEGAL BASIS:** HHSC's Compliance Program has been developed in accordance with applicable law, and with guidance from federal authorities, including the *United States Federal Sentencing Guidelines*, adapted to providers of healthcare services by the Office of Inspector General of the Department of Health and Human Services (OIG) in its various *Compliance Program Guidance* documents<sup>1</sup>. The scope of the Compliance Program may be expanded in the future to cover additional areas of regulatory compliance to which HHSC is subject.

**CORE ELEMENTS:** The Compliance Program reflects HHSC's good faith commitment to identify and reduce risk, improve internal controls, and establish standards to which the entire System shall adhere. As such, HHSC adopts the following principals of compliance:

1. Developing and distributing a written Code of Conduct, as well as written policies and procedures that address the various components of HHSC's Compliance Program, and address HHSC's principal risk areas.
2. Designating a Chief Compliance and Privacy Officer (CCPO), Regional Compliance Officers (RCOs) and a Corporate Compliance Committee (Compliance Committee) charged with the responsibility of operating and monitoring the Compliance Program.
3. Developing and implementing regular, effective education and training programs for HHSC employees, Board members, members of the medical staff and agents.
4. Maintaining an effective and well-publicized protocol for reporting or raising conduct or ethical concerns without fear of retaliation.
5. Developing disciplinary standards to clarify and respond to conduct that is prohibited by HHSC's Code of Conduct and policies and procedures, to respond to illegal or unethical conduct, and to pursue equitable enforcement of these standards with regard to all employees who violate any criminal, civil or administrative law or regulation, or the standards developed according to HHSC's Compliance Program.
6. Developing criteria and protocol for ensuring no individual who has engaged in illegal or unethical behavior, or who has been convicted of healthcare-related crimes, shall occupy positions that require the exercise of discretionary authority.
7. Maintaining effective auditing and monitoring systems to evaluate HHSC's compliance with laws, regulations, Federal health care program requirements, and the standards developed according to HHSC's Compliance Program; to assist in the prevention of Compliance Program violations; and to maintain the effectiveness of the Compliance Program.
8. Investigating, responding to and preventing identified noncompliance, including establishing appropriate and coordinated corrective action measures.

**SCOPE:** These Compliance Program standards shall apply to all employees, Board members, members of the medical staff and agents affiliated with HHSC throughout HHSC's diverse medical facilities, including: Hale Ho'ola Hamakua, Hilo Medical Center, Ka'u Hospital, Kauai Veterans Memorial Hospital, Kohala Hospital, Kona Community Hospital, Kula Hospital, Lanai Community Hospital, Leahi Hospital, Maluhia, Maui Memorial Medical Center, Samuel Mahelona Memorial Hospital and any other facilities or services which are currently operated or provided by HHSC, or which shall be operated or provided by HHSC in future (the HHSC facilities). It is the responsibility of all employees, Board members, members of the medical staff and agents to be familiar and comply with all requirements of the Compliance Program that pertain to their respective areas of responsibility; recognize and avoid actions and relationships that might violate those requirements; and seek guidance from, as applicable, an immediate supervisor, a HHSC facility administrator, a Regional Chief of Staff (RCS), a RCO or the CCPO.

**LIMITATIONS:** The Compliance Plan is not intended to summarize all laws and regulations applicable to HHSC. This Compliance Plan is a living document that shall be reviewed and updated periodically to assure that employees, Board members, members of the medical staff and agents are kept informed of the most current legal and compliance developments in the healthcare industry.

## GLOSSARY OF IMPORTANT TERMS

These terms shall have the following meanings throughout the HHSC Corporate Compliance Program:

**Agents** with respect to HHSC shall mean all persons and entities that have contracted with or volunteer at HHSC to provide healthcare related services, equipment or other items that impact HHSC's provision of healthcare to patients, and HHSC's relationship with Federal health care programs. Agents shall include, but not be limited to, residents, medical students, contractors, consultants, volunteers and vendors.

**Audit** shall mean a formal review of compliance with internal (e.g., policies and procedures) and external (e.g., laws and regulations) standards.

**Board or Board members** shall mean the members of HHSC's Board of Directors, which consists of community volunteer leaders who are representatives of the total community, and are knowledgeable of Hawaii's unique cultural diversity and health care needs.

**Complainant** shall mean an individual who reports conduct inconsistent with the goals of HHSC's Compliance Program or in violation of any criminal, civil or administrative law or regulation, or Federal health care program requirement.

**Compliance Committee** shall mean those employees responsible for providing direct support to the CCPO in the creation, implementation and operation of HHSC's Compliance Program.

**Employees** shall mean those persons employed by HHSC, including, but not limited to, managers, facility administrators, supervisors, employed medical staff, and other healthcare professionals.

**Excluded individuals and entities** refer to an individual or entity who: (a) is currently excluded, debarred, suspended, or otherwise ineligible to participate in the Federal health care programs or in Federal procurement or non-procurement programs; or (b) has been convicted of a criminal offense that falls within the ambit of 42 U.S.C. § 1320a-7(a), but has not yet been excluded, debarred, suspended, or otherwise declared ineligible.

**Exclusion lists** refer to the electronic lists of excluded individuals or entities maintained by the OIG and the General Services Administration.

**Executive management** shall mean those individuals who are part of HHSC's Executive Management Team.

**Federal health care programs** as defined in 42 U.S.C. § 1320a-7b(f), include any plan or program that provides healthcare benefits to any individual, whether directly, through insurance, or otherwise, which is funded directly, in whole or in part, by a United States Government or state healthcare program, including, but not limited to, Medicare, Medicaid, Civil Health and Medical Program for the Uniformed Services (CHAMPUS), Department of Veterans Affairs (VA), Federal Bureau of Prisons, and Indian Health Services, but excluding the Federal Employees Health Benefit Program (FEHBP).

**HHSC or System** shall include all healthcare facilities or services which are currently operated or provided by the Hawaii Health Systems Corporation, or which shall be operated or provided by the Hawaii Health Systems Corporation in future.

**Management or managers** shall mean those HHSC employees, including supervisors, who have the responsibility of evaluating, recommending and implementing major policies and strategies that assure continuance of quality healthcare to the communities which HHSC serves.

**Medical staff or member of the medical staff** shall mean those physicians and other providers of healthcare services who have been granted membership or clinical privileges to admit, treat or practice medicine within the facilities owned or operated by HHSC, and according to the terms of the Medical Staff Bylaws.

**Monitoring** refers to compliance reviews that are repeated on a regular basis during the normal course of HHSC's operations.

**Noncompliance** refers to conduct inconsistent with the goals of HHSC's Compliance Program or in violation of any criminal, civil or administrative law or regulation, or Federal health care program requirements.

<sup>1</sup> See 63 Fed. Reg. 8987 (Feb. 23, 1998) for the compliance program guidance for hospitals; 70 Fed. Reg. 4858 (Jan. 31, 2005) for the draft supplemental compliance program guidance for hospitals. These documents, along with the other OIG compliance program guidance documents, are available at <http://www.oig.hhs.gov/fraud/complianceguidance.html>.

## I. Written Standards

A core principal of HHSC's Compliance Program is the development, distribution and implementation of written standards that address HHSC's principal risk areas, reflect HHSC's commitment to promote compliance with all applicable legal duties, and foster and promote ethical conduct. These written standards shall consist of the Code of Conduct and policies and procedures that reflect HHSC's values and expectations regarding the behavior of employees, Board members, medical staff and agents, explain the operation of the Compliance Program, clarify and establish internal standards for compliance with laws and regulations, and help employees, Board members, medical staff and agents understand the consequences of noncompliance to both HHSC and the individual.

### A. Code of Conduct

HHSC has adopted a Code of Conduct, which is intended to serve as a guide to provide standards by which HHSC employees, Board members, medical staff and agents shall conduct themselves to protect and promote system-wide integrity and to enhance HHSC's ability to achieve its mission. The Code of Conduct is designed to assist all HHSC employees, Board members, medical staff and agents in carrying out their daily responsibilities within the appropriate legal and ethical standards. However, the Code of Conduct cannot possibly encompass all legal and ethical standards, and is not a substitute for each employee, Board member, member of the medical staff or agent's own internal sense of honesty, integrity and fairness. Instead, each employee, trustee, member of the medical staff and agent must utilize their own good judgment, along with the principals announced in the Code of Conduct, to maintain HHSC's values.

The Code of Conduct is intended to be easily understood. In some instances, the Code of Conduct deals fully with the subject-matter covered. In many cases, however, the subject discussed is sufficiently complex that additional guidance is necessary to provide adequate direction. Consequently, the Code of Conduct is designed to be supplemented by this Compliance Plan and policies and procedures. Those policies and procedures shall expand upon and supplement many of the principals articulated in the Code of Conduct.

The Code of Conduct defines how HHSC operates internally and conducts business with respect to the following:

- Commitment to patients;
- Commitment to legal and regulatory compliance;
- Expectation that employees, Board members, medical staff and agents remain free of conflicts of interest in the performance of their responsibilities and services to HHSC;
- Commitment to satisfy the payment conditions required by payors with which HHSC transacts business, including Federal health care programs;
- Commitment to monitor and structure HHSC's relationships with physicians and other healthcare providers to be consistent with relevant federal and state laws and regulations, and in furtherance of HHSC's mission;
- Commitment to a diverse workforce and safe work environment; and
- Commitment to ensure that business, financial and patient-related information is used and safeguarded effectively and appropriately.

### B. Policies and Procedures

The Compliance Program requires the creation, distribution and maintenance of sound policies and procedures that address the various components of the Compliance Program and HHSC's principal legal risk areas.

Policies directly relating to the operation of the Compliance Program shall address:

- The duties of the CCPO, the RCOs, the Compliance Committee, and the duties of any subcommittees or task forces created by the Compliance Committee;
- Compliance education and training program requirements;
- Protocol for reporting or raising conduct or ethical concerns without fear of retaliation;
- Disciplinary standards and response to violations of those standards;

- Criteria and protocol for screening employees and agents, and potential employees and agents, including protocol for querying the exclusion lists to identify ineligible persons and entities;
- Effective auditing and monitoring procedures;
- Investigating and responding to complaints and potential compliance problems; and
- Implementing corrective action plans in instances of noncompliance.

There are certain areas of heightened risk that have been identified throughout the healthcare industry, including the investigative and audit functions of the OIG. Therefore, to ensure that HHSC's Compliance Program remains effective, it is important for HHSC's policies and procedures to adequately address the following risk areas:

- The integrity and accuracy of claims submitted to the Federal health care programs and commercial payors for reimbursement, including policies that address:
  - Claiming reimbursement for services that have not been rendered;
  - Filing duplicate claims for the same service;
  - "Upcoding" to more complex procedures than those performed to obtain greater payment than that which is applicable to the items or service actually provided;
  - "Unbundling" or splitting a code for combined services into individual component codes to maximize reimbursement;
  - Including inappropriate or inaccurate costs on hospital cost reports;
  - Falsely indicating that a particular healthcare professional attended a procedure, or that services were otherwise rendered in a manner they were not;
  - Billing for a length of stay beyond what is medically necessary;
  - Billing for services or items that are not reasonable and necessary for the diagnosis or treatment of illness or injury or to improve certain functions;
  - Billing excessive charges; and
  - Collecting and submitting on a timely basis proper documentation to support claims for reimbursement.
- Guidance regarding gifts, gratuities and discounts to Federal health care program beneficiaries.
- Patient referrals to and by HHSC to promote the best interests of every patient and to comply with anti-kickback and patient self-referral laws.
- Appropriate methods for recruiting physicians to HHSC.
- The manner in which HHSC contracts with physicians for professional and administrative services.
- HHSC's obligations and rights when dealing with patients in emergency situations.
- The protection of confidential and other sensitive health information.
- Conflicts of interest and best strategies for avoiding and identifying potential conflicts.
- Compliance standards to govern HHSC's relationship with independent contractors, vendors, and other agents.

Policies and procedures shall be made readily available to, and easily accessible by, all employees, medical staff and agents. Policies and procedures shall also be revised or supplemented as necessary to reflect changes in laws, regulations and HHSC operations.

## II. Chief Compliance and Privacy Officer, Regional Compliance Officers and Compliance Committee

HHSC's CCPO, provides management and oversight for the ongoing implementation and development of the Compliance Program with the support of the RCOs. HHSC shall establish a compliance committee to advise and provide support to the CCPO in the implementation and maintenance of the Compliance Program.

### A. Chief Compliance and Privacy Officer, Regional Compliance Officers

While compliance is everyone's responsibility, the CCPO is the focal point of HHSC's Compliance Program and shall be accountable for all compliance responsibilities at HHSC. The RCOs are responsible for ensuring that Compliance Program initiatives are implemented through the System in each of the HHSC facilities. The CCPO may delegate authority and responsibility for compliance activities in the HHSC facilities to the RCOs, but shall ultimately retain responsibility for the effectiveness of HHSC's Compliance Program.

In addition to general accountability for HHSC's Compliance Program, the CCPO's responsibilities include:

- Periodically assessing HHSC's compliance risk exposure and the development of action plans to assure that the Compliance Program responds to identified risk areas.
- Formulating and ensuring the distribution of the Code of Conduct.
- Overseeing the creation, distribution and maintenance of HHSC's compliance policies and procedures.
- Coordinating with the various Human Resource departments to ensure adequate employee background checks are performed.
- Establishing effective systems to prevent employment of individuals, relationships with contractors, or purchase from vendors who have been barred from participation in federal government programs (commonly referred to as ineligible individuals and entities) or who have demonstrated a propensity to engage in illegal activities.
- Ensuring mandatory compliance education and training programs, which are effective to familiarize all HHSC employees, Board members, medical staff and agents with the components of the Compliance Program, the Code of Conduct, compliance policies and procedures and relevant compliance issues.
- Updating and refreshing education and training information according to updates or revisions in relevant laws and regulations or changes in the Compliance Program.
- Maintaining a well-publicized procedure for reporting potential Compliance Program violations without fear of retaliation, and promoting effective lines of communication for employees, Board members, medical staff and agents to pose informal compliance questions.
- Maintaining a record of compliance-related complaints and allegations and the disposition of each case, including any associated disciplinary actions and remedial action pursued by HHSC.
- Coordinating audit endeavors to assess the effectiveness of HHSC's internal controls and to detect significant violations of legal and ethical standards.
- Conducting investigations, or authorizing external investigations, in consultation with the President and Chief Executive Officer (President and CEO) and the General Counsel, of potential legal violations, or instances of unethical behavior.
- Evaluating, determining and implementing the most appropriate remedies to correct incidents of noncompliance, and develop and implement strategies for preventing future offenses.
- Reporting, after consulting with the President and CEO and the General Counsel, any compliance matter requiring external reporting or disclosure.
- Establishing methods of improving HHSC's efficiency and quality of services, and reducing the System's vulnerability to fraud, abuse and waste.
- Making quarterly reports on compliance developments to the President and CEO and to the Board. Additional reports may be made to the President and CEO and the Board as determined by the CCPO, with input from the President and CEO and the Board.
- Serving as Chairperson of the Compliance Committee.
- Providing guidance and interpretation to the Board, the President and CEO, and executive management on matters related to the Compliance Program.
- Preparing, at least annually, a report describing the compliance activities and actions undertaken during the preceding year, the compliance priorities for the next year, and any recommendations for changes to the Compliance Program. This report shall be prepared with input from the Compliance Committee.
- Reviewing and updating the Compliance Program at least annually, and as required by events, such as changes in the law, or discovered deficiencies in the Program.

To ensure the CCPO is able to carry out the responsibilities of his or her role, the CCPO and RCOs have complete authority to review all documents or other information related to compliance activities, including, but not limited to:

- Patient records
- Billing records
- Records concerning marketing activities
- Records concerning HHSC's arrangements with employees, Board members, medical staff and agents
- Contracts and obligations that may implicate relevant laws, such as anti-kickback, physician self-referral or other statutory or regulatory requirements.

The presence of the CCPO and RCOs does not diminish or alter the independent duty of every employee, Board member, member of the medical staff or agent to abide by the Compliance Program. For example, as clarified by the Code of Conduct, employees in a supervisory role shall be responsible for monitoring and promoting compliant behavior among subordinate employees.

## **B. Compliance Committee**

The Compliance Committee shall be responsible for providing support to the CCPO in planning, overseeing, implementing, operating and enforcing the various components of the Compliance Program. The Compliance Committee is critically important to establishing accountability, credibility, and the structure of the Compliance Program. The purpose of the Compliance Committee is to allow HHSC and the CCPO to benefit from the combined perspectives of individuals with diverse responsibilities and experiences. The Compliance Committee shall consist of high-ranking System employees. Accordingly, in addition to the CCPO, who will chair the Committee, the Compliance Committee shall include:

- the five RCOs;
- Vice President and General Counsel;
- Chief Operating Officer and Chief Financial Officer;
- Vice President and Director of Human Resources;
- Vice President and Chief Information Officer; and
- two other high-ranking System employees to be determined by the President and CEO in consultation with the CCPO.

In addition to the permanent membership, the Compliance Committee is authorized to invite other HHSC employees to meetings to draw from their relevant expertise as related to the matter under discussion.

The Compliance Committee shall support the CCPO in furthering the objectives of HHSC's Compliance Program by:

- Analyzing the legal requirements with which HHSC must comply, and HHSC's principal risk areas.
- Ensuring appropriate System responses to identified organizational risk areas.
- Developing appropriate internal controls to facilitate legal and ethical conduct.
- Ensuring the Code of Conduct is distributed to all employees, Board members, medical staff and agents.
- Ensuring policies and procedures are distributed to the appropriate departments, employees and agents to which they apply.
- Updating and providing revisions to the Code of Conduct and policies and procedures.
- Recommending and supervising, in consultation with the relevant departments at the HHSC facilities, the development of internal systems and controls to achieve the standards set forth in the Code of Conduct and HHSC's policies and procedures.
- Developing effective education and training programs.
- Developing a system to solicit, evaluate and respond to complaints and problems.
- Reviewing the process by which reports of noncompliance are investigated and resolved.
- Creating and implementing effective methods for the proactive identification of potential compliance problems throughout HHSC.
- Assessing the effectiveness of the Compliance Program.
- Furnishing recommendations to the CCPO regarding reports to be furnished to the President and CEO, the Board, or external third parties.

The Compliance Committee may also address other compliance functions as the Compliance Program develops.

The Compliance Committee shall create task forces to be comprised of employees with relevant expertise, who are not Compliance Committee members, to perform specialized functions with regard to implementing the Compliance Program.

## **III. Education and Training**

To promote compliance with applicable legal requirements and to assure that the standards set forth in this Compliance Plan are maintained, HHSC is committed to conducting education and training programs for employees, Board members, medical staff and, as applicable, agents. Training

programs shall be conducted at least annually, but possibly more during the implementation phase of the Compliance Program; if there is a change in the law, regulations or Federal health care program requirements that affects the Compliance Program; or if other issues arise that the CCPO feels necessitates additional training.

The CCPO, the RCOs and the Compliance Committee shall be responsible for the proper coordination and supervision of the education and training process. This shall require the development of a general compliance training program that is designed to provide an overview of Compliance Program activities and requirements and emphasize the areas that generate the greatest compliance risks for HHSC.

In addition to a general compliance training program, HHSC shall also sponsor more detailed, job-specific compliance training programs designed for certain employees, medical staff and agents, to help them effectively perform their job responsibilities and comply with the various specific legal and ethical issues that may not be included in general training. Special attention shall be paid to individuals whose responsibilities involve claims development and submission processes, and business relationships with physicians and other healthcare providers.

The compliance training programs are intended to provide each HHSC employee, Board member, member of the medical staff and, as applicable, agents with an appropriate level of information and instruction regarding the Compliance Program and applicable legal requirements and ethical standards. Both general and specific compliance training programs shall include distribution of the Code of Conduct and policies and procedures to the appropriate attendees.

Each new employee orientation shall, at a minimum, include general compliance training to be followed promptly by specific training as the new employees' job responsibilities require.

Compliance education and training sessions shall be conducted by qualified personnel, which may include the CCPO, the RCOs, other members of the Compliance Committee, or other trained HHSC personnel. Seminars may also be conducted by consultants or vendors qualified to conduct educational programs. The CCPO, after consultation with the President and CEO, may require that certain employees, medical staff and, as applicable, agents, attend, at HHSC's expense, publicly available seminars covering relevant compliance topics.

Education and training programs shall be updated according to results from audits and investigations, feedback from education and training program attendees, trends in reporting, and changes in applicable law and Federal health care program requirements.

Attendance at, and completion of, the education and training programs is mandatory for all employees, Board members and medical staff with regard to general training, and selected employees, medical staff and agents with regard to specific training. Attendance shall also be a factor in each employee's annual performance review. Failure to attend and complete compliance training will be grounds for disciplinary action, up to, and including, termination of employment or

medical staff privileges, or failure to renew contracts. All attendees shall be required to certify to attending the education and training sessions.

The CCPO, with the assistance of the RCOs, shall be responsible for seeking feedback from all training session attendees, and developing and implementing a system for retaining records of employee training, including attendance logs, certifications, and material distributed at training sessions.

#### IV. Reporting

To effectively detect, resolve and prevent instances of noncompliance it is essential that employees, Board members, medical staff and agents are encouraged to raise conduct or ethical concerns to, as applicable, an immediate supervisor, a HHSC facility administrator, a RCS, a RCO or the CCPO.

To ensure a viable system of internal reporting, the following shall be incorporated into HHSC's Compliance Program:

- Creation of an environment within which employees, Board members, medical staff and agents feel comfortable reporting concerns, questions and instances of improper conduct without fear of retaliation.
- Provision of a mechanism for confidential or anonymous reporting for employees, Board members, medical staff and agents who are uncomfortable reporting concerns to, as applicable, an immediate supervisor, a HHSC facility administrator, a RCS, a RCO, or the CCPO. This reporting may be accomplished through the use of HHSC's telephone hotline, which can be accessed 24 hours a day, 7 days a week, by dialing **1-877-733-4189**.
- Publicizing HHSC's telephone hotline and other methods of internal reporting in a manner in which all employees, Board members, medical staff and agents are made aware of the various reporting methods available.
- Tracking, documentation and oversight mechanisms to ensure that reports of suspected noncompliance are fully and promptly investigated and addressed. In the case of the telephone hotline, a log of the calls received shall be maintained by the CCPO.
- Mechanisms to ensure that the President and CEO, the Board, and relevant management are properly and regularly apprised of, and can take appropriate action on, compliance issues identified in investigations that result from reports of noncompliance. Such action may include the development or updating of related policies and procedures and training program content.

Once an employee, Board member, member of the medical staff or agent has made a report, the complainant has a continuing obligation to update the report as new information becomes known to the complainant. Reports that are deemed credible by the CCPO shall be thoroughly and appropriately investigated and addressed.

Although HHSC shall always strive to maintain the confidentiality of a complainant's identity, regardless of the method used to report suspected noncompliance, the complainant shall be made aware that his or her identity may have to be revealed in certain circumstances, such as scenarios involving government or law enforcement authorities, or when it is necessary to further an internal investigation into the reported matter. Nevertheless, HHSC strictly prohibits a complainant from being retaliated against in any manner based on the complainant's report of suspected noncompliance. Any individual found to have retaliated against a complainant shall face disciplinary action, up to and including, termination of employment or medical staff privileges, or failure to renew contracts. If a complainant is found to be responsible for the noncompliance, the Human Resource departments shall be responsible for responding according to established disciplinary standards and applicable collective bargaining contract language.

## V. Disciplinary Standards

Adherence to HHSC's Compliance Program standards, and all applicable laws and regulations, is a condition of employment or association with HHSC. Accordingly, HHSC shall develop, implement and maintain a mechanism of accountability and discipline for individuals who are found to be in violation of any law or regulation, or any of the Compliance Program standards in the course of their employment or association with HHSC. Examples of actions or omissions that will subject an employee, member of the medical staff and certain agents to disciplinary action include, but are not limited to:

- Mistreatment of patients;
- Conduct inconsistent with legal requirements or Compliance Program standards;
- Failure to report suspected noncompliance; or
- Direct or indirect retaliation against an individual who reports, through any means, suspected noncompliance.

Possible disciplinary action may include, but shall not be limited to, counseling, written warnings, suspension, demotion, reduction in pay, termination of employment or medical staff privileges, and failure to renew contracts, depending on the degree of severity of noncompliance. Disciplinary action will be pursued on a fair and equitable basis, and employees at all levels of HHSC shall be subject to the same disciplinary action for the commission of similar offenses, including executive management. The Human Resources departments shall ensure that the imposed discipline is proportionate to the level of misconduct, and administered fairly and consistently in compliance with HHSC policies and procedures.

Disciplinary standards shall be well-publicized and disseminated, and made available to all levels of HHSC employees, medical staff and, where applicable, agents.

## VI. Hiring Criteria

Legally and ethically, HHSC has a responsibility to protect the integrity of the delivery of healthcare services, and billing and claims submission systems. Therefore, HHSC shall not knowingly employ or contract with an individual or entity who has engaged in illegal activities or who has been convicted of healthcare-related crimes.

Accordingly, any applicant for an employment position with HHSC, physician or other healthcare provider seeking medical staff privileges, or any agent seeking to provide services to or for HHSC, shall be required to disclose whether they have ever been convicted of a crime, including:

- Crimes related to the delivery of a healthcare item or service;
- Patient abuse or neglect;
- Fraud, theft, embezzlement, breach of fiduciary responsibility, or other financial misconduct in connection with a healthcare program; or
- Exclusion from participation in federal government programs.

In addition, HHSC shall reasonably inquire into the status of each prospective employee, member of the medical staff and agent by, at a minimum, pursuing the following steps:

- Conducting background checks of employees and agents with discretionary authority in the delivery of healthcare services or items, or billing functions to ensure that no history of engaging in illegal or unethical behavior exists;
- Conducting periodic reviews of the General Services Administration's List of Parties Excluded from Federal Programs available at [www.epls.gov](http://www.epls.gov) and the OIG's List of Excluded Individuals and Entities available at <http://www.oig.hhs.gov/fraud/exclusions.html>;
- Conducting periodic reviews of the National Practitioner Data Bank; and
- Conducting periodic reviews of actions pursued by the Food and Drug Administration and the Drug Enforcement Agency.

If an existing employee, member of the medical staff, or agent is found to be excluded he or she shall be immediately removed from a position of discretionary authority at HHSC, and HHSC may terminate employment, medical staff privileges, or its relationship with agents accordingly.

## VII. Auditing and Monitoring

HHSC shall conduct a variety of active auditing and monitoring functions designed to test and confirm the effectiveness of the Compliance Program, and identify HHSC's principal organizational risk areas. Audits shall be conducted at the CCPO's direction. In addition, audits shall be outlined in an audit plan to be reviewed and approved by the Compliance Committee, and reevaluated annually to determine whether audits have been effective at identifying HHSC's principal risk areas and, if action has been taken to correct discovered deficiencies, whether that corrective action was sufficient to improve the audited area.

Audits may target diverse levels of HHSC operations, including, but not limited to:

- Billing systems
- Claims accuracy
- High volume services
- Medical record documentation
- Patient admissions, transfers and discharges
- Cost reporting
- Emergency medical services
- External relationships with third parties, particularly those with substantive exposure to government enforcement actions
- Potential kickback arrangements
- Physician self-referrals
- Marketing endeavors

Compliance audits may take one or more of the following forms:

- **Baseline Audit** – an initial audit in a series of identical audits that provides a basis against which the progress of future audits is compared. Assessments of organizational risk areas can be determined through baseline audits.
- **Prospective Audit** – an audit that is performed before a function is implemented or performed in an effort to correct discovered deficiencies. For example, in the case of billing, a prospective audit would be performed before a bill is submitted for payment.
- **Retrospective Audit** – an audit that is performed after a function is implemented or performed, which may require HHSC to implement corrective action to rectify any discovered deficiencies in the audited area.

- **Special Audits** – an unscheduled audit that is performed at the direction of the CCPO in response to events that necessitate an audit, such as internal or external investigations.
- **Post-Compliance Audits** – an audit that is performed following the correction of any detected deficiency to determine the effectiveness of the corrective action.
- **Annual Risk Assessment Audit** – an audit that is performed on annual basis to identify those audited areas that have improved, and those that require further corrective action.

Audits may be conducted by external auditors who have attained the requisite certification and, as such, have expertise in applicable federal and state healthcare laws and Federal health care program requirements. Compliance audits may also be conducted by the CCPO and the RCOs, with assistance from HHSC management or other individuals as the CCPO shall designate.

Monitoring activities shall be ongoing. The CCPO, with the assistance of the RCOs and RCEOs shall direct each HHSC department as to the level of monitoring activities necessary to detect and prevent deficiencies in the Compliance Program. Monitoring activities may also be initiated by managers.

The CCPO, with the assistance of the RCO, the CCPO's designees, and any external auditors retained by HHSC, shall prepare a written report to include the findings and results of each audit. These reports will help to determine whether an audited area shows improvement, or whether there are continued deficiencies that need additional examination. Compliance reports created by an auditing or ongoing monitoring process, including reports of noncompliance, shall be reported to, and maintained by, the CCPO and shared with the Compliance Committee, the RCEOs, the President and CEO and the Board as dictated by HHSC policy.

## VIII. Investigation, Response and Prevention

Conduct in violation of law or inconsistent with the goals of the Compliance Program corrupts HHSC's mission and endangers HHSC's reputation. Accordingly, HHSC shall establish mechanisms that enable prompt response to credible reports of noncompliance.

When the CCPO receives a report of noncompliance that he or she deems to be credible, the CCPO shall coordinate with the RCOs and representatives from the relevant HHSC departments to:

- Promptly halt the underlying activity, and halt or mitigate, where possible, any ongoing harm caused by the suspected noncompliance;
- Fairly and expediently investigate to determine the existence, scope and seriousness of the noncompliance, and to identify the conduct or process that caused the noncompliance;

- Respond with appropriate action to correct the confirmed noncompliance;
- Implement preventative measures to avoid similar instances of noncompliance in the future; and
- Perform periodic audits of the identified problem area(s) to ensure that the implemented preventative measures have effectively eliminated the cause of the noncompliance.

If an investigation uncovers credible evidence of noncompliance, and, after a reasonable inquiry, the CCPO has reason to believe that the noncompliance may violate a law or regulation, the CCPO shall immediately report the matter to the General Counsel for advice regarding HHSC's reporting obligations. After consulting with the General Counsel, the CCPO shall promptly report such matters to the President and CEO and the Board. The CCPO shall maintain appropriate protocol to ensure that steps are pursued to secure or prevent the destruction of documents or other evidence relevant to the investigation.



**HAWAII HEALTH SYSTEMS**  
C O R P O R A T I O N

*"Touching Lives Every Day"*

**ACKNOWLEDGEMENT and CERTIFICATION**

I hereby certify that I have received and read **Hawaii Health Systems Corporation's Corporate Compliance Plan** and I understand that compliance with the requirements set forth in the Compliance Plan is a condition of my continued employment. I understand that it is my responsibility to read, understand and seek guidance, should I require clarification, with regard to the standards set forth in the Plan. I also understand that I may be subject to disciplinary action, up to and including termination, for violating these standards or failing to report violations of these standards.

**Print Name:** \_\_\_\_\_

**Signed:** \_\_\_\_\_

**Department:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Please retain a copy for your records and return your original signed acknowledgement form to:**

**Chief Compliance and Privacy Officer  
Hawaii Health Systems Corporation  
3675 Kilauea Avenue  
Honolulu, HI 96816**

## CODE OF CONDUCT



### Policies and Procedures

**Issued by:** Corporate Compliance Committee

**Approved by:** Alice M. Hall, Esq.  
Interim President and CEO

**Approved by:** Hawaii Health Systems Corporation (“HHSC”)  
Board of Directors

**Date:** December 9, 2010

## **STANDARDS OF CONDUCT**

### **Patient Relationships**

We are committed to providing a high quality of healthcare and services to address the needs of our patients, their families, visitors and the community. We treat all patients in a manner that preserves their dignity, autonomy, and involvement in their own care.

### **General Legal and Regulatory Compliance**

HHSC will continuously and vigorously promote full compliance with applicable federal and state laws and regulations, and federal health care program requirements.

### **Avoidance of Conflicts of Interest**

Employees, management, Board members, Medical Staff and agents maintain a duty of loyalty to HHSC and, as a result, must avoid any activities or private interests that may influence or appear to influence the employee, manager, director, member of the Medical Staff or agent's ability to render objective decisions in the course of his or her job responsibilities, or other services he or she furnishes to HHSC.

### **Relationship with Payors**

HHSC will consistently strive to satisfy accurate billing to government payors, commercial insurance payors, and patients with which HHSC transacts business.

### **Relationship with Physicians and Other Healthcare Providers**

HHSC will monitor its business dealings to structure relationships with physicians and other healthcare providers consistent with relevant federal and state laws and regulations, and in furtherance of HHSC's mission.

### **Work Environment**

We recognize that a diverse workforce and safe work environment enriches the life experience of all employees and our community, and HHSC will continue to maintain this culture.

### **Information and Information Systems**

We recognize that the provision of healthcare services generates business, financial, and patient-related information that requires special protection. We will establish systems that ensure such information is used appropriately and properly safeguarded.

## **I. PURPOSE:**

To implement the Hawaii Health Systems Corporation (HHSC) code of Conduct.



## **II. POLICY:**

This Code of Conduct is a summary of the ethical and legal standards by which HHSC employees management, Board of Directors (Board or Board members), members of the Medical Staff (Medical Staff) and agents will conduct themselves to protect and promote system-wide integrity and to enhance HHSC's mission. The Code of Conduct should be used as a guide to help HHSC's employees, management, Board members, Medical Staff and agents make sound decisions in carrying out their day to day responsibilities. The Code of Conduct cannot possibly address all legal and ethical standards applicable to HHSC; therefore, policies and procedures applicable to specific legal and ethical standards shall supplement the standards set forth in the Code. In addition, employees, management, Board members, Medical Staff and agents are expected to use good judgment in performing their responsibilities on behalf of HHSC.

### III. DEFINITIONS\*:

*Agents* with respect to HHSC shall mean all persons and entities that have contracted with or volunteer at HHSC to provide healthcare related services, equipment or other items that impact HHSC's provision of healthcare to patients, and HHSC's relationship with federal health care programs. Agents shall include, but not limited to, residents, medical students, contractors, consultants, volunteers and vendors.

*Board* or *Board member* shall mean the members of HHSC's Board of Directors, which consists of community volunteer leaders who are representatives of the total community, and are knowledgeable of Hawaii's unique cultural diversity and health needs.

*Compliance Committee* shall mean those employees responsible for providing direct support to the Chief Compliance and Privacy Officer (CCPO) in the reaction, implementation and operation of HHSC's Compliance Program.

*Employees* shall mean those individuals employed by HHSC including, but not limited to, civil service/exempt employees, managers, facility administrators, employed Medical Staff, and other healthcare professionals.

*Excluded individuals and entities* refers to an individual or entity who: (a) is currently excluded, debarred, suspended, or otherwise ineligible to participate in the Federal health care programs or in Federal procurement or non-procurement programs; or (b) has been convicted of a criminal offense that falls within the ambit of 42 U.S.C § 1320a-7(a), but has not yet been excluded, debarred, suspended, or otherwise declared ineligible.

*Federal health care programs* as defined in 42 U.S. C. Section 1320a-7b(f), include any plan or program that provides healthcare benefits to any individual, whether directly, through insurance, or otherwise, which is funded directly, in whole or in part, by a United States Government or state healthcare program, including, but not limited to, Medicare, Medicaid, Civil Health and Medical Program for the Uniformed Services (CHAMPUS), Department of Veterans Affairs (VA), Tricare Military Health Program (TRICARE), Federal Bureau of Prisons, and Indian Health Services,

but excluding the Federal Employees Health Benefit Program (FEHBP).

*HHSC* shall include all healthcare facilities or services which are currently operated or provided by the Hawaii Health Systems Corporation, or which shall be operated or provided by the Hawaii Health Systems Corporation in future.

*Management* shall mean those HHSC employees who have the responsibility of evaluating, recommending and implementing major policies and strategies that promote the provision of quality healthcare to the communities which HHSC serves.

*Medical Staff* or *member of the Medical Staff* shall mean those physicians and other providers of healthcare services who have been granted membership or clinical privileges to admit, treat or practice medicine within HHSC, and according to the terms of HHSC's Medical Staff Bylaws.

*Monitoring* refers to compliance reviews that are repeated on a regular basis during the normal course of HHSC's operations.

*Noncompliance* refers to conduct inconsistent with the goals of HHSC's Compliance Program or in violation of any criminal, civil or administrative law or regulation, or federal health care program requirements.

**\*For purposes of the Code of Conduct**

#### IV. RESPONSIBILITIES UNDER THE CODE OF CONDUCT

##### A. Who must comply with HHSC's Code of Conduct?

This Code of Conduct applies to all employees, management, Board members, Medical Staff and agents affiliated with HHSC throughout HHSC's medical facilities, including: Hale Ho'ola Hamakua, Hilo Medical Center, Ka'u Hospital, Kauai Veterans Memorial Hospital, Kohala Hospital, Kona Community Hospital, Kula Hospital, Lanai Community Hospital, Leahi Hospital, Maluhia, Maui Memorial Medical Center, Samuel Mahelona Memorial Hospital and any other facilities or services which are currently operated or provided by HHSC, or which shall be operated or provided by HHSC in future (the HHSC facilities).

##### B. What are the responsibilities of each employee with regard to the Code of Conduct?

- Read the standards of conduct and think about their application to your work. You should have a basic understanding of issues covered by each standard and the supplemental compliance policies and procedures that apply to your job function.
- Seek assistance from your immediate supervisor or your region's compliance officer (RCO) when you have questions about the application of the standards and other HHSC policies to your work.
- Understand the options that HHSC makes available to you for raising conduct or ethical concerns and promptly raise such concerns. You should raise such concerns with your immediate supervisor or your RCO. If you are uncomfortable speaking with your immediate supervisor or RCO in your region, you should address your concerns with the Chief Compliance and Privacy Officer (CCPO). If you prefer to raise your concerns anonymously, HHSC has

established a telephone hotline **1-877-733-4189**, which is another source upon which you can rely.

- Cooperate in HHSC investigations concerning potential violations of law, the Code of Conduct, HHSC's Corporate Compliance Program (Compliance Program), and HHSC policies and procedures.

##### C. What are the responsibilities of HHSC management?

###### 1. Build and maintain a culture of compliance by:

- Personally leading compliance efforts through frequent meetings that require compliance reports and regular monitoring of compliance matters and programs.
- Leading by example, using your own behavior as a model for all employees.
- Encouraging employees to raise conduct and ethical questions and concerns.
- Seeking assistance from the CCPO to address any questions or concerns for which you do not know the answer.
- Using employee actions and judgments in promoting and complying with the Code of Conduct and other HHSC policies as considerations when evaluating and rewarding employees.
- Ensuring the CCPO and the RCOs are equipped with the necessary resources to promote the effectiveness of the Compliance Program.

###### 2. Prevent compliance issues by:

- Identifying compliance risks and proposing additional policies and procedures that may be appropriate to address such risks.
- Identifying employees whose activities involve issues covered by HHSC policies.

- Providing education and counseling to assist employees to understand the Code of Conduct, HHSC policies, and applicable law.
3. *Detect compliance problems by:*
- Implementing and maintaining appropriate controls to monitor compliance and mechanisms that foster the effective reporting of potential compliance issues.
  - Promoting an environment that permits employees to raise concerns without fear of retaliation.
  - Assisting in periodic compliance reviews that are conducted by the CCPO, the RCOs or external auditors, to assess the effectiveness of HHSC's compliance measures and to identify methods of improving internal controls.
4. *Respond to compliance problems by:*
- Pursuing prompt corrective action to address imperfections in compliance measures.
  - Applying appropriate disciplinary action when necessary.
  - Consulting with the CCPO and RCOs so that compliance issues are promptly and effectively addressed.
5. *Report potential compliance issues by:*
- Promptly raising conduct or ethical concerns with your immediate supervisor, your facility administrator or your RCO.
  - If you are uncomfortable speaking with your immediate supervisor, facility administrator or RCO in your region, you should address your concerns with the CCPO.
  - If you prefer to raise your concerns anonymously, HHSC has established a telephone hotline **1-877-733-4189**, which is another source upon which you can rely.

#### D. What are the responsibilities of HHSC Board members?

- Read the standards of conduct and think about their application to you.
- Make decisions that are in the best interest of HHSC and which are not affected by conflicts of interest.
- Receive and act upon advice from management, including the President and Chief Executive Officer (CEO), the CCPO and General Counsel
- Ensure that the Compliance Program is free from undue restraints and influences, and raise any compliance issues with the President and CEO or the CCPO.
- Maintain the confidentiality of all compliance-related information provided to you.

#### E. What are the responsibilities of the Medical Staff?

- Read the standards of conduct and think about their application to your work. You should have a basic understanding of issues covered by each standard and the supplemental compliance policies that apply to the services you furnish to HHSC and our patients.
- Actively participate in compliance activities as requested by your RCO, the CCPO and other HHSC administration.
- Assist HHSC in identifying compliance issues and in developing possible solutions to address those issues.
- Understand the various options that HHSC makes available to you for raising conduct or ethical concerns and promptly raise such concerns. You should raise such concerns with your RCO, your Regional Chief of Staff or the CCPO. If you prefer to raise your concerns anonymously, HHSC has established a telephone hotline **1-877-733-4189**, which is another resource upon which you can rely.

- Cooperate in HHSC investigations concerning potential violations of law, the Code of Conduct, HHSC's Compliance Program, and HHSC policies and procedures.

#### **F What are the responsibilities of agents?**

- Read the standards of conduct and think about their application to the services you furnish to HHSC. You should have a basic understanding of issues covered by each standard and the supplemental compliance policies that apply to the services you furnish to HHSC.
- Actively participate in compliance activities, such as education and training, as requested by HHSC.
- Understand the various options that HHSC makes available to you for raising conduct or ethical concerns and promptly raise such concerns. You should raise such concerns with the RCOs or the CCPO. If you prefer to raise your concerns anonymously, HHSC has established a telephone hotline **1-877-733-4189**, which is another resource upon which you can rely.
- Cooperate in HHSC investigations concerning potential violations of law, the Code of Conduct, HHSC's Compliance Program, and HHSC policies and procedures.

## V. STANDARDS OF CONDUCT

### A. Patient Relationships: We are committed to providing a high quality of healthcare and services to address the needs of our patients, their families, visitors and the community. We treat all patients in a manner that preserves their dignity, autonomy, and involvement in their own care.

#### Principles:

- We will recognize the right of our patients to receive quality services provided by competent individuals in an efficient, cost effective and safe manner.
- We will continually monitor the clinical quality of the services we provide and, as necessary, will endeavor to improve the quality of services provided.
- We will support every patient's right to be free from all types of abuse, and will not tolerate patient abuse in any form.
- We will apply our admission, treatment, transfer and discharge policies equally to all patients based upon identified patient needs, and such policies will be consistent with all legal requirements applicable to HHSC.
- We will listen to our patients, their families and visitors to understand any concerns or complaints.
- We will involve patients in the decision-making process about their care.
- We will provide treatment and medical services without discrimination based on race, color, age, religion, national origin, gender, sexual orientation or disability.
- We will complete emergency assessments, according to applicable legal requirements, for all who request our emergency

services, and not base an emergency assessment of the patient's ability to pay or any other discriminatory factor.

- We will provide our patients with only those services which are medically necessary and appropriate.
- We will maintain licensure and credentialing standards to promote the provision of clinical services by properly trained and experienced Medical Staff.
- We will perform thorough background checks of potential employees and other individuals involved in patient care at the HHSC facilities to verify credentials and to assess whether such individuals have ever been excluded from participation in any of the Federal health care programs, including the Medicare and Medicaid programs.
- We will respect the privacy of our patients, and we will treat all patient information with confidentiality, in accordance with all applicable laws, regulations and professional standards.

### B. General Legal and Regulatory Compliance: HHSC will continuously and vigorously promote full compliance with applicable federal and state laws and regulations, and federal health care program requirements.

#### Principles:

- We will continuously study our legal obligations and create policies and procedures that facilitate compliance by our employees, management, Board members, Medical Staff and agents with such legal obligations.
- We will recognize the critical role of research in improving the health status of our community, and we are committed to conducting all research activities in compliance

with the highest ethical, moral, and legal standards.

- We will engage in open and fair competition and marketing practices based on the needs of our community and consistent with the furtherance of our mission.
- We will treat our employees with respect, and will engage in human relations practices that promote the personal and professional advancement of each employee.
- We will recognize that our employees work in a variety of situations and with a variety of materials, some of which may pose a risk of injury. We are committed to providing a safe work environment, and will implement and monitor policies and procedures for workplace safety that are designed to comply with federal and state safety laws, regulations, workplace safety directives, and applicable collective bargaining provisions.
- We will recognize that the provision of healthcare may in some instances produce hazardous waste products or other risks involving environmental impact. We are committed to compliance with applicable environmental laws and regulations, and will follow proper procedures with respect to handling and disposing of hazardous and biohazardous waste.
- We will require our employees, management, Medical Staff and agents to understand the basic legal obligations that pertain to their individual job functions or services they furnish to HHSC and our patients, and will require that they strive to make certain that their decisions and actions are conducted in conformity with such laws, regulations and policies and procedures.
- We will support educational and other training sessions to teach HHSC employees, management,

Board members and, as warranted, Medical Staff and agents, about the impact of the law on their duties, and to promote compliance with our collective legal obligations.

- We will support and maintain multiple resources for employees, management, Board members, Medical Staff and agents to voice any questions about the proper interpretation of a particular law, regulation or policy and procedure.

**C. Avoidance of Conflicts of Interest: Employees, management, Board members, Medical Staff and agents maintain a duty of loyalty to HHSC and, as a result, must avoid any activities or private interests that may influence or appear to influence the employee, manager, director, member of the Medical Staff or agent's ability to render objective decisions in the course of his or her job responsibilities, or other services he or she furnishes to HHSC.**

**Principles:**

- We will maintain policies and procedures that clarify scenarios in which an individual's private interests may inappropriately interfere with HHSC's interests, and will provide support through which employees, management, Board members, Medical Staff and agents may pose questions about whether a particular outside activity or relationship could be construed as a conflict of interest.
- We will articulate expectations of the conduct that must be demonstrated by employees, management, Board members, Medical Staff and agents in the performance of services for HHSC, and will require that such individuals remain free of conflicts of interest in the performance of their responsibilities and services to HHSC.
- We will require employees, management, Board members,

Medical Staff and agents to inform HHSC of personal business ventures and other activities that could be perceived as conflicts of interest.

- We will not permit employees, management, Board members, Medical Staff or agents to use any proprietary or non-public information acquired as a result of a relationship with HHSC for personal gain or for the benefit of another business opportunity.
- We will not permit the use of HHSC's resources, such as materials or equipment, for the pursuit of financial gain unrelated to HHSC's business.
- We will render decisions about the purchase of external goods and services based on objective criteria, such as the subcontractor's or supplier's ability to best satisfy HHSC's needs, and not based on personal relationships.

**D. Relationship with Payors: HHSC will consistently strive to satisfy accurate billing to government payors, commercial insurance payors, and patients with which HHSC transacts business.**

**Principles:**

- We will promote compliance with laws governing the submission and review of bills for our services and will deal with billing inquiries in an honest and forthright manner.
- We will implement reasonable measures to prevent the submission or filing of inaccurate, false or fraudulent claims to payors.
- We will utilize systematic methods for analyzing the payments we receive and will reconcile inaccurate payments after discovery.
- When warranted, we will investigate inaccurate billings and payments to determine whether

changes to current protocol or other remedial steps are necessary.

- We will implement documentation procedures sufficient to ensure physicians that treat patients in the HHSC facilities accurately and timely provide reliable documentation of the services rendered.
- We will review cost reports to be filed with the Federal health care programs to determine whether such reports accurately and completely reflect the operations and services provided to beneficiaries and to confirm that such reports are completed in accordance with applicable federal and state regulations and HHSC policies and procedures.
- We will, as necessary, rely on internal and external sources to help improve HHSC's billing and coding protocol and to identify potential areas of noncompliance.
- We will only compensate billing and coding staff and consultants for services rendered, and will not compensate such persons in any way related to collections or maximization of revenues.

**E. Relationship with Physicians and Other Healthcare Providers: HHSC will monitor its business dealings to structure relationships with physicians and other healthcare providers consistent with relevant federal and state laws and regulations, and in furtherance of HHSC's mission.**

**Principles:**

- We will accept patient referrals based on our ability to render appropriate healthcare services to the patient.
- We will treat referral sources fairly and consistently, and will not provide remuneration that could be considered payment for referrals, including:

- Free or below-market rents;
- Administrative or staff services at no- or below-cost;
- Grants in excess of actual amounts for *bona fide* research or other services rendered;
- Interest-free loans; or
- Gifts, “perks” or other payments intended to induce patient referrals.
- We will implement policies and procedures that require fair market value determinations for services rendered by referral sources and for services rendered by HHSC.
- We will require all agreements with referral sources to be reduced to writing and reviewed and approved by HHSC’s legal department.
- We will educate and train the appropriate personnel on the primary laws and regulations governing patient referrals and other legal restrictions on the manner in which HHSC transacts business, including the penalties that may result of violations of such laws.

**F. Work Environment: we recognize that a diverse workforce and safe work environment enriches the life experience of all employees and our community, and HHSC will continue to maintain this culture.**

- We will provide a work environment free from disruptive behavior. Disruptive behavior is defined as anything a person (physician, employee, volunteer, patient, etc.) does that interferes with the orderly conduct of hospital business, including safety, patient care and every aspect of hospital operations.
- Retaliation or retribution against any employee or person who reports, or was subjected to or participated in any investigations alleging violations under the Code of Conduct will not be tolerated. However, we also will not tolerate any employee or other person

deliberately making a false report of a compliance violation or deliberately falsifying documents or information in response to a compliance investigation.

- We will provide equal employment opportunities to employees and applicants for employment without regard to race, color, age, religion, national origin, gender, sexual orientation, veteran status or disability, in accordance with applicable law.
- We have developed and implemented policies and procedures that promote compliance with laws governing nondiscrimination in personnel actions, including recruiting, hiring, evaluation, transfer, workforce reduction, termination, compensation, counseling, discipline and promotions.
- We have developed and implemented “non-harassment” and “no tolerance” policies addressing workplace violence and negotiated provisions on workplace violence in applicable collective bargaining agreements.
- We will perform thorough background checks of potential employees to verify credentials.
- We have developed policies promoting a drug free workplace and negotiated provisions on substance abuse testing in applicable collective bargaining agreements.
- We have developed policies and procedures to effectively monitor the dispensing of and to promote the appropriate storage of controlled substances.
- We have implemented policies, procedures, and monitors to protect employees from potential workplace hazards.

**G Information and Information Systems. We recognize that the provision of healthcare services generates business, financial, and patient-related information that requires special protection. We will establish systems that ensure such information is used appropriately and properly safeguarded.**

- We are committed to safeguarding the integrity and accuracy of the documents and records in our possession, and will develop systems and policies and procedures sufficient to:
  - Establish retention periods and protocols for business, financial and patient records.
  - Prevent the alteration, removal or destruction of records or documents except according to our retention policy and applicable ethical and legal standards.
  - Promote the accurate and detailed documentation of all business, financial and patient transactions.
  - Control and monitor access to HHSC communications systems, electronic mail, Internet access and voicemail to ensure that such systems are accessed appropriately and used in accordance with HHSC's policies and procedures.
  - Protect the privacy and security of patient medical, billing, and claims information by implementing sufficient physical, systemic and administrative measures to prevent unauthorized access to or use of patient information, and to track disclosers of such information as required by law.
- Provide access for our patients and their legal representatives to patients' medical, billing and claims information, as required by law.
- Safeguard the personal and human resources information of our employees including, salary, benefits, medical and other information retained within the human resources system.

## VI. VIOLATIONS OF THE CODE OF CONDUCT

HHSC is committed to promoting compliance with the Code of Conduct, and violations of the Code of Conduct may lead to discipline (up to and including termination of employment), termination of Medical Staff privileges, or termination of contract as appropriate. Disciplinary actions will be in accordance with the respective collective bargaining agreements, the HHSC Human Resources and Civil Service System Rules and the HHSC/Medical Staff policies and procedures, as applicable.

To assist in ensuring compliance with the Code of Conduct, HHSC has provided all employees, management, Board members, Medical Staff and agents with a means of raising questions and concerns, and reporting any conduct that the employee, manager, director, member of the Medical Staff or agent suspects is in violation of this Code of Conduct, HHSC policies and procedures, and applicable laws and regulations. Employees, management, the Board, Medical Staff and agents are expected and required to communicate any suspected violations of the Code of Conduct, HHSC policies and procedures, and applicable laws and regulations to, as applicable, an immediate supervisor, a RCO or the CCPO.

For anonymous reporting, HHSC has established a telephone hotline, which is available 24 hours a day, 7 days a week: **1-877-733-4189**. The RCOs and the CCPO shall be responsible for investigating reports received on this hotline, with assistance from the Legal Department as warranted.

The following list, while not exhaustive, describes the type of concerns and questions that employees, management, Board members, Medical Staff and agents should raise with, as applicable, an immediate supervisor, a RCO, the CCPO or through HHSC's telephone hotline:

- (i) the possible submission of false, inaccurate or questionable claims to Medicare, Medicaid or any other payor;
- (ii) the provision or acceptance of payments, discounts or gifts in exchange for referrals of patients;
- (iii) the utilization of improper physician recruitment techniques under applicable law;
- (iv) allegations of discrimination;
- (v) potential breaches of confidentiality or privacy; and
- (vi) situations that could raise conflicts of interest concerns.

## VII. REVISIONS OF THE CODE OF CONDUCT

This Code of Conduct will be reviewed annually by the Compliance Committee to foster its effectiveness. Suggested changes to the Code of Conduct will be presented to the President and CEO. The Code of Conduct may be amended, modified or waived only with the approval of the President and CEO.





**HAWAII HEALTH SYSTEMS**  
C O R P O R A T I O N

*"Touching Lives Every Day"*

**EMPLOYEE ACKNOWLEDGEMENT AND CERTIFICATION**

I hereby certify that I have received and read **Hawaii Health Systems Corporation's Code of Conduct** and I understand that compliance with the requirements set forth in the Code of Conduct is a condition of my continued employment. I understand that it is my responsibility to read, understand and seek guidance, should I require clarification, with regard to the standards set forth in the Code. I also understand that I may be subject to disciplinary action, up to and including termination, for violating these standards or failing to report violations of these standards. The disciplinary actions will be in accordance with the respective collective bargaining agreements and the HHSC Human Resources and Civil Service System Rules, as applicable.

Print Name: \_\_\_\_\_

Signed: \_\_\_\_\_

Department: \_\_\_\_\_

Date: \_\_\_\_\_

**BOARD MEMBER ACKNOWLEDGEMENT AND CERTIFICATION**

I hereby certify that I have received and read **Hawaii Health Systems Corporation's Code of Conduct**. I understand that it is my responsibility to read, understand and seek guidance, should I require clarification, with regard to the standards set forth in the Code, and to act in accordance with these standards at all times in my service as a member of Hawaii Health Systems Corporation's Board of Directors.

Print Name: \_\_\_\_\_

Signed: \_\_\_\_\_

Region: \_\_\_\_\_

Date: \_\_\_\_\_

**Please retain a copy for your records and return your original signed acknowledgement form to:**

**Chief Compliance & Privacy Officer  
Hawaii Health Systems Corporation  
3675 Kilauea Avenue  
Honolulu, HI 96816**

**MEDICAL STAFF ACKNOWLEDGEMENT AND CERTIFICATION**

I hereby certify that I have received and read **Hawaii Health Systems Corporation's Code of Conduct**. I understand that it is my responsibility to read, understand and seek guidance, should I require clarification, with regard to the standards set forth in the Code, and to act in accordance with these standards at all times.

Print Name: \_\_\_\_\_

Signed: \_\_\_\_\_

Region: \_\_\_\_\_

Date: \_\_\_\_\_

**AGENT ACKNOWLEDGEMENT AND CERTIFICATION**

I hereby certify that I am the independent contractor referenced below (the Contractor), or am a duly authorized officer of the Contractor. On behalf of the Contractor and its employees, officers, Board members, and agents, I certify that I have received and read **Hawaii Health Systems Corporation's Code of Conduct**, and that the employees and agents of the Contractor providing services to or for the Hawaii Health Systems Corporation will receive and read the Code of Conduct. I understand that it is our responsibility to read, understand and seek guidance, should we require clarification, with regard to the standards set forth in the Code, and to act in accordance with these standards at all times in performing services for HHSC.

Print Name of Contractor: \_\_\_\_\_

Signature of Contractor: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_