

BAPTIST HEALTH
COMPLIANCE PROGRAM MANUAL

I. Policy, Purpose and Scope; Definitions

A. Policy and Purpose

It is the policy of Baptist Health ("BH") to achieve our Mission with a high standard of individual and organizational ethical and legal conduct. The health care industry is subject to complex and extensive body of regulations that are constantly changing. The BH Board of Directors ("BH Board") believes that a formal program is necessary to assure that our Mission is fulfilled in keeping with this high standard of conduct. The BH Board has resolved to have an effective Compliance Program not only to avoid significant liabilities but to preserve the trust of the people and communities we serve.

The purpose of the BH Compliance Program is to prevent and detect violations of the Standards of Conduct set forth in this manual. The BH Board expects all Workforce Members, contractors, agents and medical staff members to observe the Standards of Conduct at all times.

B. Scope

The Compliance Program shall be implemented throughout BH and shall address all applicable laws.

C. Definitions

1. "Baptist Health," ("BH") means all healthcare facilities and businesses operated by BH and all BH wholly-owned or controlled companies.
2. "Compliance Objective" means a specific goal of the Compliance Program that is intended to ensure compliance with the Standards of Conduct.
3. "Conflict of Interest" shall have the same meaning as expressed in the BH Conflicts of Interest Policy.
4. "Compliance Program" or "Program" means the formal program adopted by the BH Board to establish and ensure compliance with the Standards of Conduct.
5. "Corrective Action" means discipline of individuals and other actions intended to effectively address instances of Misconduct.
6. "Entity" means any facility wholly owned by BH or a BH affiliate and BH System Services.

7. "Manual" means this Compliance Program Manual.
8. "Misconduct" means the failure to observe a Standard of Conduct, including, but not limited to, any violation of law, Compliance Objective, or other requirement of this Program.
9. "Mission" means the Mission statement adopted by BH, which is, "Baptist Health demonstrates the love of Christ by providing and coordinating care and improving health in our communities".
10. "Workforce Member" means the directors, officers, employees, volunteers, trainees, and other persons whose conduct, in the performance of work for BH is under BH's direct control, regardless of whether or not the individual is paid by BH.
11. "Standards of Conduct" means a set of principles by which BH and its Workforce Members, contractors, agents, and medical staff members are expected to conduct the affairs of BH.

II. Standards of Conduct and Compliance Policies and Procedures

BH has developed its Standards of Conduct as well as compliance-related policies and procedures to ensure BH's compliance with applicable Federal and State laws and regulations, such as those for Medicare, Medicaid, and HIPAA, as well as appropriate consequences of non-compliance. BH's Standards of Conduct as well as compliance policies and procedures will be periodically reviewed and revised, and new policies and procedures created as needed to ensure a robust and effective Compliance Program.

BH's Standards of Conduct include the following:

- A. BH will carry out its business by following all applicable federal, state, and local laws that apply.
- B. Everyone working at BH will carry out their duties in line with our Mission and with the core values of integrity, respect, compassion, excellence, collaboration and joy.
- C. Everyone working at BH should carry out their duties in ways that avoid conflicts of interests.
- D. All bills will be for services and items that were actually given, following the rules set by government and other payers.
- E. When working with our medical staff, contractors, and other healthcare groups – both inside and outside our system - all BH Workforce Members must follow the law. This includes laws that ban fraud, abuse, wasting resources, unfair business practices, and improper benefits.

- F. Everyone working in BH hospitals and offices will work to build a respectful and trusting relationship with government agencies.
- G. BH will actively support its Compliance Program to meet all compliance goals and to build a culture where everyone follows the rules across the entire system.
- H. Licensed and professional employees at BH are expected to follow the ethical standards set by their licensing agencies and the guidelines recommended by their professional organizations.

The Chief Compliance Officer will ensure BH's Standards of Conduct, compliance-related policies and procedures, as well as other resource information regarding relevant laws and the Compliance Program (e.g. educational resources) may be readily accessed by BH Workforce Members. Such resources will be maintained and made readily available to all Workforce Members, regardless of location.

III. Program Organization

A. BH Board of Directors

1. **Authority.** The BH Board of Directors has the ultimate responsibility to assure the organization's compliance with the Standards of Conduct. To that end, the BH Board authorizes those individuals who have responsibility for carrying out the Compliance Program to do so vigorously and empowers them to execute their duties professionally and in a manner that best achieves the Program's purpose.
2. **Duties.** In addition to specific duties noted elsewhere in this Manual, the BH Board shall:
 - a. be knowledgeable about the content and operation of the Compliance program;
 - b. exercise reasonable oversight and periodically assess the effectiveness of the Chief Compliance Officer, BH system compliance committee(s), and the implementation of the Compliance Program;
 - c. ensure the Chief Compliance Officer has independence, and resources to implement, maintain, and monitor BH's Compliance Program;
 - d. support the Compliance Program and communicate its commitment to compliance throughout BH;
 - e. ensure that information and reporting systems exist and are reasonably designed to provide to senior leadership and the Board timely, accurate information to allow senior leadership and the Board to make informed decisions concerning the organization's compliance with the law;
 - f. require periodic reports from the Chief Compliance Officer at least quarterly and timely respond as necessary to matters addressed in reports;
 - g. exercise reasonable oversight and periodically assess the effectiveness of the BH system compliance committee(s) including receiving reports on member attendance, participation, and engagement; and how System

Compliance Committee decisions are implemented and supported throughout the organization.

B. System Compliance Committee

1. **Composition.** The System Compliance Committee (“System Committee”) shall be composed of the Chief Compliance Officer, other BH Compliance Officers (as applicable), the BH Chief Financial Officer, the BH Chief Legal & Regulatory Affairs Officer, the BH Chief People and Culture Officer, the BH Chief Operating Officer, the Associate Vice President of Health Information Management; the Vice President of Risk and Insurance, the Chief Information Security Officer, and other individuals appointed at the discretion of the BH CEO, or their delegates. The BH CEO shall be an ex-officio member of the System Committee. The Chief Compliance Officer will oversee the System Committee.
2. **Authority and Reporting.** The System Committee shall have sufficient authority to appropriately carry out its duties. The Chief Compliance Officer shall submit a written report of the System Committee’s activities, attendance, and status of the Program to the BH Board at least annually.
3. **Duties.** In addition to specific duties noted elsewhere in this Manual, the System Committee shall:
 - a. support the Compliance Program and encourage a culture of compliance throughout BH;
 - b. advise the Chief Compliance Officer and assist in the implementation and operation of the Program throughout BH;
 - c. receive and prepare education about laws and regulations applicable to BH;
 - d. monitor and ensure the development and regular review of compliance-related policies for BH;
 - e. monitor and recommend internal systems and controls to promote compliance and adherence with law, regulations, policies, and BH’s standards of conduct;
 - f. assess and make recommendations regarding education and training needs and effectiveness;
 - g. promote reporting of compliance issues and concerns;
 - h. support and engage in the annual risk assessment;
 - i. monitor and evaluate the effectiveness of the compliance work plan and any action plans for remediation;
 - j. periodically evaluate the effectiveness of the Compliance Program and make recommendations to the Chief Compliance Officer for improving the Program.

C. **Chief Compliance Officer**

1. **Appointment.** The Chief Compliance Officer shall be appointed and may be removed by the BH CEO in consultation with the BH Board.
2. **Authority.** The Chief Compliance Officer is a member of senior leadership of BH. The Chief Compliance Officer shall be charged with the general responsibility of overseeing the implementation and operation of the Compliance Program. This individual shall have the authority necessary and appropriate to carry out all duties and shall report directly to the Audit & Enterprise Risk Committee of the BH Board and to the BH Chief Legal & Regulatory Affairs Officer. The BH Chief Compliance Officer shall have unrestricted right to present Program concerns to the BH Board and the BH CEO.
3. **Duties.** In addition to specific duties noted elsewhere in this Manual, the Chief Compliance Officer shall:
 - a. support the Compliance Program and encourage a culture of compliance throughout BH;
 - b. oversee the BH Compliance Committee and regularly report to the BH Chief Legal & Regulatory Affairs Officer, the BH CEO, and BH Board or the Board Audit and Enterprise Risk Committee regarding the Committee's activities and the Program;
 - c. oversee and monitor the implementation and operation of the Program;
 - d. oversee the development and implementation of compliance program policies and procedures.
 - e. prepare an annual budget for the Program in accordance with the BH budgeting process;
 - f. periodically review and evaluate the effectiveness of the Program in light of BH operations and changes in the law, and requirements of government or private payers;
 - g. assure that contractors, agents and medical staff members who provide services or supplies to or on behalf of BH are aware of the Program and are informed of the expectation that they must comply with the Standards of Conduct when carrying out BH-related activities; and

D. **BH Entity Compliance Committee**

1. **Composition.** A BH Entity Compliance Committee ("Entity Committee") shall be composed of the Entity's Compliance Officer, operational leaders, senior physician leader, and other individuals appointed at the discretion of the entity's President and the Chief Compliance Officer. The entity's President shall be an ex-officio member of the Entity Committee. The Entity Compliance Officer will chair the Entity Committee.
2. **Authority and Reporting.** The Entity Committee shall have sufficient authority to carry out its duties. Entity Committee activities shall be reported to

the Chief Compliance Officer at least quarterly and to the System Compliance Committee upon request.

3. **Duties.** The BH Entity Committee shall:
 - a. support the BH Compliance Program and encourage a culture of compliance;
 - b. advise the Entity's Compliance Officer and assist in the implementation and operation of the Program;
 - c. receive and prepare education about legal and regulatory requirements applicable to the Entity;
 - d. monitor the effectiveness of compliance-related policies of the Entity and assure adherence to System and Entity compliance policies;
 - e. monitor and recommend internal systems and controls to promote compliance and adherence with law and regulations, and BH's policies and Standards of Conduct;
 - f. assess and make recommendations regarding training needs and effectiveness;
 - g. promote reporting of compliance issues and concerns;
 - h. support and engage in the annual risk assessment;
 - i. monitor and evaluate the effectiveness of the compliance work plan and any action plans for remediation;
 - j. periodically evaluate the effectiveness of the Compliance Program and make recommendations to the Entity Compliance Officer and the Chief Compliance Officer for improving the program.

E. Entity Compliance Officers

1. **Appointment.** Each Entity's Compliance Officer shall be appointed and may be removed by the entity's President and the Chief Compliance Officer.
2. **Authority.** The Entity's Compliance Officer shall have sufficient authority to carry out the duties of the office and shall report directly to the Entity's President and to the Chief Compliance Officer or designee.
3. **Duties.** In addition to specific duties noted elsewhere in this Manual, the Entity's Compliance Officer shall:
 - a. support the Compliance Program and encourage a culture of compliance throughout the entity;
 - b. oversee the Entity's Compliance Committee;
 - c. oversee and monitor the implementation and operation of the Program;
 - d. carry out specific functions assigned by the Chief Compliance Officer or designee;
 - e. periodically review and evaluate the effectiveness of the Program in light of changes at the Entity, and changes in the law, and changes to requirements of the government or private payers and make recommendations for improvements;
 - f. assure contractors, agents, medical staff members who provide services or

supplies to or on behalf of the Entity are aware of the Program and are informed of the expectation that they must comply with the Standards of Conduct when carrying out BH-related activities; and

- g. provide periodic updates to the Entity President and to the Entity Committee, but not less than annually; and to the Chief Compliance Officer and Chief Compliance Officer or designee at least quarterly.

F. Legal Counsel, Consultants and Advisors

1. The Chief Compliance Officer may obtain assistance from legal counsel and other consultants and advisors to provide assistance regarding the Program.
2. The BH Chief Legal and Regulatory Affairs or other counsel in the BH Legal Department will provide legal advice when requested by the Chief Compliance Officer or BH Entity Compliance Officers, including the retention of outside legal counsel.

IV. Education and Training

A. Policy and Objective

All Workforce Members shall be trained regarding the Compliance Program and educated about laws relevant to their activities according to a plan developed by the Chief Compliance Officer. Such training and education also shall be required for orientation of new Workforce Members.

In addition, all contractors, agents and Medical Staff members of BH shall be made aware of the Program and the expectation that they observe the BH's policies and Standards of Conduct.

BH agreements with contractors or vendors shall include a provision requiring the contractor/vendor to observe the BH Standards of Conduct and fully cooperate with the BH Compliance Program, including submitting to reasonable inquiries to determine that the contractor, and their respective sub-contractors and agents, are fully complying with laws applicable to their BH-related activities.

Additionally, when compliance training is not provided directly by BH, or when not addressed in the service agreement, BH shall obtain annual attestations from contractors and vendors working at BH, that they, and their agents have completed training on the topics of general compliance requirements; fraud, waste, and abuse training; HIPAA Privacy, and Information Security, as required by law and/or BH policy.

B. Elements

1. **Subjects.** BH Workforce Members shall be educated about BH's Compliance Program and shall include (but not be limited to) BH's commitment to

complying with applicable laws and regulations, how to raise compliance questions and concerns with the compliance officer and non-retaliation policies. Targeted training based on individuals' roles may also be assigned by the Chief Compliance Officer and should address laws and compliance risks specific to the individuals' roles.

Licensed personnel must complete all education and training mandated by the licensing board that governs their license.

2. **Educators/Trainers.** Compliance Officers shall provide or arrange for other individuals to provide education and training. Educators and trainers may include BH Workforce Members and external professionals.
3. **Methodology.** Any effective methodology may be utilized to educate and train BH Workforce Members, including but not limited to live presentations, recorded presentations, written material, and computer-based training tools. Training will be provided in other languages based on needs of staff who are assigned the training.
4. **Frequency.** All BH Workforce Members will receive training regarding BH's Compliance Program, and policies and procedures specific to their job duties as part of their initial orientation. All new Workforce Members will be trained regarding the Compliance Program and laws applicable to their duties within ninety (90) days of their initial starting date. All Workforce Members will be informed of material changes in the Program and laws related to their job duties. All Workforce Members will receive additional training and education at least annually.
5. **Cooperation.** All BH Workforce Members must fully comply with the education and training requirements and must seek to stay abreast of the law governing their activities.
6. **Communication.** The Chief Compliance Officer will provide methods by which BH Workforce Members may ask questions about the Program and the laws relevant to BH activities and to Workforce Members' job duties.

C. **Certification, Record Keeping and Reporting**

Completion of training and education of BH Workforce Members will be evidenced and maintained electronically or in writing. Evidence of completion of training and education will be retained in accordance with the BH Record Retention Policy. The failure of Workforce Members to fulfill education and training requirements without good cause shall be grounds for corrective action. All records of individual corrective actions taken related to education and training requirements must be retained in accordance with the BH Record Retention Policy.

V. Risk Assessment, Auditing, and Monitoring

D. Policy and Objective

The BH Compliance Program shall include risk assessments, auditing, and monitoring to identify, quantify, and evaluate compliance risks.

E. Methodology

1. **Responsibility and Staffing.** The Chief Compliance Officer shall be responsible for developing and overseeing the risk assessment, auditing, and monitoring plan. The Chief Compliance Officer shall retain sufficient resources to perform these functions properly and may utilize advisors and consultants to provide services and assistance. The BH Board Audit and Enterprise Risk Committee and the System Compliance Committee will have an opportunity to review and provide input into the risk assessment, auditing and monitoring plan.
2. **External Assessment.** At least once every five years, an assessment of the effectiveness of the Compliance Program may be obtained from an external consultant at the direction of the Chief Compliance Officer or the BH Board Audit & Enterprise Risk Committee. A report from the external consultant will be provided to the BH Board Audit and Enterprise Risk Committee.
3. **Frequency.** A risk assessment will be conducted annually. The process of auditing and monitoring will be continuous. The Chief Compliance Officer shall determine the schedule for audit activities and may perform audits of any activity without prior notice.
4. **Cooperation.** All BH Workforce Members, contractors, agents, and medical staff must fully cooperate with the audit and monitoring process.

F. Record Keeping and Reporting

1. **Reports.** The Chief Compliance Officer shall develop a method for recording and reporting material information gathered from auditing and monitoring. The Chief Compliance Officer shall submit a report at least quarterly to the System Compliance Committee and periodically to the Audit & Enterprise Risk Committee of the Board regarding auditing and monitoring activities. Each Entity Compliance Officer also shall submit a report at least annually to the Entity Compliance Committee regarding auditing and monitoring activities at their respective Entity.
2. **Confidentiality.** All information gathered by the auditing and monitoring process shall be confidential and shall not be disclosed to any party, except as provided in this Manual, as required by law, or as otherwise directed by the Chief Compliance Officer or BH legal counsel.

3. **Retention.** All records and reports relating to the auditing and monitoring process shall be maintained as determined by the Chief Compliance Officer, BH Chief Legal and Regulatory Affairs Officer or BH legal counsel.

V. Reporting and Investigation

A. Policy and Objective

It is the objective of this Compliance Program to develop and maintain an open line of communication whereby BH Workforce Members, contractors, agents, medical staff members and others may readily communicate concerns about or report misconduct. To encourage communication, the Program will include several ways for matters to be communicated and assurance that the person or entity may communicate in good faith without fear of retaliation.

B. Mechanism for Reporting Misconduct

The Chief Compliance Officer shall develop a process which permits Workforce Members, contractors, agents, medical staff members, and others to report concerns and Misconduct. This process will be in writing, well-publicized and include the following elements:

1. A mechanism to allow reports to be made to an individual's supervisor, any Department Leader, Entity Compliance Officer, or the Chief Compliance Officer.
2. A process which allows all reports to be addressed timely.
3. A toll-free telephone number by which Workforce Members, contractors, agents, medical staff members, and others may report concerns or Misconduct 24-hours a day. Callers may report concerns or misconduct anonymously.
4. A log that records the date and nature of all communications, investigation details, and the date of its disposition should be maintained. Summary information about communications shall be included in reports by the Chief Compliance Officer to the BH CEO, Board, and System Compliance Committee, and by other Compliance Officers to the Entity Compliance Committees.

C. Investigation

1. **Time.** Information from auditing and monitoring activities, as well as from reports of individuals, may require investigation to determine if Misconduct has occurred. An appropriate investigation will be conducted upon receipt of information indicating possible Misconduct

2. **Responsibility/Delegation.** All investigations will be conducted according to a plan developed by the Chief Compliance Officer. Legal counsel may be requested to provide legal advice regarding investigations and Corrective Action activities. No matter shall be investigated by individuals who may have been involved in the alleged Misconduct.
3. **Process.** Investigations may be conducted by any lawful means.
4. **Confidentiality.** Information gathered during an investigation shall be confidential and shall not be reported or otherwise communicated except as required by law, or as otherwise determined by the Chief Compliance Officer in consultation with the BH Chief Legal and Regulatory Affairs Officer or BH legal counsel. Upon request, the identity of persons making reports of Misconduct or providing information for an investigation shall remain confidential unless disclosure is required by law or necessary to properly address matters raised in the investigation.
5. **Cooperation.** All Workforce Members, contractors, agents, and medical staff members must fully cooperate with any investigation and will take no action to interfere with investigations.

D. Record Keeping and Reporting

1. **Investigation Report.** All reports of Misconduct shall be in writing or reduced to writing utilizing a format approved by the Chief Compliance Officer. A record shall be kept of all material information gathered during an investigation and an investigation report shall be prepared.
2. **Confidentiality.** All Misconduct reports and investigation records shall be confidential and shall not be disseminated or communicated except as required by law or as otherwise determined by the Chief Compliance Officer in consultation with the BH Chief Legal & Regulatory Affairs Officer or BH legal counsel.
3. **Retention.** All reports and investigation records shall be retained according to the BH Record Retention Policy.

VI. Corrective Action

A. Policy and Objective

It is the policy of BH that Corrective Action be taken in response to Misconduct of BH Workforce Members, contractors, agents, or medical staff members which may place at risk BH's reputation as a reliable, honest and trustworthy provider of healthcare services. Corrective action appropriate for the Misconduct should be imposed in a timely and consistent manner without regard to the individual's level of responsibility or influence. BH will not employ or engage the services of any individual or entity who is excluded from participation in government payor programs.

B. Procedure

1. The Chief Compliance Officer may consult with BH Human Resources and other management to develop a Corrective Action Plan for responding to Misconduct of BH Workforce Members, contractors, agents, or medical staff members. The Corrective Action Plan will at a minimum:
 - a. provide corrective actions which may include additional training or education, verbal or written reprimand, suspension, termination of employment, termination of contract or termination of Medical Staff appointment;
 - b. require that Misconduct that has resulted in over-payment for services or misappropriation of funds be promptly repaid or accounted to the rightful owner;
 - c. require a review of relevant Program systems to determine whether future Misconduct of the same nature could be better avoided or detected; and
 - d. allow information regarding the nature of Misconduct and Corrective Actions to be communicated to government authorities when appropriate.

C. Precautionary Action

Upon the receipt of information indicating likely Misconduct, Compliance Officers may take precautionary action to address any apparent Misconduct if the Compliance Officer believes such action is needed to prevent further Misconduct. Such action shall remain in effect until lifted by the Compliance Officer or until final Corrective Action is imposed.

D. Record Keeping and Reporting; Confidentiality

Documentation of all Corrective Actions shall be retained in accordance with the BH Record Retention Policy. This information shall be confidential and shall not be disseminated or otherwise communicated except as required by law or as otherwise determined by the Chief Compliance Officer in consultation with the BH Chief Legal and Regulatory Affairs Officer or BH legal counsel.

VII. Program Evaluation and Amendment

A. Policy and Objective

The Compliance Program and the performance of Compliance Officers, Leaders, Committees, and other Workforce Members shall be regularly assessed to assure that the Program is organized and administered to effectively prevent and detect Misconduct.

B. Evaluation

The Compliance Department will maintain a quality assurance and improvement program (QAIP) intended to annually evaluate the organization, efficiency, and effectiveness of the Program, alignment with industry standards and guidance for Compliance Programs, and the performance of the Compliance Officers, Compliance Committees and other Workforce Members.

The Chief Compliance Officer will be responsible for designing and overseeing the QAIP and reporting the results of both internal and external assessments to the Compliance Committee, senior leadership, and/or the Audit & Enterprise Risk Committee of the BH Board.

Internal assessments of the Compliance Program will be conducted periodically in years when an external assessment is not scheduled. External assessments will be conducted at least once every five years by a qualified, independent consultant.

C. Record Keeping and Reporting

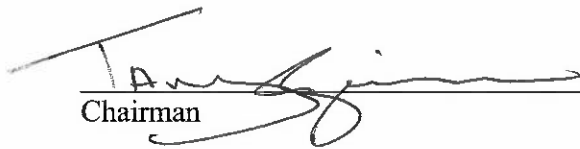
The evaluation of the Program and the performance of the Compliance Officers, Compliance Committees, and other Workforce Members shall be in writing. These reports shall be retained according to the BH Record Retention Policy.

D. Amendment

1. **Process.** This Compliance Program Manual may be amended with the approval of the BH Board. The BH Board may amend the Manual on its own initiative or upon the recommendation of the Chief Compliance Officer, the Audit & Enterprise Risk Committee of the Board, or the System Compliance Committee.
2. **Effect.** Any amendment of the BH Compliance Program Manual shall be effective upon approval by the BH Board of Directors.

**BAPTIST HEALTH
COMPLIANCE PROGRAM MANUAL**

Approved by the BH Board of Directors


Chairman


Date