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	EFFECTIVE DATE: 8/15/03	NUMBER: 9000
	ORIGINATOR: Corporate Compliance Officer	
ORGANIZATIONAL POLICY CORPORATE COMPLIANCE PROGRAM	CONCURRENCE: Chair, Corporate Compliance Committee	
	APPROVAL: CEO/PRESIDENT	

PURPOSE OF POLICY

Ellis Hospital (the "Hospital") believes that conscientious dedication to the highest ethical standards is essential to its mission. This dedication is important because the Hospital is charged with serving the community, and because a significant portion of the Hospital's services are reimbursed through governmental programs which require that the people's business be conducted with complete integrity.

For these reasons, the Hospital has designated a Corporate Compliance Officer to have day-to-day responsibility for its compliance efforts. The Hospital also has established a Corporate Compliance Committee (the "Committee"), to assist the Corporate Compliance Officer.

SCOPE

This policy applies to all employees and physicians at Ellis Hospital.

GUIDELINES

I. OBJECTIVES OF THE CORPORATE COMPLIANCE PROGRAM

Constant vigilance is necessary to avoid impropriety or the appearance of impropriety. Consequently, the Hospital has developed a Corporate Compliance Program (the "Program") to set standards for conduct, and monitor conduct, in various areas of the Hospital's activities. Although the implementation and enforcement will be centrally directed, the responsibility for compliance rests with each department or service. Ultimately, compliance is the responsibility of every Hospital employee and every independent professional who enjoys Hospital staff privileges. Employees have a responsibility to report compliance issues to the Corporate Compliance Officer or Corporate Compliance Committee.

II. GENERAL OPERATION OF THE PROGRAM

A. Objectives of the Program

The objectives of the program are:

1. to assist the Hospital in avoiding unsuitable transactions;
2. to assist the Hospital in avoiding irregularities in payment, reimbursement and other transactions;
3. to assist the Hospital's management through education in identifying areas of possible concern that might adversely affect the Hospital's good reputation, its participation in public programs, or its status as the holder of public licenses, certifications and exemptions;
4. to provide additional oversight of the Hospital's compliance with laws, regulations and special conditions imposed upon it by a licensing or regulatory authorities.

B. Duties of the Corporate Compliance Officer

The responsibility for operation of the Program and for preparation of reports relating to it rests with the Corporate Compliance Officer, who will be the Director of Internal Audit. The success of the Program depends on the active participation of the Hospital's senior executives, its trustees, financial and claims staff, officers of the Hospital's affiliates, and the leadership of the departments and the professional staff. Through the dissemination of the Compliance Policies (described below) and appropriate training, all such persons shall be fully advised regarding their responsibilities for the Program, and the circumstances in which they should notify the Corporate Compliance Officer on a timely basis of matters subject to review under the Program.

The Corporate Compliance Officer will be provided with the resources necessary to fulfill his responsibility for operation of the Program. The Corporate Compliance Officer may inquire into any matters arising or appearing to arise within the purview of the Program including, but not limited to, matters involving unethical conduct, irregular billing, claims or payments and regulatory compliance. The Hospital's other personnel, accountants and legal counsel shall be available to assist the Corporate Compliance Officer in his/her duties.

The Corporate Compliance Officer is to be informed of all instances where fraudulent activity is suspected, identified, or reported. Such activity to exclude criminal activities ordinarily handled by the Security Department considered common crimes but to include theft of Hospital assets or those in its fiduciary trust. Such instances will include direct referrals of potentially fraudulent activities to the Compliance and Fraud Hotline, reports of potential fraud made directly to management and breaches of Information Technology security. The Compliance Officer will initiate an investigation and coordinate such investigation as appropriate with law enforcement. Recommendations

following such investigations will be made to executive management and as necessary to the Board Audit Committee.

The Corporate Compliance Officer will be provided with resources necessary to fulfill this responsibility including continued education in fraud investigation. Hospital personnel shall be made available to assist in such investigations as reasonable and necessary.

The Corporate Compliance Officer is responsible to and will report to the Board Audit Committee on all reports received, inquiries conducted, recommendations for action and all related matters.

C. The Corporate Compliance Committee

Composition. The Committee shall consist of the Hospital's, Executive Vice President of Patient Services, Director of Risk Management, Director of Human Resources, Director of Patient Financial Services, Director of Internal Audit/CCO, VP/Executive Director of the Foundation, Coding Compliance Coordinator, Divisional Director of Support Services, Administrator of Skilled Nursing Facility, Director of Pharmacy, Chief Medical Officer, and Director of Information Technology, Director of Health Information Services/CPO, Director of Surgical Services, and other positions and individuals as approved by majority vote of the compliance committee.

Duties. The Committee, when requested by the Corporate Compliance Officer, is empowered to investigate, evaluate and make recommendations to Administration of misconduct by Hospital employees or agents. The Committee shall review and evaluate and update, as necessary, all compliance policies on an annual basis.

Meetings. The Committee shall meet at least quarterly to review any inquiries conducted or supervised by the Corporate Compliance Officer. The President of the Hospital or the Corporate Compliance Officer may call special meetings of the Committee as needed.

Minutes. Written agendas for all meetings of the Committee shall be prepared and maintained in the administrative office of the Corporate Compliance Officer along with a record of all recommendations by the Committee.

III. POLICY MANUAL

Because of the importance of understanding and abiding by all of the Hospital's standards and procedures, the Corporate Compliance Officer shall make available to all employees the Hospital's compliance policies. These will be maintained in the Organizational Policy Manuals. In addition, the Corporate Compliance Officer shall distribute the manuals to designated recipients including the following:

Chairman of the Ellis Board of Trustees
President of Ellis Hospital
Executive Medical Director and Chief Medical Officer

Executive Vice Presidents
Vice Presidents
Members of the Ellis Audit Committee
Chief of Medical-Dental Staff

IV. REPORTS AND RECORDKEEPING

All submissions to the Compliance Committee by the Corporate Compliance Officer shall be marked "Confidential". The Committee will submit to the Board Audit Committee a quarterly written report of its activities.

The Hospital has established a confidential reporting system through which employees and other agents may report either in person or in writing to the Corporate Compliance Officer potential problems without fear of retribution. Employees and other agents may write to the "Compliance Officer, Ellis Hospital, 1101 Nott Street, Schenectady, New York 12309" or they may call the **Compliance and Fraud Hotline** at 888-838-8680. In conducting investigations, the Corporate Compliance Officer and/or Corporate Compliance Committee shall respect the confidentiality of privileged records and information, and shall comply with applicable confidentiality laws and ethical standards.

All files of inquiries shall be marked "Confidential" and maintained by the Corporate Compliance Officer on a confidential basis. They shall not be disclosed except to:

- (1) Members of the Corporate Compliance Committee
- (2) Members of management or management representatives having a need to know;
- (3) As may be required by law or order of a court of competent jurisdiction.

V. ACTS OF WRONGDOING

Actions commenced against the Hospital or its affiliates or professional staff, or any trustee, officer, director or manager of the Hospital, affiliates or professional staff, which involve or are alleged to involve any of the following circumstances:

- (a) Any criminal action involving (i) a felony, (ii) any material crime against the Hospital or one of its affiliates or involving embezzlement or larceny, or (iii) violation of any law relating to performance in a governmental program or regulation by a public body.
- (b) Material administrative actions by a regulatory body relating to a finding of illegal or improper conduct by such person.

The Corporate Compliance Officer shall report to the Corporate Compliance Committee demonstrated instances of material violations of the compliance policies or acts of wrongdoing by any employee of the Hospital. The Corporate Compliance Officer may raise other matters with the Corporate Compliance Committee, within his or her discretion.

VI. COMPLIANCE REVIEWS

The Committee shall periodically review compliance with regulatory requirements and special licensing conditions imposed upon the Hospital and shall report to the Board Audit Committee any findings regarding such matters. The Committee and Corporate Compliance Officer shall review relationships between the Hospital and its trustees, employees, agents or independent professional staff.

Such reviews will be planned annually, presented to the Audit Committee and referred to as the Corporate Compliance Audit Plan. This plan will be developed with support from Committee members or the designation of a Audit Planning Team from within Committee membership. A periodic component of such plan is to include exclusion testing of employees, physicians, business associates and vendors with the OIG Exclusion Database. Substantial support from Human Resources, Materials Management and Medical-Dental Affairs will be provided to accomplish this objective.

EXHIBITS

REFERENCES

ORIGINAL IMPLEMENTATION DATE: 05/02/97
REVIEW DATE: 05/99, 12/02
REVIEWED: 10/01, 07/02
REVISED: 10/01, 07/02, 7/03