



McLeod Health

The Choice for Medical Excellence

Corporate Compliance Program & Code of Conduct

Introduction

McLeod Health and its affiliated organizations (collectively “McLeod”) are committed to conducting its business ethically and in conformance with all applicable laws, regulations and standards. To support this commitment, McLeod created the Corporate Compliance Program (“Compliance Program”) and the Code of Conduct (“Code”).

Here are some key points about our Compliance Program:

The Compliance Program and the Code provide standards and guidelines that address important areas of compliance concern.

We strive to comply with all applicable laws, regulations, standards and policies related to activities such as:

- Honoring patients’ rights
- Records management
- Providing a safe working environment
- Complying with licenses and permits
- Protecting confidentiality
- Appropriate billing and coding for services
- Complying with all laws and regulations governing federal and state funded health care programs and the requirements of insurance companies.

- The Compliance Program and the Code apply to every McLeod employee, governing board member, medical staff, volunteer, student and contract employee as well as to any person or entity with whom McLeod does business.
- McLeod expects all third-parties with whom it does business to abide by the terms of the Compliance Program and the Code as applicable to their relationship with McLeod.
- In addition, McLeod expects that each McLeod employee, governing board member, medical staff and volunteer will have a strong familiarity with the Compliance Program and the Code and strive to uphold the principles and standards of both.

Introduction

- The Compliance Program is managed by the McLeod Chief Compliance Officer (“Compliance Officer”). McLeod facilities have compliance liaisons (“Compliance Liaisons”) who work with the Compliance Officer to support compliance activities within their facility.
- Each employee or other person affiliated with McLeod must be familiar with and follow all applicable standards and guidelines in the Compliance Program and the Code. If they do not follow standards and guidelines outlined in the Compliance Program and/or the Code, whether by action or inaction, will be subject to disciplinary action.
 - This action may range from a verbal warning to being terminated from employment or other association with McLeod in accordance with its corrective action and disciplinary policies and procedures and/or by the terms of an applicable contractual agreement.
- While the Compliance Program and the Code do not and cannot cover every possible situation that may occur; they do provide standards and guidelines that are often detailed in separate McLeod policies and procedures and various other Compliance Program policies, procedures and references.

If any part of the Compliance Program and/or the Code is unclear to you, or if you have concerns about a particular situation, you must seek guidance in several ways:

- Talk with your supervisor or your Compliance Liaison
- Report your concern to the Compliance Officer either in person, by phone at 843-777-2858 or anonymously through the **Compliance Hotline at 1-888-679-3531** (to the extent legally possible, all reports will be kept confidential).

The Compliance Program and the Code are maintained and regularly updated with the McLeod Health Mission, Vision and Values in mind.

Our Mission

To improve the overall health and well being of people living in South Carolina and eastern North Carolina by providing excellence in health care.

Our Vision

To be the choice for medical excellence for our patients, employees and physicians.

Caring · Person · Quality · Integrity

McLeod Health
The Choice for Medical Excellence

Caring

At McLeod Health, our professionals don't focus solely on their jobs. They embrace opportunities to respond with compassion, offering not only medical care but also personal, emotional and responsive caring, to the needs of our patients.

Person

In life's most profound moments, the people of McLeod are committed to sharing a generosity of spirit with each individual patient and cheerfully offering courtesy, resilience and respect.

Quality

For more than 100 years, McLeod has been the choice for medical excellence. Our mission requires us to have highly skilled personnel and a spectrum of advanced technology.

Integrity

We expect people who are part of the McLeod Health family to display honesty, wisdom, discipline and an intense desire to accept the responsibility of care for patients and their families.

We Strive to Live Our Values

McLeod Health
The Choice for Medical Excellence

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The background of the slide is an aerial photograph of a large, modern hospital building. The building features a prominent curved glass facade on the left side, reflecting the sky and surrounding greenery. The main structure is a long, multi-story building with a light-colored, textured facade and several large, vertical, rectangular openings. In the foreground, there is a parking lot with several cars parked, and some greenery and trees. The sky is clear and blue.

Section 1

McLeod Health Compliance

- The Code of Conduct
- Laws & Regulations
- The Compliance Program
- Reporting Wrongdoing
- Compliance Hotline

The Code of Conduct

- The Code was designed to give each McLeod employee and affiliated person a clear understanding of what is expected of him or her in the workplace and as a representative of McLeod.
- The Code applies to every McLeod employee, governing board member, member of the medical staff, volunteer, student and contract employee as well as to those third parties with whom McLeod does business.
- The Code consists of a number of specific - as well as general standards and guidelines. The intent of these standards and guidelines is to direct and guide the actions of each McLeod employee and affiliated person when dealing with each other, McLeod, McLeod patients and other third parties that are not affiliated with McLeod.



- McLeod conducts its business in an ethical manner and follows applicable Federal, state and local laws and regulations.
- McLeod fully complies with such laws and regulations and cooperates with any appropriate request by a government agency for information.
 - Any inquiry, civil investigative demand, subpoena or request of an agency regarding McLeod should be immediately reported to the Chief Compliance Officer and/or McLeod Administration as determined most appropriate, given the situation.
 - This notification will ensure that the appropriate individuals, including McLeod legal counsel, are made aware of the request and can properly respond to it, and that all patient privacy rights are maintained.
- It is a violation of the Federal False Claims Act to knowingly submit, or cause another person or entity to submit, false claims for payment with government funds.
- An example of a false claim would be filing with Medicare a claim for payment for services that were not provided.
- There are significant monetary penalties for such action(s), and in criminal cases, such penalties may include imprisonment.
- Health care organizations also can be excluded from participation in Federal health care programs.
- The False Claims Act contains provisions that allow employees with actual knowledge of alleged false claims to commence a legal action against McLeod on behalf of the government.
 - Such individuals, acting in good faith, will be protected from retaliation (e.g.: harassment, demotion and wrongful termination) as a result of the employee's lawful acts in furtherance of a false claims action.

The Compliance Program

- The Compliance Program was created to make sure that McLeod is following all laws and regulations that relate to its operations.
- The Compliance Program is directed by, and under the supervision of, the Compliance Officer. The Compliance Officer has, by delegation from McLeod's Board of Trustees, independent authority to oversee compliance related issues that affect all aspects of McLeod.
- The Compliance Officer will make sure that any compliance problem reported to him or her is investigated and resolved in a timely manner.

In broad terms, the Compliance Program serves several key purposes, including:

- Informing McLeod employees and affiliated persons about the basic policies and standards of ethical and compliant behavior

- Fostering an environment to help each McLeod employee and affiliated person follow applicable laws and regulations
- Demonstrating McLeod's strong and continuing commitment to follow the highest standards of ethical, honest and fair conduct
- Educating McLeod employees, governing board members, members of the medical staff, volunteers, students, contract employees and third parties with whom McLeod does business to understand what McLeod expects of them
- Monitoring McLeod's business practices to make sure such practices comply with relevant laws and regulations
- Encouraging McLeod employees and affiliated persons to report potential problems pursuant to McLeod's internal mechanisms so that it can conduct an appropriate internal inquiry and take corrective action
- Minimizing any financial loss to the Federal and state governments and taxpayers, as well as to McLeod and our patients

Reporting Wrongdoing

- All McLeod employees and persons affiliated with McLeod are required to report any law, regulation, McLeod policy or part of this Compliance Program that he or she believes has been violated.
 - Not reporting such information may lead to disciplinary action, including termination.
- McLeod employees and persons affiliated with McLeod shall report any such violations or alleged violations to McLeod Administration and/or the Compliance Officer.
 - Such reporting may be made through the Compliance Hotline on an anonymous/no name basis.
- McLeod employees and persons affiliated with McLeod are protected from reprisal for reporting, in good faith, actions that they believe violate a law, regulation, policy or part of this compliance program.



- McLeod is responsible for reporting illegal and unlawful acts to the proper law enforcement authorities and other regulatory agencies.
- Upon receipt of credible reports of suspected violations, suspicious behavior or irregularities, the Compliance Officer will begin a detailed investigation, using a Compliance Investigation report, and recommends and/or implement, as applicable, corrective action where appropriate.

Compliance Hotline

- The Compliance Hotline provides McLeod employees and other persons affiliated with McLeod with a way to report their concerns confidentially.
- Callers do not need to give their name or any other identifying information when reporting a concern.
- The line is operated by an independent outside firm to further protect the caller's anonymity.
- All callers are protected from reprisal for reporting, in good faith, any concerns they may have.
- McLeod employees and other persons affiliated with McLeod should call the Compliance Hotline to report concerns about unethical or illegal practices within McLeod.



- A report of the call is forwarded to the Compliance Officer for investigation if the matter involves a compliance violation.
- The identity of each caller will be protected to the fullest extent possible.
- The Compliance Hotline is not intended to be used to report typical Human Resource matters (e.g.: for an employee showing up to work late on a repeated basis, such tardiness should be reported to the employee's supervisor).

Report your concern to the Compliance Officer either in person or by phone at (843)777-2858.

To the extent legally possible, all reports will be kept confidential.

To reach the Compliance Hotline,
call **1-888-679-3531**.

All reports will be kept confidential
to the extent legally possible.



Section 2

Our Responsibilities Toward Others

- Quality of Service/
Patient Care
- Referrals
- The Work Atmosphere
- Environmental Health &
Safety
- Relations with Other
Health Care Institutions





- McLeod provides, within its capabilities, medically necessary care to its patients without regard to race, color, national origin, age, religion, sex, gender identity, sexual orientation, disability or ability to pay.
 - Decisions about medical care are based on medical appropriateness and/or necessity.
- McLeod informs its patients about their medical condition and seeks input from them on their plans of care.

Quality of Service/Patient Care

- McLeod treats everyone involved in the care of its patients (including families, personal representatives, guardians, acquaintances, co-workers, members of the medical community and volunteers) with compassion, courtesy and respect.
 - McLeod listens to their concerns and offers encouragement and comfort.
- Information concerning treatment/care, diagnosis and delays in care are discussed with McLeod's patients or their representatives, as applicable, by appropriate McLeod staff.
- McLeod follows appropriate rules and regulations related to educational and professional requirements, standards of accreditation, organizational policies and delivery of health care services and seeks to comply with all applicable Federal, state and local laws and regulations.



Quality of Service/Patient Care

McLeod strives to respect the rights of the patients and families it serves, including:

- Providing appropriate access to care
- Respecting the dignity of each patient
 - Taking personal values and beliefs into account
- Observing proper privacy and confidentiality standards
 - Respecting privacy of a personal nature and the confidentiality of patient information
- Observing proper personal safety standards
 - Following safe McLeod practices and maintaining a safe environment
- Properly identifying McLeod's staff
 - Providing the name and professional status of each health care provider



Referrals

- McLeod does not make cash payments, provide non-cash benefits or offer any form of remuneration to anyone for providing a patient referral or in return for such a referral to McLeod, or for generating any business to McLeod.
- When McLeod is in a position to make referrals to another person or entity, it makes such referrals based on the medical needs of the patients it serves and as applicable, the preference of the patient.
- McLeod structures its financial relationships with referring physicians to comply with the applicable exceptions to the Federal Stark Law and, if possible, to the applicable safe harbors under the Anti-Kickback Statute, as well as with applicable state law requirements.

Harassment

- McLeod maintains an environment free from harassment, including, but not limited to, harassment based on race, color, national origin, age, religion, sex, gender identity, sexual orientation or disability.
- Harassing conduct in the workplace, whether physical, verbal or electronic will not be tolerated.

Equal Opportunity

- McLeod maintains an environment that provides equal employment opportunities for all.
- Employment discrimination based on race, color, national origin, age, religion, sex, gender identity, sexual orientation or disability is not allowed.
- Our commitment to ensuring equal employment opportunities at McLeod applies to all employment arrangements persons may enter into with McLeod.

The Work Environment

Drug-Free Workplace

- McLeod maintains a drug-free environment. McLeod employees and those affiliated with McLeod are not allowed to report to work while under the influence of controlled or illegal substances.
- To use, own, make, sell, distribute or provide any controlled or illegal substances or associated item illegally on any McLeod property is strictly prohibited.
- The diversion of any controlled substances is prohibited.





- McLeod maintains a safe and healthy work environment by following rules and regulations related to environmental health and safety, including the safe use of buildings, property, laboratory processes, chemicals and materials and medical equipment and products.

Environmental Health & Safety

- McLeod practices safety in its daily activities by using its knowledge, engineering controls (fire doors, needle boxes, etc.) and personal protective equipment (“PPE”) to ensure the safety of McLeod employees and the safety of others.
- McLeod employees and those affiliated with McLeod are trained to immediately report all incidents and accidents involving people, products, property and the provision of health care so that McLeod can take steps to improve overall quality and reporting requirements.
- Managers, directors and McLeod Administration (including the President, Administrators, and Senior Vice Presidents) have additional responsibilities in maintaining a safe and healthy environment by creating and establishing those “best practices” that promote health and safety and by orienting and training McLeod’s employees in these practices on an ongoing basis.



Environmental Health & Safety

- McLeod disposes of medical waste, environmentally sensitive materials (batteries, cleaning fluids, etc.) and other hazardous material according to applicable laws and regulations.
- McLeod stores drugs, pharmaceuticals and radioactive materials safely and keeps proper inventory records.
 - Missing items are reported to McLeod Administration as soon as practically possible.
- McLeod is committed to establishing those “best practices” that reduce the risk of spreading infection and disease, such as hand washing, isolation and other appropriate work practice controls.
- McLeod has established procedures and protocols it follows during disasters and code situations.



- McLeod makes and accepts patient referrals and consultations based on the medical needs of a patient, the personal choice of the patient and his or her referring physician and McLeod's ability to provide the services needed.

Relations with Other Health Care Institutions

- McLeod strives to secure and maintain good relationships with other health care providers.
- Where competition exists between McLeod and another health care provider, McLeod does not take actions that would harm the health of those it serves or members of the community.
- McLeod promotes and encourages mutually beneficial relationships with educational institutions that provide health care education and training.
- McLeod provides educational opportunities to its employees, members of the medical staff, independent contractors, students and others, as resources allow, according to applicable McLeod guidelines, and applicable laws and regulations.

Organizational Accountability

- Confidentiality
- Privacy & Security
- Marketing
- Conflicts of Interest
- Relations with
Government Officials



- McLeod respects the privacy of the patients it serves and of its employees.
- McLeod takes the necessary and appropriate steps to comply with federal and state laws and regulations that address the confidentiality of patient medical records including, but not limited to, the Health Insurance Portability and Accountability Act of 1996 and the Health Information Technology for Economic and Clinical Health Act of 2009.
- McLeod employees shall use confidential information, whether medical, staff-related, business, financial or personal only as needed to do their job and only in accordance with applicable law.
- McLeod employees and affiliated persons are trained to discuss confidential and other private information in an appropriate setting and do not discuss confidential and other private information in elevators, cafeteria, stairwells or other public areas.
- McLeod protects the confidentiality of information stored in its computer systems, and each McLeod employee and affiliated person is responsible for the accuracy and confidentiality of information they create, maintain, transmit, receive or view through McLeod's computer systems.
- McLeod respects the confidentiality of the prices, terms and conditions of sale that third party vendors submit to McLeod.

Protecting Information on Paper

- Do not leave Post-It notes or other writings that are not part of the patient's medical record.
- Find the owner of "lost" papers and report the loss.
- Shred information that is no longer needed.
- When faxing a document double check the fax number before sending.
- Do not leave papers unattended.

Protecting Information on Computers

- Keep computer screens pointed away from the public.
- Log off workstations and minimize windows when leaving your work area.
- Keep usernames, identifications (IDs) and passwords secure. Do not give such access information to others.
- Report computer viruses.
- Password protect handheld devices, mobile devices and laptops.



Protecting Spoken Information

- Do not discuss patient information in waiting rooms, the cafeteria or other public areas.
- Direct visitors to the information desk.
- Do not leave messages about patient conditions on answering machines.
- Around patient rooms:
 - Knock first and ask to enter
 - Close doors or curtains when talking about treatments or doing procedures
 - Speak softly in semi-private rooms
 - To the extent practically possible, ask permission before speaking about a patient's care in front of visitors



- McLeod intends for its marketing and advertising information to be truthful and to in no way mislead any patient or other individual.
- Health care outcomes and other claims about services rendered by or at McLeod services are to be based on objective data.



- McLeod employees and affiliated persons of McLeod avoid situations where their actions may conflict with the best interests of the patients McLeod serves or of McLeod itself.
- Neither McLeod employees nor those affiliated with McLeod are allowed to ask for personal gifts of any kind from the patients they serve or their families, vendors, suppliers, potential suppliers or agents or employees of a supplier.
 - The term “supplier” applies to any person or entity providing goods and/or services to or on behalf of McLeod.
- McLeod does not allow McLeod employees or those affiliated with McLeod to accept personal gifts or benefits that are meant to, or which may appear to, influence them in doing their jobs or treating those they serve.
- McLeod employees discuss outside employment opportunities and investment interests with Human Resources, their supervisor or the Compliance Officer if a potential conflict of interest may exist.
- McLeod does not allow a McLeod employee to hire one of his or her own family members or to directly supervise such person or to influence the employment, appointment, promotion, transfer, advancement, raise or disciplinary action of a family member within McLeod.
- McLeod does not use McLeod facilities, equipment or resources in any political campaign or related activity, except as permitted by the McLeod President and Chief Executive Officer and consistent with applicable laws and regulations.

Conflicts of Interest

- McLeod has established policies to ensure that its dealings and relationships with competitors of McLeod are handled in an appropriate manner and will avoid actions that are anti-competitive or otherwise contrary to applicable laws and regulations.
- McLeod and its employees will refrain from dealings and relationships with competitors that are not in accordance with applicable laws and regulations.
- McLeod does not tolerate any anti-competitive behavior.



Relations with Government Officials

- McLeod employees and persons affiliated with McLeod are trained to immediately inform McLeod Administration about any requests from government auditors or investigators and to not interfere with or impede such requests.
- McLeod does not offer personal gifts (money, gifts, hospitality or entertainment) to Federal, state or local agency employees or agents with whom McLeod does business or hopes to do business.



Section 4

Financial & Business Standards

- Recordkeeping
- Finance & Billing
- Proper Accounting
- Property





Record Keeping

- Medical and billing records are stored in a safe and secure place for the time required by applicable laws and regulations or McLeod policy, whichever is longer.
- McLeod does not destroy or alter any document because of a possible or actual request for it by any government agency, auditor or patient.
- We do not falsify any record, contract or other document. We truthfully and accurately maintain all paper and electronic data, including medical records and financial reports, in accordance with applicable laws, regulations and policies.
- Only authorized individuals should access medical and billing records for legitimate patient care and/or business purposes.
- All cost reports submitted must comply with Federal and state laws, regulations and guidelines.

- McLeod bills only for care and services provided that are properly authorized and documented as medically necessary in the patient's medical record.
- We select billing codes that we believe, in good faith, accurately represent the services that we provide and that are supported by documentation in the medical record according to regulatory requirements and guidelines.
- Billing records are maintained accurately and truthfully and in accordance with applicable statutes of limitation and record keeping regulations.
 - Billing information is also handled in a manner that complies with those laws and regulations related to confidentiality.

Finance & Billing

- McLeod does not misrepresent services, supplies or equipment furnished to its patients to avoid coverage limits, affect deductibles or to increase reimbursement.
- McLeod understands that certain government regulations and many third party insurers require that customers (beneficiaries) be billed for co-insurance and deductibles; therefore, McLeod does not routinely write off these costs.
 - Any write-offs must be consistent with applicable McLeod policies.
- McLeod employees and persons affiliated with McLeod are trained to report their concerns regarding the appropriateness of internal billing practices to McLeod Administration or the Compliance Officer.



Finance & Billing

- McLeod answers billing questions, corrects billing errors, and alerts payors of errors in submitted bills appropriately and in a timely manner.
- McLeod provides charity care according to McLeod charity guidelines based on family size, income and assets and consistent with its Compassionate Care Policy.
- McLeod makes timely refunds of any overpayments received.



Proper Accounting

- McLeod is responsible for proper accounting.
 - Records are prepared accurately and honestly.
- McLeod uses administrative and internal control practices (checks and balances) that:
 - Safeguard assets and funds of McLeod
 - Check the accuracy and reliability of accounting data
 - Ensure that McLeod follows applicable laws and regulations
- McLeod cooperates fully with internal and outside auditors and any regulatory agencies during any and all examinations of McLeod books, records and other materials.
- McLeod when determined reasonably necessary, obtains legal review of contracts with outside vendors, physicians, payors and consultants according to Federal and state regulations.

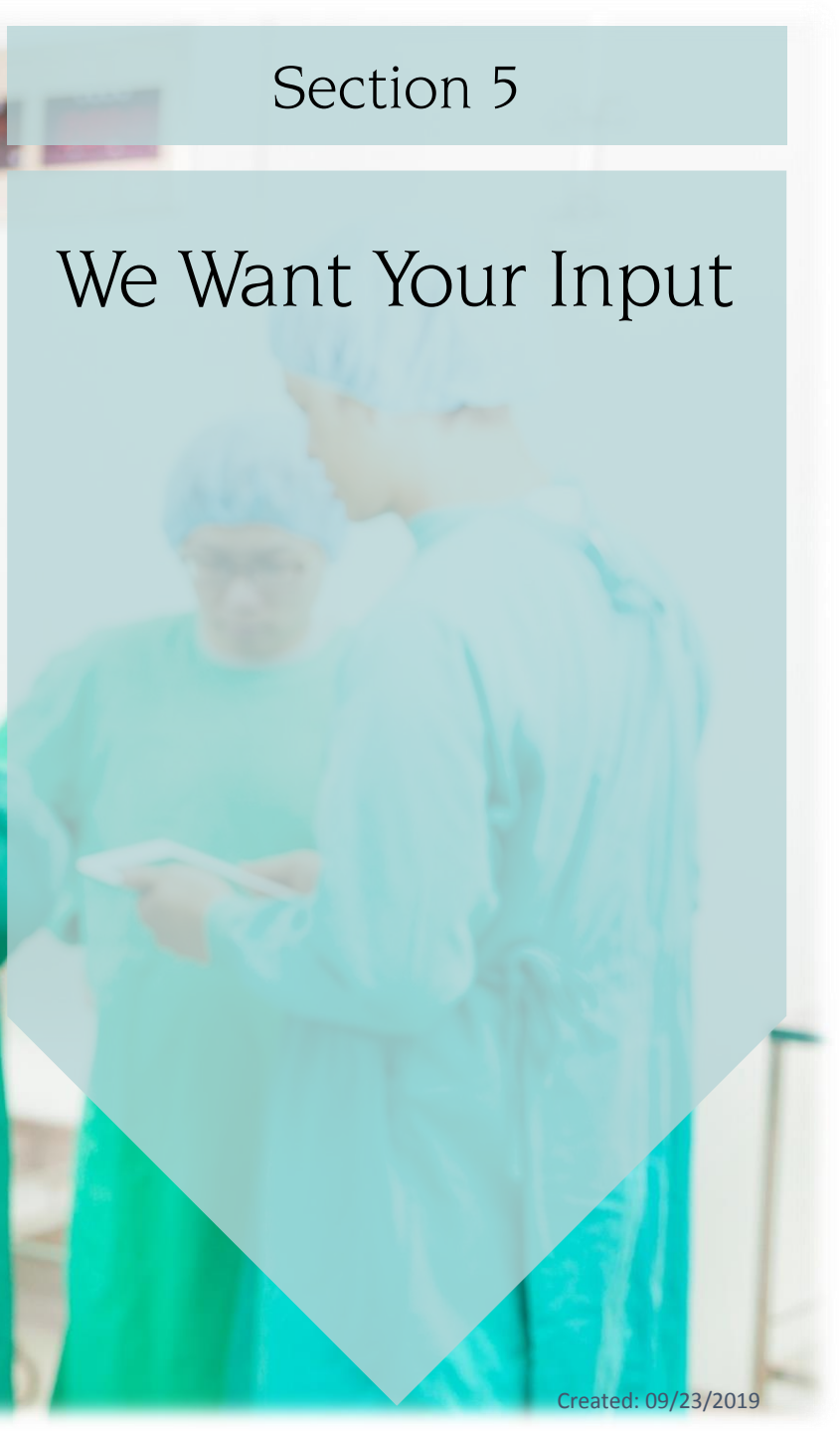
- McLeod uses supplies, equipment and property bought and owned by McLeod only for McLeod business purposes, unless otherwise authorized by McLeod Administration.
 - Unauthorized use of McLeod property is considered theft.
- McLeod protects McLeod supplies and equipment from loss and abuse, including supplies and equipment used for direct patient care and those used by McLeod departments in their day-to-day business.
- McLeod disposes of used equipment, supplies and materials in the manner approved by McLeod Administration and according to applicable laws and regulations.

Property

- McLeod uses computer software and hardware that McLeod owns or leases and operates such software and hardware only to conduct McLeod business consistent with the requirements of copyright licenses and other written contract terms.
- McLeod employees and other persons affiliated with McLeod understand that software and hardware analysis, design, coding, testing, installations, upgrades and/or other changes belong to McLeod, unless a written contract states otherwise.
- McLeod employees and other persons affiliated with McLeod understand that all intellectual property used in or by McLeod, including patents and inventions, belongs to McLeod, unless a written contract states otherwise.

Section 5

We Want Your Input



McLeod desires that its Compliance Program and the Code effectively communicate compliance issues at all levels of the organization.

The Compliance Officer may periodically send out random surveys to obtain feedback on how well the Compliance Program is working. Responses may be made on an anonymous basis.

The Compliance Program and the Code will be regularly modified to reflect future changes in laws and regulations, or to improve compliance at McLeod.

McLeod encourages you to make suggestions to the Compliance Officer to ensure that the Compliance Program is as effective as possible.

McLeod Health Compliance Office

Location & Mailing Address

McLeod Health
Attn: Chief Compliance Officer
555 East Cheves Street
P.O. Box 100551
Florence, SC 29502-0551

