Compliance and Ethics Committee Meeting
Jul 24, 2019 12:30 PM EDT

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NOTICE OF MEETING

NORTH BROWARD HOSPITAL DISTRICT

BOARD OF COMMISSIONERS

A Compliance and Ethics Committee meeting will be held on Wednesday, July 24\textsuperscript{th}, 2019, immediately following the Legal Affairs and Governmental Relations Committee meeting, at the Broward Health Corporate Spectrum Location: 1700 Northwest 49 Street, Fort Lauderdale, Florida, 33309. The purpose of this committee meeting is to review and consider any matters within the committee’s jurisdiction.

Persons with disabilities requiring special accommodations in order to participate should contact the District by calling 954-473-7100 at least 48 hours in advance of the meeting to request such accommodations.

Any person who decides to appeal any decision of the District’s Board with respect to any matter considered at these meetings will need a record of the proceedings, and for such purpose, may need to ensure that a verbatim record of the proceedings is made which record includes testimony and evidence upon which the appeal is to be based.
COMPLIANCE AND ETHICS COMMITTEE
Immediately Following
Governance Committee Meeting
June 25, 2019

1. NOTICE

Notice of this meeting is attached to the official Minutes as EXHIBIT I. The official Agenda for this meeting, as presented for the consideration of the Committee, is attached to the official Minutes as EXHIBIT II.

2. CALL TO ORDER 1:26 pm

3. COMMITTEE MEMBERS

√ Commissioner Nancy W. Gregoire, Chair
√ Commissioner Andrew M. Klein
√ Commissioner Christopher T. Ure (WebEx)
√ Commissioner Ray T. Berry
√ Commissioner Stacy L. Angier
X Commissioner Marie C. Waugh (absent)

ADDITIONALLY PRESENT: Gino Santorio/President/CEO, Alan Goldsmith/CAO, Alex Fernandez/CFO, Brian Kozik/CCO, Steve Forman/Compliance Consultant, Linda Epstein/General Counsel, Brett Bauman/Assistant GC, Nigel Crooks/Chief Internal Auditor

4. PUBLIC COMMENTS None

5. APPROVAL OF MINUTES

Approval of the Compliance and Ethics Committee meeting minutes, dated May 22, 2019

MOTION It was moved by Commissioner Klein, seconded by Commissioner Angier, to:


Motion carried unanimously

6. TOPIC OF DISCUSSION

6.1 Chief Compliance Officer Report – Brian Kozik

Mr. Kozik shared brief updates on the activity listed below.
o Automated annual conflict of interest survey
o Schedule for regional compliance committee meetings (invitation extended to Board Members)
o Draft of compliance subcommittee charter
o Creation of scorecard for regional compliance committees
o Weekly compliance staff meetings to include leaders from legal, audit, claims and insurance services
o Two-day training given by the Association of Certified Fraud Examiners
o Next Generation Compliance Track platform
o Schedule for first Ambulatory Compliance Committee meeting
o Focus arrangement quarterly audits
o Tracking renumerations audits for leases, call coverage, and medical directorships
o Condition Code 44, audit observation stay
o Engagement of vendor to review Broward Health’s information system related to security and privacy
o Management engagement plan to comply with annual CIA compliance training
o Department of Health and Human Services’ recommendation on noticing physicians of Broward Health’s laboratory compliance program
o December 2018, Office of Inspector General’s audit of Broward Health’s Medicare regional administrative contractor, First Coast Services
o Update to stipulated penalties received for failure to comply with specific sections of the Corporate Integrity Agreement. Mr. Kozik clarified that the issues occurred in 2017-2018, prior to his arrival and the formation of the new compliance program

MOTION It was moved by Commissioner Klein, seconded by Commissioner Angier, that:

THE COMPLIANCE AND ETHICS COMMITTEE RECOMMEND THAT THE BOARD OF COMMISSIONERS OF THE NORTH BROWARD HOSPITAL DISTRICT AUTHORIZE THE PRESIDENT/CEO TO RESOLVE ANY CONCERNS OR PENALTIES WITH THE OFFICE OF INSPECTOR GENERAL THAT WOULD INCLUDE PAYMENT FOR STIPULATED PENALTIES.
Motion carried unanimously

Commissioner Berry recommended the organization request the amount paid in stipulated penalties be waived or returned as indigent care funds. He also requested that all future stipulated penalties be reported to the Board.

Commissioner Angier requested that the savings received by changing Broward Health’s Independent Review Organization firm be used to pay the stipulated penalties.

*Continuation of Mr. Kozik’s report below.

- Permanent General Counsel position reported to the Office of Inspector General
- HIPAA breaches reported to the Office of Inspector General
- Blanket and individual waivers requested from the Office of Inspector General
- Internal interviews scheduled with Independent Review Organization

6.2 GA-004-001 Compliance Department and Human Resource Protocol

MOTION It was moved by Commissioner Angier, seconded by Commissioner Berry, to:

APPROVE THE GA-004-001 COMPLIANCE DEPARTMENT AND HUMAN RESOURCE PROTOCOL POLICY.

Motion carried unanimously

6.3 GA-004-004 Duty to Report

MOTION It was moved by Commissioner Berry, seconded by Commissioner Angier, to:

APPROVE THE GA-004-004 DUTY TO REPORT POLICY.

Motion carried unanimously

6.4 GA-004-305 Non-Retaliation or Retribution

MOTION It was moved by Commissioner Berry, seconded by Commissioner Angier, to:

APPROVE THE GA-004-305 NON-RETLATION OR RETRIBUTION POLICY.

Motion carried unanimously
7. **ADJOURNMENT** 1:53 pm

**MOTION** It was moved by Commissioner Berry, seconded by Commissioner Angier, to:

**ADJOURN THE COMPLIANCE AND ETHICS COMMITTEE MEETING.**

Motion carried unanimously.

Respectfully submitted,
Commissioner Ray T. Berry, Secretary/Treasurer
I. Purpose

Broward Health is a publicly funded institution with an obligation to preserve public trust and to provide an environment where those engaged by or working at Broward Health are free from actual or perceived conflicts of interest. Broward Health has adopted this system-wide Policy for the purposes of: setting forth organizational requirements with respect to Conflicts of Interest; identifying those corporate entities and individuals subject to certain requirements under the Policy; and explaining the requirements and activities associated with identifying and ethically resolving Conflicts of Interest on the part of those engaged by or working at Broward Health.

Identification and resolution of Conflicts of Interest which may exist on those engaged by or working at Broward Health is required by standards promulgated by the Florida Ethics Commission, Florida Statutes, The Joint Commission, the Internal Revenue Code and Treasury Regulations governing tax-exempt organizations and by requirements placed upon providers by Medicare and Medicaid program regulations. Broward Health has adopted this Policy not only to meet the above-stated requirements, but also as a matter of corporate responsibility, sound management practice, and to afford protection, where available, in cases in which some duality of interest exists.

II. Key Terms

Conflicts of interest include a variety of situations in which an employee or workforce member is faced with conflicting loyalties. Traditionally of most concern are those situations in which regard for a private interest may lead to a disregard of the workforce member’s duties towards Broward Health. Frequently these arise when personal economic interests conflict with the duties towards the system. For example, a conflict occurs when a workforce member influences a decision of the system, department, or decision of
a patient if a personal economic benefit to the workforce member may arise from that decision. There can be a conflict of interest when a physician procures equipment from an entity in which he or she is a spokesperson. In this situation, the physician may have the opportunity to use his or her position and influence within Broward Health to advance his or her personal economic gain.

Other conflicts may arise that inhibit the workforce member’s duty of loyalty or commitment to Broward Health. These conflicts, as well as those that represent conflicting time commitments, are considered “conflicts of commitment.” For example, an employee may enter into part-time employment with an entity which impairs his or her ability to perform their duties at Broward Health.

Conflicts may also arise even in instances where the workforce member will not receive any economic benefit from the outside activity. For example, a conflict is present if a workforce member’s obligations to Broward Health are not met due to the time spent on the outside activity. The conflict exists even though the activity may not provide remuneration to the workforce member.

**Workforce Member:** Any employee, independent contractor, agent, trainee, or other person who performs work or on behalf of Broward Health. This includes full-time, part-time, and pool employees; associates; directors; officers; managers; supervisors; members of the Board and members of standing committees; medical staff employed by or otherwise affiliated with Broward Health; medical students and all other affiliated students or others receiving training at any Broward Health facility; and others who provide goods or services to Broward Health.

**Immediate Family Member:** The term “immediate family member” is defined broadly to mean a husband or wife; birth or adoptive parent, child or sibling; stepparent, stepchild, stepbrother, or stepsister; father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law; grandparent or grandchild; and spouse of a grandparent or grandchild.

**Personal Interests:** Relevant activities that may not have a direct financial component, but may present an actual or apparent Conflict of Interest. Such interests may involve the employee or his or her immediate Family Members.

**Significant Financial Interests:** A significant financial interest may arise in arrangements between Broward Health and individuals, businesses or other entities with which Broward Health has, is considering, or negotiating a transaction or arrangement. A Significant Financial Interest is not necessarily a Conflict of Interest. Examples of Significant Financial Interests include:

A. Debt Interests: Holding of debt or debt securities by an individual or Immediate Family Member in any company or entity engaged in any business or attempting to do business with Broward Health, including Research.

B. Equity Interests: Ownership by an individual or Immediate Family Member of stock, stock options or other proprietary interests in any company or entity that furnishes goods or services to Broward Health, or leases or sells real estate or equipment to Broward Health, or is engaged in any business or is attempting to do business with Broward Health, including Research. Significant Financial Interests do not include investments in mutual funds or retirement plans, such as 401(k) or 403(b) plans, where there is no individual control over fund selections.

C. Publicly Traded Companies: Cumulative equity interest valued at 5% or more of the business entity as determined by reference to publicly listed prices.
D. Non-Public Companies: Any ownership interest in any company or entity whose value cannot be determined by reference to publicly listed prices (for example, privately-held and start-up companies).

III. Policy

1. Consistent with Broward Health’s Code of Conduct, it is expected that no Workforce Member may enter into any employment, transaction, or other arrangement that may cause or be perceived to cause a conflict of interest.

   a. Because a “conflict of interest” depends on the situation in which the workforce member is placed, rather than on the character or actions of the individual, a conflict of interest is not necessarily “wrong” or prohibited. Such conflicts confront individuals at various times because of a personal, business, or professional loyalty that may be in conflict. [Some conflicts, however, present a potential for a breach of one’s duty to a particular employer, person, or entity, as such, that they must either be permitted with conditions, including review and oversight by other institutional representatives, or prohibited.] Generally, if a conflict situation is permitted, specific management guidelines and expectations are established prior to permitting the activity or financial interest. These management plans allow for periodic review and oversight to minimize the effects of conflicts. Most conflict situations that are of concern and permitted under the law can be handled through disclosure and the setting of an appropriate management plan of the disclosure.

2. The primary purpose of the disclosures required on the Conflict of Interest and Financial Disclosures form is to identify those activities and interests that pose potential conflicts of interest. The workforce member makes the initial disclosure of an interest, and should consult with his or her supervisor to determine whether a potential conflict of interest exists. In those situations where a potential conflict of interest exists and the activity or interest is allowable under applicable law, the activity or interest may be allowed after disclosure, review and development of a management plan by the applicable administrator and management in consultation with the Corporate Compliance Department. The oversight of the management plan is the responsibility of the applicable administrator and/or manager in consultation with the Corporate Compliance Department.

3. Broward Health requires the following outside activities and financial interests to be reported prior to engaging in the activity:

   a. Ownership Relationships with Competitors: A direct or indirect (e.g. through an immediate family member) financial interest of greater than 5% (including ownership of stock, stock options, equity, debt, other securities, other forms of ownership interests, salary, or other remuneration for services as an employee consultant, officer, or board member) in any business or health care enterprise that produces services or products which compete with those of Broward Health.

   b. Work Relationships with Competitors: A direct or indirect engagement (e.g. through an immediate family member) where salary or other remuneration is received as an employee, consultant, officer, contractor, or board member in any business or health care enterprise that produces services or products which compete with those of Broward Health.

   c. Relationships with Organizations Doing Business with Broward Health: A situation in which a workforce member serves as an officer, director, employee, committee, member, advisor, agent, representative, or consultant, or in any other professional activity capacity for any company,
firm, or business that, to the best of their knowledge, does or seeks to do business with Broward Health, or in which Broward Health holds an investment interest.

d. Employment of Relatives and Partner Relationships in the Workplace: Workforce members shall disclose any situation in which their relationship with an immediate family member results in a potential, perceived, or actual conflict of interest. A conflict of interest may be the result of a direct reporting relationship (e.g. a supervisory relationship) or an indirect reporting relationship (e.g. if one employee holds a position which may influence the status or compensation of an immediate family member).

4. Any workforce member engaged in an outside activity or holding a financial interest that must be reported is required to complete Broward Health’s Conflict of Interest questionnaire and Financial Disclosure form prior to the commencement of the outside activity or acquiring the financial interest and annually thereafter. If a material change in the original disclosure occurs during the year, a new or updated form must be submitted. Forms will be submitted to Human Resources and the workforce member’s management.

a. Workforce members should be aware of the following activities that may present a possible conflict of interest:

i. Outside activities which indicate time commitments that would interfere with a workforce member’s duties.

ii. Outside activities which use the equipment, personnel, or other resources of Broward Health.

iii. Outside activities (consulting, employment, management, or other contractual relationships) with a person or entity, or financial interests in an entity that does business with Broward Health, particularly when that workforce member may influence a Broward Health decision regarding that business.

iv. Outside activities or financial interests in a competitor which competes with Broward Health, particularly when these are in the same field as that of the workforce member or when the workforce member has access to proprietary information to the entity.

v. Outside activities or interests which otherwise interfere with the workforce member’s duties to the institution. These duties include the workforce member’s duties to patients and the duty to protect Broward Health and fellow workforce members.

5. Workforce members are required to maintain appropriate relationships with third parties, including patients and their families, health care practitioners, donors, suppliers, subcontractors, and competitors so no third party has an opportunity or appears to have an opportunity to inappropriately influence Broward Health decisions or activities.

6. Certain activities outside of Broward Health may be considered to be within the scope of that workforce member’s duties to Broward Health. For example, to serve on certain professional organizations or community organizations may be considered within the responsibilities of that workforce member and, if so, would not be an “outside activity” required to be disclosed. However, these activities must be approved as part of the workforce member’s responsibilities and any use of Broward Health time or resources with regard to these duties must receive appropriate approval. In addition, even if the activity is considered within the scope of the workforce member’s duties, that workforce member should always remain aware of conflict of interest considerations that may arise when performing work for organizations separate from Broward Health.
7. Workforce members are responsible for disclosing their own possible conflicts of interest. The necessity of disclosing certain outside activities should not obscure that the great majority of outside activities and financial interests of workforce members are compatible with Broward Health’s mission and that the requirements of an outside activities and conflict of interest policy are not meant to discourage the many valuable outside activities of workforce members.

8. Key employees identified by the Corporate Compliance Department are required to indicate annually and upon engagement, whether they have financial interests or are involved in outside activities that must be reported. [Those required to complete disclosures will be notified of the requirement to complete the Conflict of Interest and Financial Disclosure forms.] Forms will be submitted electronically.

9. A workforce member’s failure to report outside activities and financial interests under Broward Health policies and procedures, Code of Ethics for State of Florida Employees, or other applicable policies or regulations are grounds for disciplinary action, up to and including termination.

**Code of Ethics for State of Florida Employees:**
Broward Health employees are subject to the Florida Code of Ethics for Public Officers and Employees found in Chapter 112 of the Florida Statutes. The Code applies to full-time and part-time Broward Health employees, and in some circumstances, may apply to non-employed Broward Health workforce members who meet the definition of a public officer or reporting employee. In some instances, these non-employed workforce members may be subject to the code depending on the circumstances and their role at Broward Health.

The Florida Code of Ethics contains several provisions that govern Broward Health employees. In formulating the Code of Ethics, the Florida Legislature stated that it “is essential for the proper conduct and operation of government that public officials be independent and impartial and that public office not be used for private gain other than the remuneration provided by law. However, the Legislature recognized that public officials and state employees should not be “denied the opportunity, available to all other citizens, to acquire and retain private economic interests except when conflicts with the responsibility of such officials to the public cannot be avoided.” The Code of Ethics is designed to “protect against any conflict of interest and establish standards for the conduct of elected officials and government employees in situations where conflicts may exist”.

IV. Procedures

A. Process for Disclosures
   a. **Annual:** All Key Workforce Members identified by the CEO, Senior Vice President, Chief Compliance Officer, in conjunction with General Counsel, will be required to complete and submit an online Conflict of Interest and Financial Disclosure forms annually.
   b. **Incidental Disclosure:**
      i. Any changes in Significant Financial Interests or relevant Personal Interests that occur after the annual Disclosure are to be disclosed at the time of or subsequent to the event, but may be made at any time during the calendar year, so long as the changes are disclosed at least annually.
      ii. Examples of reportable changes include, but are not limited to, a new consulting arrangement, the purchase or inheritance of stock in a pharmaceutical, biotechnology, or medical device company, and the cessation of payments from an outside entity.
c. **Contractor Disclosure:** All third parties or contractors doing work with or on behalf of Broward Health will be required to complete and submit a Conflict of Interest and Financial Disclosure forms form upon engagement. Any changes in Significant Financial Interests or relevant Personal Interests submitted will require the Disclosure form to be updated in accordance with this policy.

d. **Medical Staff Disclosure:** All Medical Staff members will be required to complete and submit a Conflict of Interest and Financial Disclosure forms upon initial credentialing and reappointment. Any changes in Significant Financial Interests or relevant Personal Interests submitted will require the Disclosure form to be updated in accordance with this policy.

e. **Third Party Disclosure:** If an individual observes a Workforce Member’s activity or actions that appear to be a Conflict of Interest, the individual is encouraged first to direct that employee to this policy and other applicable policies, and then use the chain of command to express concern.

i. The Workforce Member may contact the Corporate Compliance Department directly;

ii. The Workforce Member may contact the Corporate Compliance Hotline;

iii. The identity of the person raising an issue through the Corporate Compliance Department or the Corporate Compliance Hotline may remain confidential to the extent possible, and individuals reporting in good faith are protected from retaliation in accordance with Broward Health’s Non-Retaliation policy; and

iv. Disclosures will be reviewed by the Corporate Compliance Department.

B. **How to Disclose**

All Disclosures are made by completing the online Conflict of Interest and Financial Disclosure forms or via the Vendor Registration System. Instructions for logging in are provided to each Workforce Member who has been designated to disclose. Additional instructions are provided for the completion of the electronic form.

C. **Review and Evaluation of Disclosure**

Once a Workforce Member has responded to the Disclosure questionnaire, it will be reviewed and evaluated by the Workforce Member’s supervisor, in consultation with the Corporate Compliance Department. If actual or apparent Conflicts of Interest are identified in the Disclosure, the Workforce Member will be informed of the status of the review process, including the need for additional information, the need for a documented Management Plan, or the need for further review by the Committee on Conflicts of Interest.

D. **Guidelines for Allowance of Outside Activities and Financial Interests:**

Broward Health recognizes that there are conflict situations which cannot be mitigated, conflict situations which may be permitted with a management plan and oversight, and outside activities that are generally allowed. The guidelines below are designed to assist Broward Health workforce members in evaluating conflict of interest situations.

a. **Prohibited outside activities and financial interests**

   Generally, most outside activities are allowed if they do not interfere with the workforce member’s performance, obligations, decision-making, or do not rise to the level of a perception of a conflict of interest. However, determining whether or not a conflict of interest exists is
dependent on reviewing the facts of the particular conflict disclosed in comparison with the duties, obligations, and decision-making capabilities of the workforce member making the disclosure.

Any outside activity or financial interest which is prohibited by state law cannot be allowed. For example, prohibited under Florida law are those outside employment or contractual relationships which would create a “continuing or frequently recurring conflict” between the workforce member’s private interest and the performance of his or her duties at Broward Health or “that would impede the full and faithful discharge of his or her public duties”.

b. Outside activities and financial interests may be permitted only after review, approval of the applicable supervisor, administrator/CEO, and in consultation with the Corporate Compliance Department and General Counsel with appropriate conditions if necessary.

E. Guidelines for Review of Reported Outside Activities and Financial Interests
   a. In evaluating whether or not a conflict of interest exists, the following factors must be evaluated:
      1. Name of the employing or contracting entity or individual, name of entity in which the financial interest is held, and nature of its business.
      2. Nature of activity or financial interest (description of equity interest or intellectual property), including time spent if an activity is involved (estimated hours per week including travel time). The source of compensation must be noted.
      3. Location and anticipated dates of the activity.
      4. Use of Broward Health time, facilities, or services in connection with the activity.
      5. Number of other outside activities and financial interests previously filed for the year.
      6. Whether the activity or financial interest was reported in the previous contractual year.
      7. Any other information that may also be requested in order to assure a complete review of the outside activity and/or financial interest.

A workforce member must provide sufficient information to those with the review and oversight responsibility to enable them to make an informed decision concerning the allowance of the outside activity or financial interest.

Generally, the workforce member’s supervisor, applicable administrator/CEO, in consultation with the Corporate Compliance Department, review the information provided to them from workforce member disclosures annually and on a case-by-case basis to determine whether any disclosures constitute a potential conflict of interest. If any such reviewer believes that a disclosure indicates a problematic conflict of interest, the reviewer, with assistance of the Corporate Compliance Department will attempt to resolve the matter with the workforce member at the site level or within the scope of the applicable agreement contract language.

F. Committee on Conflicts of Interest

If the supervisor or site administrator/CEO, after consultation with the Corporate Compliance
Department, is unable to come to a satisfactory resolution on the management plan for a disclosed conflict of interest or financial disclosure, the disclosure(s) will be brought to the Corporate Committee on Conflicts of Interests for review, approval, and finalization of a management plan (if appropriate). The Committee on Conflicts of Interest will include the SVP/Chief Compliance Officer (CCO), Chief Executive Officer (CEO), and Chief Administrative Officer (CAO).

The Conflicts Committee shall have the authority to approve the relationship or activity as is, to approve the activity with conditions or monitoring, or to disapprove the relationship. The Committee on Conflicts of Interest may consider both actual and potential conflicts of interest, including the appearance of conflict, in reaching a decision. More stringent standards may be applied to workforce members with significant management or supervisory responsibilities.

After determination, the Committee on Conflicts of Interest will send the resolution to the workforce member. In addition, in its judgment, the Committee on Conflicts of Interest shall report to the Board of Commissioners through the Executive Compliance Workgroup on matters referred to it, any resulting management plans, monitoring of management plans, as well as any resolution.

V. Related Policies and Compliance Documents
- Broward Health Code of Conduct
- Gifts, Gratuities, and Business Courtesies, Policy No. GA-004-012

VI. References
N/A

Attachments: No Attachments
GA-004-012 Gifts, Gratuities, and Business Courtesies

I. Purpose

Federal and State laws and the regulations promulgated there under (including those which are commonly referred to as the anti-kickback, Stark, and civil monetary penalty statutes and regulations) prohibit the acceptance of any item of value (remuneration) made directly or indirectly, in cash or in kind, that may induce or appear to induce the purchase, recommendation to purchase or referral of any kind of health care goods, services, or items reimbursed by a federal or state health care program such as Medicare and Medicaid. Consequently, the acceptance of any gifts or business courtesies from any third-parties with whom Broward Health conducts business or who are seeking to do business with Broward Health, may implicate Federal and State prohibitions.

Broward Health adopted a Conflicts of Interest policy with additional disclosure requirements to mitigate potential or actual conflicts of interest. Therefore, this policy is intended to provide parameters for appropriate decision-making regarding the acceptance or provision of gifts and business courtesies, whether such gifts or gratuities are offered by patients, vendors, suppliers, or other individuals or entities.

II. Key Terms

Please see Broward Health policy GA-004-237, Policies and Procedures Glossary, for all definitions.

III. Policy

Broward Health is a publicly funded institution with an obligation to preserve public trust and to provide an environment where those engaged by or working in the work environment are free from Conflicts of Interest. At Broward Health, we strive to conform to the highest standards of institutional and professional ethics. This policy is intended to provide non-exhaustive guidelines regarding the acceptance or provision of gifts and business courtesies, whether such gifts or gratuities are offered by patients, vendors, suppliers,
or donors.

Certain gifts and donations may be permissible. Other gifts/gratuities (often those provided by referral sources, vendors/suppliers) could be considered a potential conflict of interest or illegal “kickback” (e.g. payment(s) or gift(s) which are intended to induce the referral or business to the party making the gift). Accepting any gift or gratuity intended to induce or reward referrals or to result in the purchase of goods or services is strictly prohibited.

A. **OVERALL POLICY:** To prevent any perception that judgments or medical decisions are influenced by factors other than fulfilling the mission of Broward Health, the best interests of our patients, and the community we serve, all workforce members are prohibited from offering, soliciting, or accepting gifts or other items of equivalent value to influence the provision for or contracting of services. Additionally workforce members are prohibited from accepting any gifts from referral sources and vendors/suppliers, including but not limited to physician offices, manufacturers and suppliers of pharmaceuticals, medical devices, equipment, and supplies, unless considered nominal (i.e. promotional items such as pens and similar items as long as the promotional item does not exceed nominal value and/or does not appear to influence the workforce member’s duties and judgment at Broward Health).

B. **IMPROPER INDUCEMENTS:** As Broward Health is a public institution and is a recipient of state and federal healthcare funds, our workforce members are prohibited from accepting cash or anything of value (“kickbacks”) in exchange for purchasing, leasing, ordering, or recommending the purchase, lease, or ordering of any goods, facilities, services or other items covered by Medicare or Medicaid.

C. **ACCEPTING GIFTS, COURTESIES, OR PAYMENTS:**

1. **Cash gifts or gratuities:** Cash or cash equivalents are inappropriate as a gift and may not be accepted. Any workforce member who gives or accepts cash as a gift or gratuity to or from patients, family members, visitors, vendors/suppliers, sales representatives, referral sources, and others will be subject to disciplinary action.

2. **Non-monetary gifts:** During special occasions (e.g. the holiday season, Nurse’s Week, etc.), patients and vendors may give nominal and perishable items such as food, popcorn, cookies, etc. provided that the nonmonetary gift is infrequent, modest, shared among the entire department, and does not appear to influence workforce members’ duties and judgment at Broward Health.

3. **Business Courtesies:** Business courtesies of personal benefit, such as tickets to a sporting event, theatrical event, or golf outing may not be accepted.

4. **Monetary Gifts to the Hospitals:** Patients or families that request information about opportunities to give to the hospital or any operational area should be referred to the Broward Health Foundation. Monetary gifts received by any facility of Broward Health should be promptly forwarded to the Broward Health Foundation or other area approved to receive donations in accordance with policy (e.g. CDTC). The recipient shall abide by Broward Health donation policies and procedures regarding receipt of donation.

5. **Gifts of equipment:** Gifts, offers, or donations of equipment to any facility should be coordinated through the facility’s Administration. Prior to the acceptance of any gift, offer, or donation of equipment, the equipment should be evaluated based on Broward Health’s selection policies and procedures, approved by the facility’s Administration, and coordinated through the Broward Health Foundation or other area approved.
6. **Gifts from vendors**: Gifts from vendors/suppliers or referral sources, including, but not limited to community physician offices, manufacturers and suppliers of pharmaceuticals, medical devices, equipment and supplies, are prohibited.

7. **Offers of payment or benefit for services**: If a payment or benefit is offered by another party in return for some service by a workforce member, the workforce member must report the offer immediately to their manager or the Corporate Compliance Department for determination of whether the arrangement is appropriate and whether the workforce member can accept.

8. **Donations**: The Broward Health Foundation and CDTC have the discretion to accept or decline donations. Further information regarding donations can be found in Receipt of Donations – Accounting of Receipts/Disbursements of Donated Funds/Property/Equipment Policy.

**D. PROVISION OF GIFTS TO VENDORS/SUPPLIERS, REFERRAL SOURCES, ETC.**

1. **Inducement of referrals**: Federal law and Broward Health policy makes it unacceptable for workforce members to give gifts, cash, or other benefits to vendors, outside providers or suppliers, unless the gift or benefit is of a nominal value. Such activities are therefore prohibited.

2. **Promotional items**: The Corporate Marketing Department and/or other departments at Broward Health may develop promotional items of nominal value that promote awareness of Broward Health’s clinical programs and missions for referral sources or patients that is consistent with Broward Health’s mission and is not or does not appear to be utilized to gain referrals or business to Broward Health.

**IV. Procedures**

A. Activities which are (or appear to be) in violation of this policy should be immediately reported to management or the Corporate Compliance Department. Based on Broward Health’s Code of Conduct and Non-Retaliation Policy, GA-004-305, any reporter may be anonymous if desired. Workforce members who violate this policy will be subject to disciplinary action including, but not limited to, disciplinary action, suspension of hospital privileges, or termination of employment/contractual relationship.

B. Hospital managers and administration shall be responsible for helping to enforce this policy. All violations must be reported to the Corporate Compliance Department for appropriate corrective action (as required) and resolution.

**V. Related Policies and Compliance Documents**

- Broward Health Code of Conduct
- Conflicts of Interest, Policy No. GA-004-015

**VI. References**

N/A

**Attachments:**

- Gifts, Gratuities, and Business Courtesies
- Matrix
Gifts and Gratuities
Guideline

Definitions:

Gifts: Items of value that include, but are not limited to, cash and cash equivalents, meals and other food items, flowers, promotional items, discounts, travel and/or lodging expenses, tickets to sporting events or entertainment events, tickets to hospital sponsored events (e.g. golf outings and galas), vendor sponsored educational sessions and payment for seminars and conferences.

Nominal Value: Limited value as not to be reasonably perceived as an attempt to affect the judgment of the recipient or induce referrals. For purposes of these guidelines, employees and physicians may use their best judgment to assign a reasonable estimated value to the gifts.

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<tr>
<th>Type</th>
<th>Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>Generally, employees and physicians are prohibited from soliciting, accepting, or providing gifts. Gifts should never be accepted if they are intended to influence the individual in taking an action or making a decision or to reward the individual for work done at Broward Health. Items provided to physicians are dictated by Broward Health’s Non-Monetary Compensation to Physicians and Immediate Family Members Policy and CMS Requirements. Acceptance of cash or cash equivalents (e.g. gift cards) by any Broward Health employee or physician from patients, families and vendors is never acceptable. Staff may accept infrequent perishable items of nominal value that can be shared amongst the entire department (i.e. flowers, pizza) from patients. In addition, items which are nominal in value and solely promotional in nature, such as items bearing a vendor’s logo or given to commemorate an event, are acceptable on an occasional basis. If the particular, on the spot circumstances dictate that the gift be accepted (e.g. to avoid a confrontation or insulting the giver of the gift because of cultural considerations), then the gift should be accepted but the Corporate Compliance Department must be notified immediately and the gift turned over to them. The Corporate Compliance Department will log the event in Comply Track and determine the disposition of the gift. It is not appropriate for Broward Health employees or physicians to solicit items for personal or departmental use.</td>
</tr>
<tr>
<td>Section</td>
<td>Description</td>
</tr>
<tr>
<td>---------------------------------</td>
<td>-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Solicitation of Gifts</td>
<td>This includes, but is not limited to, gifts, payments or loans from a vendor, physician or physician group, patient, patient’s family or any other individual or entity doing business with Broward Health. Soliciting gifts from vendors or individuals affiliated with the entity, including physicians, for the purpose of holding a department party or celebration week is not permitted. Inquiries from vendors and physicians regarding departmental parties or celebration weeks shall be referred to the entity CEO in conjunction with their respective Regional Compliance Manager.</td>
</tr>
<tr>
<td>Gifts from Patients and their Families</td>
<td>No gifts or items of value should be solicited or accepted from patients or their families, but rather the patient should be thanked, politely informed of Broward Health policy against acceptance of gifts, and directed to the Broward Health Foundation where the gift can be accepted on behalf of Broward Health. Staff may accept infrequent perishable items of nominal value that can be shared amongst the entire department (i.e. flowers, pizza) from patients.</td>
</tr>
<tr>
<td>Gifts from Vendors</td>
<td>It is inappropriate for Broward Health or any of its employees and physicians to request or receive goods and/or services from any vendor for personal use or enjoyment. No vendor may offer gifts, monies or business services to Broward Health employees or physicians that could violate Federal Anti-Kickback statues. Items which are nominal in value and solely promotional in nature, such as items bearing a vendor’s logo or given to commemorate an event, are acceptable on an occasional basis.</td>
</tr>
<tr>
<td>Conferences, Seminars and Educational Events</td>
<td>Payments by vendors for conferences and seminars attended by Broward Health employees are not permitted unless included in that particular vendor’s contractual arrangement with Broward Health. If attendance is required at a conference, seminar or user group, payment shall be made by the respective Broward Health operating entity. Vendor sponsored educational events, which may include continuing education credits, (such as lunch and learns) at a Broward Health entity or other local venue are permissible if the following criteria are met: 1) the primary purpose of the education must be the distribution of objective scientific information or educational activity; 2) acceptance of education support must never be made, conditioned on or related in any way to preexisting or future business relationships with the vendor; 3) Broward Health management must be present to supervise any educational event.</td>
</tr>
<tr>
<td><strong>Discussion</strong></td>
<td>4) All educational events at a Broward Health entity involving continuing education credits will be governed by the applicable Learning and Development Department processes (including compliance with ACCME Standards). Meals associated with such events must be in accordance with Broward Health policy. Meals and other food items provided by vendors without an approved educational purpose or legitimate business purpose are not permitted, unless approved by Broward Health senior management. Broward Health is a drug and alcohol-free campus and use of Broward Health funds for the purchase of alcohol is not permitted. Paid transportation, meals and or lodging for product evaluation from a potential or existing vendor is not permitted, unless negotiated and address in the vendor’s contractual arrangement with Broward Health. All expenses related to this process shall be paid by the respective Broward operating entity.</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td><strong>Drug Samples</strong></td>
<td>Individuals licensed to prescribe and dispense medications may accept Drug Samples from Industry for distribution to patients. No drug samples that are not on the Hospital formulary may be given to hospital patients. Distribution of Drug Samples to persons other than patients carries the inference that such Drug Sample is a gift and carries risk to Broward Health and the individual’s reputation. Individuals who interact with Industry representatives concerning Drug Samples are strongly discouraged from accepting Drug Samples unless particular samples pose significant benefits are generally not used by the general population, are usually needed quickly, and whose benefits outweigh the regulatory, safety, security, and other risks posed by such samples. For example, easily affordable or obtainable items that could be viewed as inappropriate (e.g. a widely used, over the counter product found at a supermarket) but accept Samples for more expensive items that pose a problem for the Broward Health population or items that should reach the patient quickly after the patient encounter, and generally would not be viewed as inappropriate (e.g. an antibiotic).</td>
</tr>
<tr>
<td><strong>Gifts Exchanged pursuant to Personal Friendships</strong></td>
<td>An employee who has become friends with an individual who has a business relationship with the Company and who engages in the practice of exchanging personal (non-work related) gifts with that individual may do so without any limits, provided the employee does not include the gift as a business expense for tax purposes and does not charge the Company or otherwise receive reimbursement from the Company to cover this expense.</td>
</tr>
<tr>
<td><strong>Non-Broward Health Events</strong></td>
<td>However, personal gifts that may lead to an appearance of impropriety or undue influence in conduct of his/her responsibilities at Broward Health shall never be accepted.</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td><strong>Business Meals and Entertainment</strong></td>
<td>Broward Health recognizes that attendance at non-Broward Health events, such as golf outings, and galas, may serve a beneficial business purpose. However, since the value associated with these events is not nominal, payment by vendors is not permitted. If attendance at such events is deemed warranted, payment shall be made by the respective operating entity.</td>
</tr>
</tbody>
</table>
| **Business Meals and Entertainment** | Business meals include reasonable amounts spent on food and other refreshments purchased in surroundings conducive to and including a business discussion with vendors, customers, or other clients.  

Broward Health will reimburse entertainment expenses only provided that the entertainment will directly benefit Broward Health, or if it directly precedes or follows a substantial and bona fide business discussion for the purposes of obtaining business benefit.  

Business entertainment expenses include, such items as the cost of meals and beverages, and the cost of transportation directly related to the above.  

Entertainment expenses not designated as meals require additional evaluation on the travel expense report. The expense reporting will include date, names of the individuals, titles, and companies, as well as the business purpose. The most senior employee present should pay all the business entertainment expenses.  

Employees should always use their judgment and common sense when charging business meals an entertainment. |
| **Support for Research Related Activities** | All Industry gifts/support for research-related activities must be processed through Broward Health Contracts Administration. Grants, awards, and/or donations to support research or education may be accepted by Broward Health only if: (i) the Industry Support is accompanied with the vendor’s certification that the support is given to support Broward Health research or education and is not intended to influence purchasing decisions or research |
| Charitable Gifts from Vendors/Industry | Any charitable gift provided by vendors/industry need to be governed and overseen by the Broward Health Foundation or other area approved by Broward Health to receive donations (e.g. CDTC) to ensure that such support does not introduce an actual or perceived conflict of interest. |
| Invitation to speak or provide consulting genuine services | Broward Health employees are permitted to accept provided that (1) presentation or consulting engagement is in the form of an honorarium or compensation for time and expenses; (2) presentations or consulting engagements must be of scientific/academic merit and/or benefit to Broward Health; (3) individual receives fair market value compensation for specific, legitimate services provided and work actually performed. |
| Industry Representatives (IR’s) | IR’s are authorized to promote their organization’s products and disseminate information subject to the following parameters:  
   a) IR’s shall confine their promotional activities within the Hospital to attending medical staff, nurse practitioners, pharmacy management staff, management staff in areas where the particular Vendor’s supplies and equipment could be used, and the Procurement & Strategic Sourcing Department.  
   b) IRs will comply with all decisions of the Medical Board and its subcommittees, such as the Formulary and Therapeutics Committee.  
   c) IR’s are not permitted to promote medications, supplies or equipment contrary to applicable Hospital Policies or Guidelines.  
   d) Food may not be provided by an IR within the Hospital except as part of an educational program that meets the criteria outlined in BH policy.  
   e) Gifts, such as pens, notepads, or any other promotional item bearing the Vendor’s logo or information, may not be distributed within the Hospital.  
   f) IRs may not post any notices in the Hospital that promote their products or any program that they sponsor. Program notices only may be posted by a Hospital representative responsible for that program in accordance with Hospital policies for posting notices. Promotional materials may only be given to an individual during an appointment and may not be left in Hospital areas, including public areas. |
| Donations | The receipt of donations is dictated by Broward Health Foundation or other area authorized by Broward Health to receive donations (e.g. CDTC) policy and procedures. |
BOARD BRIEFING: OVERVIEW OF ASSESSING REGULATORY RISKS

Presented by
STEVE FORMAN
Compliance Expert to the Board

JULY 2019
Risk Assessment is a systematic process for identifying, evaluating and prioritizing potential events that could negatively impact the organization.

Compliance Risk Assessment is a risk assessment process that focuses on the regulatory risks related to participation in federal healthcare programs.
• Provides Board with identification/prioritization of compliance risks
• Engages leadership in identifying/prioritizing Compliance risks
• Used as a means to drive strategic change
• Provides insight into issues/risks facing the business
• Expansion to new areas with other regulatory environments
• Greater transparency, sustainability, corporate governance
• Drives efficient use of Compliance (and other) resources
• Recommended best practice for an effective Compliance Program
“The Risk Assessment and Internal Review Process as contemplated by Section III.F of the CIA is intended to be a collective process, engaged in by compliance, legal, and department leaders, working together, to determine the risks faced by NBHD. It is not intended to be a process implemented or worked on by the Chief Compliance Officer or the Compliance Department with assistance from others as needed. While the information gathering in SOP 111 at IV.A,2. and .3b-l can be very useful, it is not intended to be a substitute for the collective identification of risk, prioritization and amelioration by NBHD leaders. This is a responsibility that could be assigned to the Compliance Committee, or to a similar group of leaders, but it is intended to be an organization-wide shared responsibility. This will permit NBHD to focus on identifying compliance risks specific to its organization, engage departmental leaders in thinking about compliance issues and risks that their own departments face (whether related to Arrangements or not), and hopefully help other departmental leaders engage with Compliance in the reduction of risks they see in their own departments...

OIG expects that in the fourth Annual Report, NBHD will be able to demonstrate that it has fully implemented this process in and completed the three aspects of the Risk Assessment and Internal Review Process for the Fourth Reporting Period.”
WHAT IS RISK ASSESSMENT

1. Risk Impact
   ▪ Measure magnitude of the potential loss
   ▪ Mission/Reputation
   ▪ Financial
   ▪ Legal

2. Vulnerability
   ▪ Measure of the probability of loss
   ▪ Likelihood
   ▪ Detectability

3. Controls Assessment
4. Risk Prioritization
CONDUCTING COMPLIANCE RISK ASSESSMENTS

• **Planning the Risk Assessment** – What locations? Who will lead the local process? What risk categories and types of risks should be considered?

• **Conducting the Risk Assessment** – What is the timing? How will it be communicated? What will the reporting look like?

• **Documenting the Risk Assessment** – How will a standard process be implemented? How will unique market risks be addressed?

• **Communicating the results of the Risk Assessment** – How will results be captured and who will informed of them?

• **Gap remediation and risk mitigation** – How will gaps identified be address; and by whom? What will be the implementation timeline? How will you report the progress of risk mitigation?

• **Monitoring the Risk Assessment** – How to monitor identified risks? How to monitor and use results to increase business efficiencies?
1. Identifying/assessing compliance risks

2. Developing effective control measures (P/Ps)

3. Monitoring and reviewing the effectiveness of your risk management procedures
RISK IDENTIFICATION: IDENTIFYING THE RISK UNIVERSE

- Office of Inspector General
  - Work Plans, Audits and Evaluations
  - Special Advisory Bulletins/Special Fraud Alerts
  - Recent settlements and CIA
- CMS Program Updates
  - PERM, CERT, PEPPER, etc.
  - Contractor audits (MAC, RAC, ZPIC, UPIC, etc.);
- Other government and industry guidance
- Hotline reports, audits, investigations, ongoing monitoring
- Relevant external audits, evaluations, reviews
- Implementation of new IT systems
- Mergers, acquisitions, new business units or facilities.
COMMON HOSPITAL RISK AREAS

- Physician Arrangements
- GME Reporting
- Cost Reports
- PATH
- Conflicts of Interest
- EMTALA
- Advance Beneficiary Notices
- Medical Necessity
- Documentation
- E/M Services
- Incident to
- Medicare Secondary Payer
- Write-Offs
- Credit Balances
- Charge-master
- Cloning & Copy/Paste
- Two-Midnight Rule
- Discharge Planning
- Credentialing/Licensing
- Excluded Providers
- Hotline Operations
- HIPAA Privacy & Security
- Patients’ Freedom of Choice
- Outpatient Services
- Meaningful Use
- Clinical Research
- Lab
- Pharmacy
- Drug Diversion
- 340B
- MACRA
IDENTIFYING COMPLIANCE RISKS

- Risk management questionnaires
- Exception reporting
- ‘Independent’ file reviews
- Positive confirmation of compliance
- Voluntary reporting?
- Claims and complaints monitoring
- Financial measurement and reporting
- Supervision
RISK PRIORITIZATION

Conduct a likelihood and impact analysis, resulting in a risk ranking of High, Medium, or Low. The analysis considers potential federal penalties, monetary fines, and financial damage or loss; the likelihood an adverse event would be identified and enforced; a measure of the organization’s “risk tolerance”; and consideration of existing controls and risk strategies already in place.

Net Risk = Likelihood x Impact – Controls
What is the **LIKELIHOOD** or probability of an adverse event in this risk area to occur? What type of regulatory scrutiny exists for this risk area? Regulatory scrutiny is based on factors such as potential for audits by regulatory agencies, risk of Corporate Integrity Agreements, or serious negative public relations if sanctions occur.

<table>
<thead>
<tr>
<th>Likelihood Definition</th>
<th>Score</th>
<th>Definition Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very unlikely</td>
<td>1</td>
<td>0-5%</td>
</tr>
<tr>
<td>More likely it would not occur but still cause for concern</td>
<td>2</td>
<td>5-20%</td>
</tr>
<tr>
<td>Fair chance</td>
<td>3</td>
<td>20-50%</td>
</tr>
<tr>
<td>Much more likely than not</td>
<td>4</td>
<td>50-80%</td>
</tr>
<tr>
<td>Extremely likely</td>
<td>5</td>
<td>Greater than 80%</td>
</tr>
</tbody>
</table>
If an adverse event in this risk area does occur, what will be the **IMPACT** on the organization?

<table>
<thead>
<tr>
<th>Impact Definition</th>
<th>Score</th>
<th>Definition Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>No impact to the organization.</td>
<td>1</td>
<td>$0</td>
</tr>
<tr>
<td>Only minor or limited financial impact. Some operating inefficiencies and minor impact on customer service.</td>
<td>2</td>
<td>Less than $10,000</td>
</tr>
<tr>
<td>Moderate to significant financial impact; no regulatory or law enforcement impact. Operating inefficiencies and reduced customer service.</td>
<td>3</td>
<td>Less than $50,000</td>
</tr>
<tr>
<td>Significant compliance issues raised; significant financial impact; requires reporting to regulatory and/or law enforcement agencies; senior management notification required. Potential to adversely impact the reputation of the organization.</td>
<td>4</td>
<td>Less than $250,000</td>
</tr>
<tr>
<td>Severe impact; major affect on operations; significant financial impact and regulatory non-compliance; intervention by regulatory agencies very likely; senior management and Board notification required. Major adverse impact to the reputation of the organization.</td>
<td>5</td>
<td>Greater than $250,000</td>
</tr>
</tbody>
</table>
Points to consider when measuring the risk impact:

- Magnitude of the potential loss
- Effect on the organization's mission and reputation
- Financial loss to the organization, including cost of potential fines and penalties
- Legal implications
What **CONTROLS** are in place to remediate the risk area? Evaluation of internal controls is based on factors such as policies, procedures, and processes; education; and auditing and monitoring.

<table>
<thead>
<tr>
<th>Controls Definition</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management is aware of its risks and understands how to institute and use internal controls. Strong controls in place including metrics that indicate whether controls are working as intended. Management actively and effectively utilizes controls in running operation. Reports provided on results. Management regularly verifies that controls are effective. Controls updated to address new risks as they become known.</td>
<td>7</td>
</tr>
<tr>
<td>Good controls and metrics to address risks. Management is active in monitoring and controls are updated as needed. Metric available to indicate whether controls are working as intended.</td>
<td>5</td>
</tr>
<tr>
<td>Internal controls are generally available for monitoring/protecting operations. Management monitors control effectiveness. A few metrics are utilized to indicate that controls are working and risks are being mitigated.</td>
<td>3</td>
</tr>
<tr>
<td>Some controls are utilized; however they may need to be updated. Most are manual. Management utilizes the controls but not on a consistent basis.</td>
<td>2</td>
</tr>
<tr>
<td>Minimal internal controls and minimal management utilization.</td>
<td>1</td>
</tr>
<tr>
<td>No internal controls and no awareness by management of their importance.</td>
<td>0</td>
</tr>
</tbody>
</table>
RISK PRIORITIZATION: CONTROLS

• Policies and procedures
• Education and training
• Ongoing monitoring by program managers
• Ongoing compliance auditing
• Internal auditing
• External auditing
Determine the “Net Risk” score for each risk. This score correlates to the risk level:

Net Risk = Likelihood x Impact – Controls

<table>
<thead>
<tr>
<th>Net Risk Level</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>High Risk</td>
<td>16 – 25 points</td>
</tr>
<tr>
<td>Medium Risk</td>
<td>7 – 15 points</td>
</tr>
<tr>
<td>Low Risk</td>
<td>0 – 6 points</td>
</tr>
</tbody>
</table>
## RISK ASSESSMENT FINDINGS
### Sample Results Reporting

<table>
<thead>
<tr>
<th>#</th>
<th>Risk Area</th>
<th>Likelihood Score</th>
<th>Impact Score</th>
<th>Controls Score</th>
<th>Net Risk</th>
<th>Risk Ranking</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Risk Description</td>
<td>5</td>
<td>5</td>
<td>2</td>
<td>22</td>
<td>High</td>
</tr>
<tr>
<td>2</td>
<td>Risk Description</td>
<td>4</td>
<td>5</td>
<td>4</td>
<td>16</td>
<td>High</td>
</tr>
<tr>
<td>3</td>
<td>Risk Description</td>
<td>3</td>
<td>5</td>
<td>2</td>
<td>13</td>
<td>Medium</td>
</tr>
<tr>
<td>4</td>
<td>Risk Description</td>
<td>3</td>
<td>5</td>
<td>3</td>
<td>12</td>
<td>Medium</td>
</tr>
<tr>
<td>5</td>
<td>Risk Description</td>
<td>3</td>
<td>5</td>
<td>3</td>
<td>12</td>
<td>Medium</td>
</tr>
<tr>
<td>6</td>
<td>Risk Description</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>10</td>
<td>Medium</td>
</tr>
<tr>
<td>8</td>
<td>Risk Description</td>
<td>4</td>
<td>3</td>
<td>3</td>
<td>9</td>
<td>Medium</td>
</tr>
<tr>
<td>9</td>
<td>Risk Description</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>6</td>
<td>Low</td>
</tr>
<tr>
<td>10</td>
<td>Risk Description</td>
<td>4</td>
<td>3</td>
<td>7</td>
<td>5</td>
<td>Low</td>
</tr>
</tbody>
</table>
RISK ASSESSMENT FINDINGS: HEAT MAP

Likelihood

Low Risk

Medium Risk

High Risk

Impact
### Risk Description:
Under CMS’s “incident to” rules, health care providers must meet certain requirements, including physician supervision requirements, to bill services rendered by a non-physician practitioner under the supervising physician’s Medicare billing number. CMS and the OIG have increased their attention in the longstanding requirement of physician supervision. It was reported that physician supervision continues to be an area where ongoing education is necessary to ensure proper billing for services provided.

### Description of Existing Controls in Place:
Based on interviews conducted and documents reviewed, Organization has adopted the following controls:
- The Organization “Billing and Claims Reimbursement Policy and Procedure” contains both general and specific guidelines for compliance with all relevant billing and claim reimbursement requirements. The policy also addresses guidelines for outpatient services billing and physician documentation related to supervision.
- Medical staff bylaws address physician supervision criteria.

### Likelihood Score:
4 (out of 5 total)
The likelihood that an adverse event related to this risk area could be identified or occur is much more likely than not, due to significant government contractor focus, and HHS OIG enforcement efforts and focus, on the medical necessity and documentation requirements related to inpatient stays (e.g., the two midnight rule).

### Impact Score:
3 (out of 5 total)
Were an issue identified by a CMS contractor and/or the HHS OIG, there would be moderate to significant financial impact. Additionally, there could be operating inefficiencies and reduced customer service.

### Control Score:
3 (out of 7 total)
Internal controls are generally available for monitoring contract compliance and protecting operations. Management monitors control effectiveness. A few metrics are utilized to indicate that controls are working and risks are being mitigated.

### Total Score & Ranking:
9 (out of 25 total)
This is a Medium risk area.

### Opportunities for Improvement:
- Educate medical staff on the importance of meeting physician supervision criteria for services provided under their supervision.
- Conduct ongoing audits of claims submitted by providers who continue to have difficulties understanding the supervision criteria, to ensure that documentation exists to show that they were in the office and/or on campus to provide the sufficient level of supervision required for the services performed.
PRODUCTS FROM THE RISK ASSESSMENT PROCESS

- Internal Audit Workplan
- Compliance Workplan
- Management Monitoring Workplan
- Identification and mitigation of control weaknesses
- Reporting on the status of reviews, audits and corrective actions
  - Management
  - ECG
  - Compliance Committee
QUESTIONS?