

Handbook for Legal and Ethical Conduct



Cooley Dickinson Hospital

2010-2011 Edition

Letter from the CEO

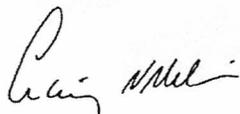
Dear Employee:

Cooley Dickinson Health Care Corporation and its affiliates strive to maintain high standards of legal and ethical conduct in everything that we do. This is a responsibility that we all share and is central to our mission of providing excellent care in a community setting.

This handbook is a guide for each one of us. Please read it carefully. It describes our values and our legal and ethical obligations. It also describes the systems in place to help us meet those obligations.

The patients we treat expect and deserve the highest quality of medical care from us. Our community expects us to be responsible members. We can only accomplish these goals with your assistance and commitment.

Sincerely,

A handwritten signature in black ink, appearing to read "Craig Melin". The signature is written in a cursive style with a large initial "C".

Craig Melin
President/CEO

The Policy

Cooley Dickinson Health Care and its affiliates (the "Organization") believe that conscientious adherence to the highest ethical standards is essential to its mission. The Organization is charged with serving the health needs of the community and it is the policy of the Organization to require commitment to the highest standards of business ethics and integrity. The Organization requires compliance with all applicable provisions of the laws and regulations of the United States, the Commonwealth of Massachusetts and our local community.

Our Code of Ethics

The Organizational Ethics Statement, attached as Appendix A to this handbook, explains our basic values and our expectations for professional and personal conduct from each of our employees and physicians. It also references Organizational policies which contain more detailed guidance.

Our Compliance Program

This handbook and our commitment to legal and ethical conduct is an important part of our Compliance Program. We have formed a Compliance Committee and appointed a Compliance Officer for the Organization. The Compliance Committee and Compliance Officer are charged with reviewing and improving day to day business practices and also working with Organization departments to ensure that their internal systems and controls carry out our overall standards, policies and procedures.

You may contact the Compliance Officer at 582-2218, or send a written message through the in-house interoffice mail system addressed to Compliance Officer.

Compliance Training

We provide periodic compliance training to all employees. New employees are trained during their orientation. Employees, such as those who work in billing, and others, such as physicians, who order tests and document services, may receive special training. In addition, periodic remedial training may take place as needed.

Your department manager is another important source of information and training to teach you about the legal and ethical requirements of your job.

Policies and Procedures

Our general Organization-wide professional standards and our departmental policies and procedures are detailed guides for carrying out your responsibilities. Please see your supervisor

or department manager if you have any questions as to where these standards and policies and procedures are located.

Employee Responsibility

As a member of the Cooley Dickinson Health Care community, it is your responsibility to behave ethically and to meet all legal standards. However, we all share in the responsibility to identify potential problems and report them to the right people so they can be addressed and get fixed.

Examples of situations you might face are as follows:

- A salesman is trying to influence you with valuable gifts or favors
- You wonder if the way you are billing for a service is correct or if you have the right documentation
- Another health care provider asks for payments in return for referring patients to your Organization

How to Ask Questions or Report a Problem

If you have a question about a legal or ethical standard or if you think another employee is not adhering to these standards, you should first talk to your supervisor. However, you may sometimes feel uncomfortable doing this. You may be afraid of retaliation, you may think that your supervisor will not act to correct the problem, or the problem may involve your supervisor. In these cases, please call the department manager or the Compliance Officer's voice mailbox at 582-2218 or send a written message through the in-house interoffice mail system addressed to Compliance Officer. If you have a concern about questionable accounting or auditing matters, please contact the Audit and Compliance Committee of the Corporation via the office of the CEO.

You can make a report without giving your name. All reports will be investigated. If wrongdoing is discovered, the Organization will take appropriate action.

You can raise any question or voice any concern about any legal or ethical issue without fear of being disciplined so long as you are acting in good faith. Good faith does not mean that you have to be right, but it does mean that you should be telling the truth, as you know it. In addition, every effort will be made to protect your privacy whenever possible.

Areas of Special Concern

There are some areas that are of special concern to the Organization. They are common to many departments in the Organization and are the focus of regulatory agencies. Everyone should beware of these areas and should learn more about them from their supervisors.

Protecting the Patient

The mission of the Organization is to provide quality care locally. Quality includes good diagnosis and treatment, as well as sensitivity to informed decision making and respect for the concerns and needs of the patient and family.

Consistent with federal and state privacy laws, each staff member must ensure that patient information is not used, disclosed or discussed with others unless necessary to serve the patient or otherwise required by law.

The Organization counts on each staff member to earn the trust of the patient who must have confidence that the highest standards of personal and institutional conduct are upheld. Each staff member needs to ensure that we meet our obligations in this regard.

Protecting the Employee

The Organization is committed to providing a safe workplace that is free from discrimination or harassment, and is respectful of the employee.

We are further committed to employee health and safety and provide the protocols, materials and equipment needed to do each job safely. Employees must follow the rules for working safely and protect themselves from injury or illness. -

Conducting Business with Honesty and Integrity

Fraud and Abuse Prevention

The Organization, its employees and physicians must adhere to federal and state anti-fraud and abuse laws when dealing with vendors and referral sources. Violations of these laws can involve criminal sanctions as well as substantial fines or exclusion from government programs. Always consult the Compliance Officer, who may confer with legal counsel, if you have questions about a particular business proposal or arrangement.

Billing Correctly

Billing has become a complicated process with multiple payor rules. As in most systems that involve highly detailed work, with many manual and automated steps, the opportunity for mistakes exists. We depend on our clinicians to provide sufficient documentation and on our trained staff to make their best efforts to produce accurate bills. If we find mistakes, they must be promptly corrected. The following are examples of billing problems to be avoided:

- Billing for items or services not actually rendered
- Billing for medically unnecessary services
- Failure to bill for necessary services
- Duplicate billing
- Failure to refund credit balances

- Insufficient documentation to evidence that services were performed
- Billing for services by unqualified or unlicensed clinical personnel
- False dating or falsification of medical records
- Knowing misuse of provider identification numbers
- Inaccurate coding
- Untimely and/or forged physician certification on plans of care
- Forged beneficiary signatures on visit slips/logs that verify services were performed
- Failure to adhere to regulations and Medicare conditions of participation
- Billing for services provided to Home Care Medicare patients who are not homebound

False Claims

Many of the above examples represent violations of both the Massachusetts False Claims Act and the Federal False Claims Act, which prohibit the filing of false and fraudulent claims to the government. These laws also protect those who, in good faith, report activity that may violate the law (sometimes referred to as “whistleblowers”).

Penalties under the False Claims Act include fines from \$5,000 to \$11,000 per false claim and payment of up to three times the amount of payments actually received.

Both the State and Federal False Claims Acts protect those who, in good faith report activity that may violate the law. Individuals with first-hand knowledge of violations can sue the entity that violated the law. If the lawsuit (which the government may choose to participate in) leads to a recovery of money for the government, the individual will be awarded a percentage of the recovery, ranging from 10%-30% depending on whether the state or federal government chose to participate in the lawsuit.

Whistleblower Protection

Both the State and Federal False Claims Acts prohibit retaliation against employee whistleblowers. An employee may not be discharged, demoted, suspended, threatened, harassed or discriminated against in the terms and conditions of employment because of lawful actions taken by the employee in connection with an action under the State or Federal False Claims Act. If the employee can demonstrate that he or she was the victim of retaliation, he or she may be entitled to reinstatement, double back pay plus interest and reimbursement of other costs.

For more specific information about Cooley Dickinson Health Care’s policies and procedures for preventing fraud, waste and abuse, please review the respective sections of this handbook as well as the applicable Administrative Policy Manual. These documents are available from Administration for any employee or contractor to review.

Protecting the Environment

We all share a responsibility to protect the environment. The Organization strives to protect our air, soil and water through protocols governing the use and disposal of hazardous materials. It is important that we all follow these protocols to avoid contaminating the world around us.

COOLEY DICKINSON HEALTHCARE CORPORATION

POLICY: Organizational Ethics

I. PURPOSE

The Cooley Dickinson Healthcare Corporation, Inc. (CDHCC or the Organization) has established this policy of organizational ethics in recognition of its responsibility to patients, staff, physicians, volunteers and the community being served.

II. POLICY

It is the responsibility of every member of CDHCC to act in a manner that respects its patients, visitors, employees, volunteers, & customers and in a manner that employs business and economic practices of the highest ethical standards as outlined in the procedures section below.

CDHCC is a non-profit corporation chartered and licensed by the state of Massachusetts to conduct activities in the public interest. Its properties and funds are entrusted to CDHCC and its personnel. The ethics of economic activity apply to all who work in CDHCC as a fundamental element of their shared trusteeship for the funds, which make possible the buildings, the equipment, and the total work force.

III. SCOPE

This policy applies to Cooley Dickinson Health Care Corporation and its affiliates.

IV. PROCEDURE

- A. We will treat patients, visitors, employees, physicians, volunteers, suppliers and other health care organizations and professionals with dignity, respect and courtesy.
- B. We will provide services which are necessary, safe, meet the identified needs of our patients, occur in the most appropriate setting in an effective and efficient manner and follow well-designed standards of care.
- C. Patients and their families/significant others will be involved in decisions regarding the care that we deliver to the extent that such is practical and possible. We will also seek to inform all patients about the therapeutic alternatives and risks associated with the care they are seeking.
- D. In all circumstances, we will constantly seek to understand the patient's strengths, weaknesses and resources relative to their plan of care and treat patients in a manner giving reasonable thought to their background, culture, religion and heritage.

- E. We will not turn away patients who are in need of our services based on their ability to pay or based upon any other factor that is substantially unrelated to patient care. We will bill only for those services and care provided. We will provide assistance to patients seeking to understand the costs relative to their care. We will try to resolve questions and inquiries to the satisfaction of the patient, while considering the institution's interest as well.
- F. We will prudently manage the economic resources of the Organization and administer its affairs in accordance with all appropriate laws and regulations.
- G. We will fairly and accurately represent ourselves and our capabilities. To ensure an accurate depiction of the services available to current and prospective patients, we are committed to maintaining truthful and unambiguous representations and descriptions of clinical services through all communications, including advertising and marketing.
- H. We will seek to resolve all conflicts fairly and objectively.
- I. The Organization recognizes the need to maintain information in a confidential manner. As such, information will not be shared in an unauthorized manner. (see Administrative Policy #67 – Privacy & Confidentiality of Patient Information)
- J. We will provide for fair and equitably administered personnel practices, including recruitment, employment, compensation and benefits.
- K. CDHCC considers all employees, physicians and volunteers to be responsible individuals who will make every effort to bring credit to CDHCC and who will refrain from conduct which might cause concern for CDHCC. It is our policy to request the disclosure of potential conflicts of interest so that appropriate action may be taken to make sure that such conflict does not inappropriately influence important decisions. (see Administrative Policy #52 – Conflict of Interest) The following guidelines should govern the conduct of all at CDHCC: It is deemed contrary to CDHCC policy for members of the health care team to:
 - 1. Engage directly or indirectly in any personal business transaction or private arrangement for personal profit, which accrues from or is based upon position or authority within CDHCC or upon confidential information, which is gained by reason of such position of authority.
 - 2. Accept any valuable gift, favor or service from any person with whom the health care team member may transact on behalf of CDHCC (see Administrative Policy #54 – Gifts, Entertainment and Gratuities)
 - 3. Make any valuable gift or render any valuable favor or service to any person for the purpose of influencing such a person to do business with CDHCC. (see Administrative Policy #54 – Gifts, Entertainment and Gratuities)
 - 4. Act in any CDHCC matter while there exists a personal interest incompatible with an unbiased exercise of judgment.
 - 5. Fail to restrict personal business affairs so as to avoid conflicts of interest with duties as an employee.
 - 6. Accept or perform any outside activities, which interfere with the efficient performance of duties as an employee of the CDHCC.

V. CROSS REFERENCE(s)

- Administrative Policy #14 – Ethics Committee
- Administrative Policy #19 – Informed Decision Making
- Administrative Policy #46 – Compliance Program
- Administrative Policy #9 – Compliance - Conflict of Interest
- Administrative Policy #53 – Compliance – Discounts and Rebates
- Administrative Policy #54 – Compliance - Gifts, Entertainment and Gratuities
- Administrative Policy #55 – Compliance – Vendor Donations and Education Funds
- Administrative Policy #57 – Compliance – Professional Courtesy Discounts
- Administrative Policy #67 – Privacy & Confidentiality of Patient Information

VI. REVIEWED/APPROVED

Approved: 6/96 Administration
Revised: 6/00, 2/01, 7/03
Reviewed: 3/09



Craig Melin
President/CEO

4/17/09

Date



Tor Krogius, M.D.
President of the Medical Staff

04/27/09

Date