



# **MEMORIAL HERMANN HEALTH SYSTEM**

**STANDARDS OF CONDUCT**

**January 1, 2022**

Dear Colleagues,

Maintaining the highest ethical standards and caring for our community with the greatest integrity are key to Memorial Hermann's commitment to providing safe, high-quality care across Greater Houston. Our System's robust Corporate Compliance Program helps us fulfill this commitment in a complex and highly-regulated operating environment. Memorial Hermann's Standards of Conduct serve as the cornerstone of this program.

The Standards of Conduct guide our work and service to our patients and our community, while providing a framework for responding to specific situations involving our professional and organizational ethics. Please take time to familiarize yourself with the Standards of Conduct. If any part is unclear, or if you have questions or concerns about an ethical situation you are facing, you are encouraged to speak with your supervisor or a member of senior management. Alternatively, you may call the Compliance Helpline or the Chief Compliance Officer. You can find phone numbers for both on pages 24 and 25.

Together, we are committed to maintaining and honoring the trust of our community. Thank you for doing your part by adhering to our Standards of Conduct.

Sincerely,

A handwritten signature in black ink, appearing to read "David L. Callender, M.D.", written in a cursive style.

David L. Callender, M.D.  
President and CEO  
Memorial Hermann

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## INTRODUCTION

Memorial Hermann is committed to serving our patients, physicians, employees, health plan members and communities in an ethical, legal and responsible manner. We are:

- ◆ Committed to providing services in full compliance with all applicable laws, regulations and guidelines, as well as with our own policies and procedures.
- ◆ Particularly sensitive to the requirements applicable to federal and state healthcare programs and the submission of accurate claims.

The Standards of Conduct are designed to provide general guidance on various topics and help ensure Memorial Hermann's ethics and compliance goals are met within the context of a highly regulated business environment. Individuals should refer to Memorial Hermann's policies and procedures for additional and more detailed guidance on the topics addressed in the Standards of Conduct.

The Standards of Conduct, as well as all applicable statutes, regulations, guidelines and Memorial Hermann policies and procedures, must be observed by everyone (including employees, medical staff, vendors, contractors, suppliers, volunteers, consultants and agents). Failure to comply with the Standards of Conduct can result in serious damage to Memorial Hermann's standing in the community, government enforcement action against the organization and individuals, and disciplinary action for individuals. No one, regardless of position, will be allowed to compromise adherence to the Standards of Conduct.

Supervisors are obligated to be available and responsive when questions arise about the Standards of Conduct. Questions about adhering to the Standards of Conduct or any Memorial Hermann policy or practice should first be directed to your supervisor. If your supervisor is unable to resolve the matter, questions or concerns should be elevated to higher levels of management, Human Resources, the Compliance Helpline or the Chief Compliance Officer.

The Standards of Conduct are a "living document," which are updated periodically to respond to changing conditions. Memorial Hermann reserves the right to modify or amend the Standards at any time and without advance notice.

## MISSION

Memorial Hermann Health System is a non-profit, values-driven, community-owned health system dedicated to improving health.

## VISION

To create healthier communities, now and for generations to come.

## VALUES

- ◆ **Community:** We value diversity and inclusion and commit to being the best healthcare provider, employer and partner.
- ◆ **Compassion:** We understand our privileged role in people's lives and care for everyone with kindness and respect.
- ◆ **Courage:** We act bravely to innovate and achieve world-class experiences and outcomes for patients, consumers, partners and the community.
- ◆ **Credibility:** We conduct ourselves and our business responsibly and prioritize safety, quality and service when making decisions.

## EMPLOYEE COMPLIANCE RESPONSIBILITIES

The success of Memorial Hermann's commitment to compliance relies on the support of all employees. Key employee and management responsibilities related to Memorial Hermann's culture of compliance, ethics and accountability include but are not limited to the following:

Employees: Memorial Hermann employees play a key role in assuring compliance. The following responsibilities apply to all employees:

- ◆ Familiarize yourself with and follow all federal, state and local laws, regulations, and Memorial Hermann policies and procedures that relate to your role.
- ◆ Promptly report all instances of suspected noncompliance using the Memorial Hermann Reporting Process.
  - No disciplinary action or retaliation will be taken against you for reporting a compliance issue in good faith, meaning you believe the information you are reporting is true.
  - If you do not report a violation, you may be subject to disciplinary action even if you were not directly involved.
- ◆ Complete required compliance training in a timely manner.
- ◆ Cooperate with investigations of potential compliance concerns.

Management: Management has the following additional compliance responsibilities:

- ◆ Demonstrate and promote a commitment to ethical and legal behavior that is consistent with Memorial Hermann's mission and values.
- ◆ Take steps to proactively prevent compliance problems, such as establishing safeguards to ensure compliance and monitoring your department's operations for compliance.
- ◆ Ensure that employees under your supervision:
  - Comply with the Standards of Conduct;
  - Know and follow all federal, state and local laws, regulations and Memorial Hermann policies within the scope of their responsibilities;
  - Know the procedure for reporting suspected or actual violations;

- Are encouraged to ask questions and report actual or suspected violations without fear of retaliation; and
- Complete all required compliance training.
- ◆ If an employee comes to you with a question or concern regarding compliance with a federal, state or local law, regulation or Memorial Hermann policy, you are responsible for:
  - Taking steps to ensure the employee does not experience retaliation;
  - Maintaining the employee's confidentiality to the extent practical;
  - Collecting accurate information regarding the employee's report;
  - Pursuing the right process to facilitate appropriate investigation of reports of violations or suspected violations; and
  - Informing the employee that you have followed through on his or her report.

## **PARTNERS IN CARING**

Partners in Caring (PIC) is a grass roots process driven by employees from across Memorial Hermann, providing a source of creativity, comfort, support and enthusiasm for our patients, families, physicians and employees. As a process, PIC continuously looks for ways to support the vision of our System as we focus on the needs of our employees. PIC serves as a source of energy directed at connecting, inspiring and engaging employees to achieve our vision and deliver on our commitment to advance the health of those we serve.

Core to this process is the philosophy and expectation that all employees will treat everyone with dignity and respect while living and delivering the Memorial Hermann culture. PIC reinforces and celebrates the Memorial Hermann culture on a local level. The success of this process lies in the expectation that all employees will commit to the PIC process and actively demonstrate it at work each day.

PIC contributes its support to Memorial Hermann's strategies and values. PIC works to achieve this goal by promoting exceptional patient care experiences and a high reliability culture, embracing safety, creating a community of valued employees and recognizing physicians who demonstrate commitment to our mission, vision, values, and service standards.



## QUALITY OF CARE

**STANDARD OF CONDUCT:** We are committed to providing quality care and services. Our first responsibility is to the patients we serve and their families.

- ◆ We have a responsibility at every level of the organization to maintain integrity and quality in our job performance.
- ◆ We have a responsibility to address any deficiency or error by reporting it to a supervisor who can assess the problem, take appropriate action and follow the problem to resolution. Knowledge of safety or quality of care concerns are expected to be immediately reported internally to a charge nurse, manager or director of the unit/facility in which the issue has occurred and documented in the VRS (Variance Reporting System). If they are not available, hospital/facility administration should be notified. Additionally, if the employee still has concerns, they may contact the Quality Department, Compliance Helpline and/or The Joint Commission. There will be no retaliation or disciplinary action taken against anyone who reports a concern in good faith.
- ◆ We will encourage employees, medical staff, contractors and vendors to continually evaluate existing methods of delivering services and report any suggestion to their unit/facility or hospital management.
- ◆ We will respect the human dignity of each patient by responding to all patient questions, concerns and needs in a timely and sensitive manner.
- ◆ We will continually monitor and evaluate the delivery of care and related services to assure that appropriate standards of practice are met.
- ◆ We will ensure that patient admissions, transfers and discharges are medically appropriate and in accordance with legal requirements.
- ◆ We will employ appropriately licensed and properly credentialed healthcare providers possessing the required expertise and experience to care for our patients.
- ◆ We will not discriminate against any patient based on age, race, ethnicity, religion, culture, language, physical or mental disability, socioeconomic status, sex, sexual orientation, or gender identity or expression.

## COMPLIANCE WITH LAWS AND REGULATIONS

**STANDARD OF CONDUCT:** We are committed to ethical conduct and professional integrity. We will provide patient care and conduct business in compliance with all applicable laws, regulations and policies. We will:

- ◆ Promptly report any potential violation of law, regulation or policy to management, the Compliance Helpline or the Chief Compliance Officer. Retaliation, harassment or any other negative actions taken against a person who in good faith reports a suspected violation is not permitted.
- ◆ Comply with all requirements of the federal and state false claims laws (including the False Claims Act and the Texas Medicaid Fraud Prevention Act) and the role of such laws in preventing, detecting, reporting and correcting incidents of fraud, waste and abuse in government healthcare programs.
- ◆ Not provide, solicit or receive kickbacks, bribes, rebates, gifts, entertainment or anything else of value in order to influence the referral of patients or services.
- ◆ Ensure all agreements with individuals or organizations that may be possible referral sources are in writing and approved in advance by appropriate management and legal counsel.
- ◆ Bill payors and patients in compliance with all applicable laws, regulations and policies.
- ◆ Process all claims in a timely manner in accordance with provider contracts and Centers for Medicare & Medicaid Services (CMS) guidelines.
- ◆ Compete in the market solely on the merit of our services. Marketing information, both oral and written, provided to patients and others will be clear, correct and non-deceptive.
- ◆ Maintain complete and accurate patient medical records and keep all such information confidential.
- ◆ Not employ, contract with or bill for services rendered by an individual or entity that is excluded or ineligible to participate in government healthcare programs. Memorial Hermann routinely reviews the federal and state Office of Inspector General and the General Services Administration's lists for excluded and ineligible persons. Employees have an affirmative duty as a condition of employment to immediately report to the Corporate Compliance Department any potential adverse action taken by an authorized regulatory agency, including those responsible for federal healthcare programs and the General Services Administration.

- ◆ Ensure employees who are providers of professional healthcare services are properly licensed and trained prior to providing patient care.
- ◆ Ensure all drugs or other controlled substances are maintained, dispensed, transported, and disposed of in compliance with all applicable laws and regulations.
- ◆ Comply with all requirements of the Emergency Medical Treatment and Active Labor Act (EMTALA), including providing a medical screening examination to all who seek emergency treatment.
- ◆ Conduct research investigations and clinical trials in compliance with federal and state laws and regulations, and in accordance with accepted professional and ethical standards.

## HUMAN RESOURCES

**STANDARD OF CONDUCT:** We recognize the important role our employees play in ensuring our ability to deliver on our mission. We are committed to creating a workplace where employees are treated with dignity, respect and fairness. We will:

- ◆ Provide a work environment for all employees free from harassment and discrimination, in accordance with the Memorial Hermann Harassment-Free Workplace Policy. Memorial Hermann prohibits all forms of unlawful harassment, including harassment based on race, color, religion, age, national origin, sex (including sexual orientation and gender identity), pregnancy, disability, genetic information, U.S. military service or any other characteristic protected by law.
  - Harassment is verbal or physical conduct that denigrates or shows hostility or aversion toward an individual based on race, color, religion, age, national origin, sex (including sexual orientation and gender identity), pregnancy, disability, genetic information, U.S. military service or any other characteristic protected by law, and that:
    - Creates an intimidating, hostile or offensive work environment;
    - Unreasonably interferes with an individual's work performance; or
    - Otherwise adversely affects an individual's employment opportunities.
  - Harassing conduct includes, but is not limited to:
    - Epithets, slurs or negative stereotyping.
    - Threatening, intimidating or hostile acts.
    - Denigrating or insulting jokes and display or circulation of written or graphic material.
  - Sexual harassment occurs when:
    - Submission to conduct such as unwelcome sexual advances, requests for sexual favors, or other verbal or physical conduct of a sexual nature is made either explicitly or implicitly a term or condition of employment;
    - Submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting the individual; or
    - Such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive work environment.

- Sexual harassing conduct includes, but is not limited to:
  - Sexual flirtations, touching, advances or propositions.
  - Using sexually degrading words to describe an individual.
  - Making graphic or suggestive comments about an individual's dress or body.
  - Displaying sexually suggestive objects or pictures, including nude photographs.
- ◆ Review and evaluate each employee's performance periodically in an objective and consistent manner.
- ◆ Ensure that our employees are employed, trained, promoted and compensated on the basis of personal competence and potential for advancement.
- ◆ Provide reasonable training opportunities to assist employees to build and maintain professional skills.
- ◆ Continually build confidence and professionalism in every employee.
- ◆ Maintain open lines of communication so that the views of each employee may be considered and their opinions given proper respect.
- ◆ Show respect and consideration for one another, regardless of status or position.
- ◆ Maintain personal employee information with appropriate confidentiality.
- ◆ Apply the Standards of Conduct and policies equally to all employees regardless of position in the workplace.
- ◆ Encourage each employee to continually evaluate existing methods of delivering services in order to discover more effective ways of allocating resources for patient care and support services.
- ◆ Ensure that all employees in positions that require licensure/certification are properly licensed/certified by the appropriate federal, state, local or professional agencies.

## BILLING AND CODING

**STANDARD OF CONDUCT:** We are committed to fair and accurate billing that is in accordance with all federal and state laws and regulations. We will:

- ◆ Bill only for services that are medically necessary, actually provided and documented in the patient's medical record.
- ◆ Bill only for healthcare services and items that have been provided by qualified individuals in accordance with state or federal laws, and applicable licensing, privileging and credentialing standards.
- ◆ Only assign diagnostic, procedural and billing codes that accurately reflect the nature and quantity of services that were provided and documented in the patient's medical record.
- ◆ Submit all claims for services to Medicare, Medicaid and other federally funded or private payor healthcare programs with accuracy and correctly identify the services ordered.
- ◆ Not knowingly submit an incorrect claim for payment or reimbursement.
- ◆ Periodically review coding practices and policies, including software edits, to ensure they are consistent with all applicable federal, state and private payor healthcare program requirements.
- ◆ Regularly review our records for patient credit balances and promptly refund any overpayments.
- ◆ Return any overpayments received from governmental healthcare programs (such as Medicare or Medicaid) within 60 days of identification.
- ◆ Not routinely waive insurance co-payments or deductibles.
- ◆ Maintain all records in a secure location for the period of time required by law. The premature destruction or alteration of any document in response to, or in anticipation of, a request for those documents by any government agency or court is strictly prohibited.
- ◆ Respond in a direct, timely and honest manner to all questions and complaints related to a patient's bill.

## PROTECTION AND USE OF INFORMATION, PROPERTY AND ASSETS

**STANDARD OF CONDUCT:** We are committed to protecting Memorial Hermann property and information against loss, theft, destruction and misuse. We will:

- ◆ Honor the privacy of patients and not reveal or discuss patient-related information except with healthcare personnel involved in their care, and with payors and others duly authorized to review patient information.
- ◆ Release patient records only in accordance with Memorial Hermann policies.
- ◆ Maintain the confidentiality of quality assurance, peer review and healthcare services review information in accordance with laws and regulations.
- ◆ Correctly use and care for all property and equipment entrusted to us.
- ◆ Protect confidential corporate information and not use or reveal such information except in the proper performance of duties.
- ◆ Maintain and keep all supplies secure, and promptly report the theft, loss or unauthorized disclosure of restricted information.
- ◆ Dispose of all surplus or obsolete property and equipment according to established procedures.
- ◆ Not permit the creation of unauthorized copies of computer software licensed to Memorial Hermann or use personal software on Memorial Hermann computer equipment.
- ◆ Not knowingly communicate or transfer any information or documents to any unauthorized persons.
- ◆ Not use computers, e-mail, facsimile machines or other technology to communicate privileged and confidential information to unauthorized recipients or to personal external email accounts. Further, the use of technology to send offensive, discriminatory or harassing messages is prohibited.
- ◆ Retain records in accordance with Memorial Hermann policies.
- ◆ Not uninstall, circumvent or otherwise interfere with security solutions deployed on computers, tablets and other devices.

## CONFLICTS OF INTEREST

**STANDARD OF CONDUCT:** We are committed to acting in good faith in all aspects of our work. We will avoid situations in which personal interests, activities or relationships create or appear to create a conflict of interest. A conflict of interest may exist whenever an individual or a related party (such as a family member, friend or business associate) receives a personal benefit from any decision or action taken by the individual on behalf of Memorial Hermann. We will:

- ◆ Not offer, accept or provide gifts or favors, such as meals, transportation or entertainment that might be interpreted as an inducement.
- ◆ Maintain unbiased relationships with actual and potential vendors and contractors.
- ◆ Exercise the duties of loyalty, good faith, honesty and fair dealing in all activities and transactions related to Memorial Hermann.
- ◆ Not misuse our position with Memorial Hermann for personal gain.
- ◆ Not engage in outside business activities or relationships, such as employment, consulting arrangements, financial interests (including ownership or investment interests), contracting arrangements, appointed positions, or board or committee memberships that conflict with the interests of Memorial Hermann.
- ◆ Not use Memorial Hermann resources and property (including supplies, equipment, facilities or personnel) in conducting outside business activities.
- ◆ Not use or disclose Memorial Hermann information that is confidential, proprietary or not generally known to the public.
- ◆ Ensure that employees, physicians and vendors are not disturbed, interfered with or solicited while carrying out their job duties.
- ◆ Not engage in solicitation of patients and visitors during their stay or visit.
- ◆ Not employ a relative or have a Memorial Hermann business relationship with a relative without making it known to your supervisor.
- ◆ Not employ a person to be supervised by a family member or employ a person to supervise a family member, unless appropriate approval is obtained.
- ◆ Disclose any current or proposed relationship, transaction, arrangement or activity that represents an actual or potential conflict of interest to a supervisor, the Compliance Helpline or the Chief Compliance Officer.



## PHYSICIAN, PATIENT AND VENDOR GIFTS

**STANDARD OF CONDUCT:** We are committed to avoiding situations that might create an actual or potential conflict of interest by limiting the offering and acceptance of certain gifts and favors involving our physicians, patients, patients' family members and vendors. It is never appropriate to give or receive gifts or favors (such as meals or entertainment) that might be interpreted as an inducement. It is always best to seek assistance from your supervisor if you have any questions about the appropriateness of a gift or favor.

### Physicians:

We will:

- ◆ Comply with Memorial Hermann's Gifts to Potential Referral Sources (Physicians) policy.
- ◆ Always act in accordance with the federal regulations that limit the cumulative value of gifts that can be provided to physicians in a calendar year.
- ◆ Always obtain preapproval from the hospital department or business unit responsible for tracking physician gifts prior to providing a benefit to ensure that the annual limit is not exceeded.
- ◆ Never provide cash or gift cards of any amount to physicians.
- ◆ Never provide anything of value to a physician that takes into consideration the value or volume of referrals.
- ◆ Never provide anything of value that has been solicited or requested by a physician.

### Patients:

We will:

- ◆ Comply with the Memorial Hermann Gifts to Employees from Patients and Patients' Family Members policy.
- ◆ Never accept cash of any amount from a patient/family member.
- ◆ Never accept non-cash gifts (including gift cards) in excess of \$25 from a patient or patient's family.
- ◆ Never accept any gifts that might influence or appear to influence the provision of patient care or our duties and responsibilities to Memorial Hermann.

- ◆ Never solicit gifts from a patient or patient's family member.
- ◆ Never provide any gifts or favors that would be likely to influence patients to seek or continue healthcare services with Memorial Hermann.

Vendors (including any individual or entity doing business or seeking to do business with Memorial Hermann and any delegates or Medicare Advantage First Tier, Downstream and Related Entities (FDRs) doing business with the Memorial Hermann Health Plan):

We will:

- ◆ Comply with the Memorial Hermann Receipt of Gifts and Favors from Vendors policy.
- ◆ Never accept cash or cash-equivalent gift cards (such as a Visa, MasterCard or American Express gift card) from a vendor or merchant-specific gift cards in excess of \$25 from a vendor.
- ◆ Never accept substantial gifts, excessive or unusual entertainment, or other favors from an individual/concern which does or is seeking to do business with Memorial Hermann or is a competitor of Memorial Hermann.
- ◆ Never offer, provide or accept a benefit or gift in exchange for referring a patient for healthcare services to a particular vendor or healthcare provider.
- ◆ Receive approval prior to accepting reimbursement for expenses related to any educational or training opportunity offered by a vendor.
- ◆ Not accept or retain honorariums (or other payments) offered by a vendor or other outside concern for participating in a speaking engagement.

## SAFETY AND HEALTH

**STANDARD OF CONDUCT:** We are committed to sustaining a workplace that protects the safety and health of our patients, workforce, physicians and visitors. We will:

- ◆ Comply with all safety and health requirements whether established by management, federal, state or local laws, or accrediting organizations.
- ◆ Follow all safety and health work practices and regulations and take all reasonable precautions to sustain a safe environment for our patients, workforce, physicians and visitors.
- ◆ Promptly report any incident involving a work-related injury/illness/exposure to a supervisor, and complete an online form.
- ◆ Participate in workplace hazard identification assessments and follow safe work practices to mitigate risks to the safety and health of employees and others.
- ◆ Make supervisors responsible for inspecting the work area(s) under their control for safety and health risks, eliminating and reporting safety and health risks, understanding safety and health procedures, and training their employees in safety and health precautions.
- ◆ Provide a workplace environment that is free from violence.
- ◆ Follow environmental regulations regarding the disposal of medical waste and hazardous material.
- ◆ Promptly report to a supervisor all spills or incidents involving medical waste or hazardous materials, and take appropriate action to help prevent harm.
- ◆ Safely store, secure and count all drugs and pharmaceuticals. Missing drugs will be promptly reported to supervisors.
- ◆ Participate in safety and health initiatives as observers and/or coaches to sustain a one team approach toward a safe environment.

## PHYSICIANS AND ALLIED HEALTH PROFESSIONALS

**STANDARD OF CONDUCT:** Memorial Hermann is committed to providing healthcare services in full compliance with all applicable laws, regulations and guidelines, as well as our own policies and procedures. Physicians and other allied health professionals (e.g., nurse anesthetists, nurse practitioners, physician assistants, psychologists, etc.) employed by, contracting with and/or affiliated with Memorial Hermann are expected to abide by the laws and regulations affecting the delivery of healthcare services and Memorial Hermann's ethical and compliance standards.

- ◆ Physicians and allied health professionals associated with Memorial Hermann must comply with all applicable federal and state laws and regulations, professional and accrediting standards, and Memorial Hermann policies.
- ◆ The Standards of Conduct shall be made available to all physicians and allied health professionals associated with Memorial Hermann upon application for appointment or reappointment for medical staff credentialing and privileging. By their signature, physicians and allied health professional shall acknowledge receipt of the Standards of Conduct and their responsibility to read and comply with the policies and procedures set forth in the Standards of Conduct.
- ◆ All physicians and allied health professionals who practice at a Memorial Hermann facility, or within the Memorial Hermann Accountable Care Organization, are responsible for understanding and complying with the requirements of the Standards of Conduct.
- ◆ Physicians and allied health professionals associated with Memorial Hermann are required to participate in compliance training and educational programs that complement the Standards of Conduct, compliance requirements, and other rules and regulations. Further, physicians and allied health professionals are encouraged to develop compliance programs in accordance with the OIG's Compliance Program Guidance for Individual and Small Group Physician Practices.
- ◆ Physicians and allied health professionals may not practice at Memorial Hermann if they have been excluded, debarred or are otherwise ineligible to participate in government healthcare programs. Memorial Hermann routinely reviews the federal and state Office of Inspector General and the General Services Administration's lists for excluded and ineligible persons. Further, physicians and allied health professionals must promptly report to Memorial Hermann any actual or potential adverse action (e.g., exclusion, debarment, suspension, etc.) taken by an authorized regulatory agency, including those responsible for federal healthcare programs.
- ◆ Memorial Hermann will promptly and thoroughly investigate alleged misconduct by physicians and allied health professionals performing services within the Memorial Hermann work environment.

- ◆ The Memorial Hermann Chief Compliance Officer has authority to request and review all documents and other information that are relevant to compliance activities, including those concerning physicians and allied health professionals.

## VENDORS AND CONTRACTORS

**STANDARD OF CONDUCT:** Memorial Hermann is committed to providing healthcare services in full compliance with all applicable laws, regulations and guidelines, as well as with its own policies and procedures. Vendors, contractors, consultants, suppliers, agents (including First Tier, Downstream and Related Entities (FDRs)) and other parties conducting business for Memorial Hermann, on behalf of Memorial Hermann or in the Memorial Hermann work environment are expected to abide by the laws and regulations affecting the delivery of healthcare services and Memorial Hermann's ethical and compliance standards.

Memorial Hermann:

- ◆ Will make available the Standards of Conduct to all vendors, contractors, consultants, suppliers and agents with whom Memorial Hermann conducts business.
- ◆ Will promptly and thoroughly investigate alleged misconduct by vendors, contractors, consultants, suppliers and agents performing services for or on behalf of Memorial Hermann.
- ◆ Will routinely screen all vendors doing business with Memorial Hermann against the federal and state Office of Inspector General and the General Services Administration's lists for excluded and ineligible persons.

All vendors and others doing business with Memorial Hermann shall be committed to:

- ◆ Complying with all applicable federal and state laws and regulations, including all applicable state and federal privacy laws (such as HIPAA and the HITECH Act), Centers for Medicare & Medicaid Services (CMS) guidelines, and professional and accrediting standards.
- ◆ Attesting to and acknowledging receipt of the Standards of Conduct and their responsibility to read and comply with the policies and procedures set forth in the Standards of Conduct.
- ◆ Understanding and fully complying with all Memorial Hermann policies (as outlined in the Standards of Conduct) applicable to their activities, the Memorial Hermann work environment, or their presence at Memorial Hermann, such as the Receipt of Gifts and Favors from Vendors Policy.
- ◆ Promptly reporting to Memorial Hermann if they become excluded, debarred or otherwise ineligible to participate in government healthcare programs and ensuring no excluded individuals or legal entities associated with them perform any functions for Memorial Hermann.

- ◆ Competing fairly for Memorial Hermann's business without paying bribes, kickbacks or giving anything of value to secure an improper advantage.
- ◆ Participating in, or developing for their own use, compliance training and educational programs which complement the Standards of Conduct, compliance requirements, and applicable rules and regulations. Further, vendors and others doing business with Memorial Hermann are encouraged to develop compliance programs in accordance with the OIG's Compliance Program Guidance.

## MEMORIAL HERMANN HEALTH PLAN

The Memorial Hermann Health Plan is committed to serving our members and communities in an ethical, legal and responsible manner. We will:

- ◆ Make the health plan members we serve and their families our first priority.
- ◆ Provide member care and conduct business in compliance with all applicable laws, regulations and policies.
- ◆ Comply with all requirements of the federal and state Medicare Advantage and commercial health plan laws, and the role of such laws in preventing, detecting, reporting and correcting incidents of fraud, waste and abuse in government healthcare programs.
- ◆ Maintain internal accounting controls to ensure the integrity and reliability of our financial reporting to the Centers for Medicare and Medicaid Services (CMS), the Texas Department of Insurance (TDI) and other regulatory agencies.
- ◆ Not provide, solicit or receive kickbacks, bribes, rebates, gifts, entertainment or anything else of value in order to influence the referral of health plan members.
- ◆ Process all claims in a timely manner in accordance with provider contracts, Centers for Medicare & Medicaid Services (CMS) guidelines and the Texas Department of Insurance (TDI).
- ◆ Respond in a direct, timely and honest manner to all questions and complaints related to a health plan member's bill.
- ◆ Maintain complete and accurate health plan member eligibility enrollment and claim records, and keep all such information confidential.
- ◆ Release health plan member records only in accordance with Memorial Hermann policies.
- ◆ Avoid situations that might create an actual or potential conflict of interest by limiting the offering and acceptance of certain gifts and favors involving our delegates or First Tier, Downstream and Related Entities (FDRs).
- ◆ Not provide or pay for meals, refreshments, travel, lodging expenses or entertainment for government employees unless pre-approved by regulation or Senior MHHP Management.
- ◆ Carefully review all marketing materials to ensure that statements are factual, well balanced, current and not misleading.



- ◆ Maintain an Office of Foreign Assets Control (OFAC) Compliance Program, designed to reasonably prevent Memorial Hermann Health Plan from being used by others to facilitate money laundering and the financing of terrorist activities involving any covered product, and to report suspicious transactions involving any covered product.
- ◆ Promptly report any potential violation of law, regulation or policy to a supervisor or another member of management, the Memorial Hermann Compliance Helpline at 713-338-4140 or 1-877-448-4140, the Memorial Hermann Health System Chief Compliance Officer (Rob McStay at 713-338-4113), or the Vice President of Compliance for the Health Plan (Bob Clark at (713) 338-6429).

All Medicare First Tier, Downstream and Related Entities (FDRs) doing business with Memorial Hermann shall be committed to:

- ◆ Ethically handling conflicts of interest when conflicts or the appearance of conflicts are unavoidable, including full disclosure to Memorial Hermann regarding any transaction or relationship that could reasonably be expected to give rise to a conflict.
- ◆ Notifying Memorial Hermann of any employee or contractor disciplinary actions taken as a result of a material compliance infraction.
- ◆ Providing the Memorial Hermann Health Plan (MHHP) with a copy of any disciplinary actions taken against a health plan FDR.
- ◆ Keeping financial books and records in accordance with all applicable legal, regulatory and fiscal requirements and accepted accounting practices.
- ◆ Processing all claims in a timely manner in accordance with Centers for Medicare & Medicaid Services (CMS) guidelines and the Texas Department of Insurance (TDI).

## WHEN IN DOUBT

If you are unsure whether an activity or situation is unethical or illegal, pursue it until you are confident it is resolved, or the right person in your organization knows the facts and can take action. A delay on your part could have serious consequences for you, others and Memorial Hermann.

The following words and phrases should be a warning sign to you that a problem may exist:

“Well, maybe just this once.”

“Everyone does it.”

“No one will ever know.”

“Shred that document -- no problem.”

“No one will get hurt.”

If you encounter any of these warning signs or are unsure whether an activity or situation is unethical or illegal, the following questions can help you determine if further action is required:

“Does it potentially break a law, regulation, policy or Standard of Conduct?”

“How will I feel about myself afterwards?”

“What would my family, friends, our physicians or patients think?”

“How would it look if it were in the newspaper tomorrow?”

“Is it fair and honest?”

If you are not comfortable with any of your answers to the above questions, or if you are still not sure whether an activity is wrong, contact your supervisor or call the Memorial Hermann Compliance Helpline. The four-step communication and reporting process outlined in the next section is a helpful guide.

## OPEN COMMUNICATION AND REPORTING PROCESS

Memorial Hermann is committed to creating an open environment for communicating and addressing compliance related questions and concerns. A clear process for reporting potential compliance violations is also an important part of the Memorial Hermann Corporate Compliance Program.

Employees have a responsibility to immediately report compliance concerns or misconduct, including actual or potential violations of laws, regulations, policies, procedures or the Standards of Conduct.

If you have a question or concern about an activity being unethical, illegal or wrong, or suspect a violation, use the following process to get answers and report concerns. Throughout this process, your identity will be kept as confidential as possible.

1. Talk to your supervisor first as he or she should be familiar with the laws, regulations and policies that relate to your work.

If your question or concern involves a human resources related matter, please contact the Memorial Hermann HR Shared Services Employee Hotline at (713) 456-6447.

2. If you are not comfortable contacting your supervisor, or if you don't receive a satisfactory response, talk to another member of your management team.
3. If for any reason you feel you cannot follow the previous steps, or if you want to remain anonymous, you may call the Memorial Hermann Compliance Helpline.

### **Memorial Hermann Compliance Helpline**

713-338-4140

or 1-877-448-4140

(Language translation is available)

4. You may also choose to report your concern to the Chief Compliance Officer.

Chief Compliance Officer, Rob McStay: 713-338-4113

Patients, medical staff, vendors, contractors, suppliers, consultants, agents and health plan members are also encouraged to report potential compliance concerns to Memorial Hermann.

## COMPLIANCE HELPLINE

We recognize that there are times when questions or problems cannot be addressed through the normal communication and reporting process. When this happens, you should use the Compliance Helpline. The Compliance Helpline is:

- ◆ Accessible 24 hours a day 7 days a week.
- ◆ Available to all employees, independent contractors, vendors, allied health professionals, medical staff members, patients and any other parties who wish to report a concern.
- ◆ Capable of accommodating multiple languages.
- ◆ Administered by a third-party vendor to ensure caller confidentiality and to protect the identity of callers who wish to remain anonymous.

The Helpline may be reached at **1-877-448-4140** or **713-338-4140**.

Calls to the Helpline will remain anonymous, unless you choose to identify yourself. If you do provide your name or other identifying information, your identity will be protected to the fullest extent practical or allowed by law.

Reports made to the Helpline will be reviewed by the Memorial Hermann Chief Compliance Officer and addressed in an appropriate and timely manner in accordance with Memorial Hermann policies and procedures. Memorial Hermann will take appropriate action upon receipt of information of possible wrongdoing.

## NON-RETALIATION

Employees, volunteers, medical staff, vendors, contractors, suppliers, agents and anyone else engaged in work at Memorial Hermann can ask questions, seek clarification and report potential or actual noncompliance without fear of retaliation. Similarly, health plan members can report concerns about plan administration or suspected fraud, waste, or abuse without fear of retaliation.

Memorial Hermann follows a strict non-retaliation policy to protect employees and others who report concerns in good faith, meaning you believe the information you are reporting is true. No disciplinary action or retaliation will be taken against you for reporting a compliance issue in good faith.

## CERTIFICATION AND ACKNOWLEDGEMENT

I have received and I will read the Memorial Hermann Health System Standards of Conduct. I understand that the Standards of Conduct apply to my employment and/or contractual relationship and that following all laws, regulations, policies and the Standards of Conduct is a condition of that relationship. I will seek advice from my supervisor, another manager, a Human Resources representative or the Chief Compliance Officer, or I will call the Compliance Helpline with any compliance questions or concerns.

My signature means that I have received the Memorial Hermann Health System Standards of Conduct, and that I acknowledge that it is my responsibility to read and comply with the Standards of Conduct and Memorial Hermann's policies and procedures.

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Signature Employee Number/Tax I.D. Number

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Printed Name Company/Organization Name

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Position and Department/Division

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Date