

GEISINGER HEALTH *

CORPORATE COMPLIANCE PROGRAM

POLICY

It is the Geisinger Health's ("Geisinger's") intent to uphold the business integrity required of a participant in federally funded healthcare programs and all of its other business affairs. Geisinger's delivery of healthcare services must be in compliance with all applicable laws and regulations. It is the responsibility of every employee to proactively identify any concerns and issues relating to potential noncompliance and to abide with Geisinger's policies and procedures designed to minimize noncompliance. Compliance is challenging because the regulatory requirements governing healthcare reimbursement and other business activities are complex and changing. To underscore and enhance its commitment and to better assist all employees, including physicians, in this area, Geisinger is committed to the following Corporate Compliance Program.

PURPOSE

The purpose of Geisinger's Corporate Compliance Program is to:

1. Accentuate Geisinger's commitment to accurate submission of all claims and other filings to third parties;
2. Define employee responsibility to comply with all applicable laws and regulations governing the organization's business affairs;
3. Establish total organizational accountability for corporate compliance from the Board of Directors through all levels of management, staff, and employees;
4. Provide a process by which any employee can identify and confidentially report potential noncompliance exposures;
5. Provide guidance to management regarding the need for preventive and self-check measures to ensure compliance with all applicable laws and regulations;
6. Establish mechanisms to develop and coordinate ongoing effective training and education;

* Throughout this document the terms "GH," "System" or "Geisinger" shall refer to the entire healthcare system comprised of the Geisinger Health as the parent and all subsidiary corporate entities comprising Geisinger. The Geisinger Health Plan, Geisinger Quality Options, Inc. and Geisinger Indemnity Insurance Corporation, however, maintain a companion corporate compliance program structure, policies, and procedures oriented to the regulatory environment of insurance industry and operations.

7. Maintain an organizational corporate compliance framework with a reporting relationship to the Board of Directors;
8. Establish effective lines of communications;
9. Conduct internal auditing and monitoring specifically on corporate compliance matters;
10. Set forth enforcement standards through well-publicized disciplinary guidelines; and,
11. Respond promptly to detected problems and undertake corrective action.
12. Deter fraud, waste and abuse in the health care setting.

I. THE CORPORATE COMPLIANCE PROGRAM – AN OVERVIEW OF SYSTEM ACTIVITIES

Geisinger's Corporate Compliance program is multi-faceted and consists of differing tools in terms of education, policies, practices and auditing committees in order to prevent fraud, abuse, and waste in the health care setting. This section is meant to provide an overview of Geisinger's corporate compliance program activity.

A. CERTAIN AFFILIATES

AtlantiCare Health System, Inc. and Holy Spirit Health System were recently integrated into Geisinger. Pursuant to the terms of the AtlantiCare Integration Agreement, AtlantiCare has elected to retain responsibility for and governance of its compliance program. Minutes from the AtlantiCare System Audit and Compliance Committee are made available to the Geisinger Health System Foundation Audit and Compliance Committee following their approval.

Geisinger Holy Spirit has retained its local compliance accountability team which receives reports and investigates compliance-related concerns in Holy Spirit's service area. Activities of the compliance accountability team are reported to Geisinger Holy Spirit Audit and Compliance Committee which oversees the implementation of risk assessments, work plans and corrective actions in Holy Spirit's service area. Minutes of the Geisinger Holy Spirit Audit and Compliance Committee are reported to the Holy Spirit board of directors and the Geisinger Health Audit and Compliance Committee.

As the above-referenced affiliates continue to integrate into Geisinger over time, their respective roles and responsibilities within Geisinger's Corporate Compliance program shall be periodically reevaluated.

B. CORPORATE COMPLIANCE COMMITTEES

Corporate compliance committees will oversee and coordinate the Corporate Compliance Program. These committees will report regularly to the Audit Committees of Geisinger Health and GH subsidiary corporate entities Board of Directors. Executive leaders chair the corporate compliance committees and share joint responsibilities for compliance with Corporate

Compliance Officers. Geisinger’s Legal Services and Internal Audit Departments serve as ad hoc members on the corporate compliance committees. The corporate compliance committees are: the Physician Coding and Documentation Committee; the General Billing Compliance and System Accuracy Review Committee; the System Ancillary Department Billing and General Compliance Committee, the Research Compliance Committee, and the Geisinger Health Plan Compliance and Privacy Committee. In addition, the Insurance Operations maintain a companion corporate compliance program oriented to the regulatory environment of insurance operations. The corporate compliance committees are subcommittees of the Corporate Compliance Coordinating Committee (“CCCC”). Each committee assumes responsibility for the respective key topics and develops annual action plans for auditing, communications, education, and review of these and other topics as appropriate.

The CCCC is comprised of the chairs of the five compliance committees, Legal Services, Internal Audits, Human Resources, and chaired by the EVP - Clinical Enterprise (“CAO”) and will meet as needed, but at least annually; coordinate annual audit plans; discuss trends and issues in corporate compliance; coordinate and discuss noncompliance, investigations, and other matters that cross over areas of primary corporate compliance committee responsibility; and coordinate any overlap of issues between the Geisinger clinical enterprise and Insurance Operations.

1. Corporate Compliance Committees – Individual Areas of Audit, Review and Education

a. Physician Coding and Documentation Committee — chaired by EVP-Chief Medical Officer (“CMO”). Key topics include but are not limited to:

- Teaching physician documentation compliance
- Provider scope of practice and medical necessity compliance
- Provider billing accuracy
- Evaluation and Management Services
- Evaluation of documentation guideline compliance
- Physician compliance education program
- Emergency Medical Treatment and Active Labor Act (EMTALA)
- Clinical trials compliance
- Utilization review
- All other topics as directed

b. General Billing Compliance and System Accuracy Review Committee — chaired by EVP-Chief Financial Officer (“CFO”). Key topics include but are not limited to:

- Providing analysis of current billing practices
- Establishing mechanisms to develop and coordinate ongoing training and education on appropriate billing practices
- Developing programs and procedures to ensure ongoing compliance with applicable laws and regulations
- Conducting internal and external auditing and monitoring of corporate billings
- Ensure accurate submission of all claims and other filings to third parties; and

- Provide a mechanism for reporting by employees or others of potential noncompliance issues.

These processes are focused on the following areas:

- Provider billing accuracy;
- Medical necessity;
- Proper coding and reporting of claims to third party payors;
- Proper and timely reporting on Cost Reports and other financial statements;
- All such other topics as needed/directed.

c. System Ancillary Department Billing and General Compliance Committee — chaired by EVP-CAO- Clinical Enterprise. Audits are performed in departmental and focus areas such as:

- Radiology
- Laboratory Medicine
- System Therapeutics
- Information Technology
- International Shared Services
- Diversified Services
- Health Insurance Portability and Accountability Act (“HIPAA”)
- Human Resources: Compensation, Benefits, Equal Employment Opportunity (“EEO”), Affirmative Action Programs (“AAP”), and Employment Law
- Supply Chain Management Services
- Patient Referral Policies
- Compliance “Hot-Line” operations and call investigations in conjunction with the departments of Internal Audits and Legal Services
- Business Services
- Emergency Department
- Radiation Safety
- Legal Services
- Internal Audits

d. Research Compliance Committee – chaired by EVP-Chief Scientific Officer. Key topics include but are not limited to:

- Development and implementation of annual research compliance plans
- Development of compliance policies and procedures, including standards of conduct
- Development of methods for effective communication and receiving reports
- Regular and effective training and education of researchers and staff
- Internal monitoring and auditing
- Enforcement of disciplinary standards for non-compliance

The processes are focused in the following areas:

- Clinical trial billing

- Human research protection
- Conflicts of interest in research
- Investigating incidents of non-compliance
- Scientific misconduct
- Good clinical practice
- Grants and contracts management and accounting
- Responsibilities of principal investigators and staff
- Use of restricted and regulated research resources (animals, biohazards, radiation)
- Overall compliance with the laws and regulations governing research and sponsored activities.

e. Insurance Services Compliance Committees – chaired by EVP-System Insurance Operations. Key topics include but are not limited to:

- Establish annual insurance service monitoring/auditing plans
- Review all insurance service compliance work plans, metrics and corrective action plans including training and assume an active role in direction and oversight of compliance activities
- Discuss trends and issues in insurance service/commercial/government programs compliance
- Coordinate any overlap of issues between the GHS clinical enterprise and insurance operations
- Coordinate policy development and review

C. PROCEDURES, POLICY AND PRACTICES

As a second facet of the Corporate Compliance Program, Geisinger has implemented a number of policies, procedures and practices to proactively remind employees and identify issues relating to noncompliance exposures in addition to providing mechanisms for audits and communication regarding compliance issues. Examples of such tools within Geisinger's Corporate Compliance Program include:

1. Public Display of Intent to Comply/Fraud and Abuse Statement — Geisinger's Corporate Compliance Statement will be displayed throughout the System. This notice details Geisinger's commitment to comply with all applicable laws and regulations in the conduct of its business and is posted in prominent places accessible to employees.
2. Educational Program Requirement — A self-directed educational program will be presented to every department/site within Geisinger on an annual basis.
3. Job Performance Requirement — All position descriptions and performance appraisals will incorporate corporate compliance responsibilities and assessments, respectively.

4. Geisinger's Code of Conduct will be reviewed and accepted by every employee, available on Geisinger's Infoweb, and distributed to all firms, vendors, and suppliers with which Geisinger conducts business.
5. Compliance Hot Line – Geisinger has contracted with an outside call service to allow employees to make confidential/anonymous reports regarding suspected cases of fraud and abuse. Postings regarding this service will be found throughout the System as well as in various educational resources.
6. Vendor Credentialing Program - requires any and all vendor representatives who have direct contact with patients to undergo Geisinger training relating to privacy practices, infection control, patient safety; provide appropriate immunization record; and undergo and document criminal background checks.
7. Vendor Relationship Policy – A detailed policy setting forth expectations regarding employee interactions with outside vendors in a number of topical areas including gifts and meals, sponsoring of education, travel and consulting,
8. Geisinger's Institutional Conflicts of Interest Policy – Provides a mechanism by which employees may identify and review and help resolve potential conflicts of interests between personal business matters and institutional pursuits.
9. Geisinger's Research Conflicts of Interest Policy – A similar mechanism exists for examining and resolving conflicts in the research setting.
10. False Claims Act Policies – Educates employees and personnel regarding the role of the federal False Claims Act in deterring fraud and abuse in the health care arena.
11. Geisinger's Whistleblower Protections Policy – Details prohibitions against retaliation against Geisinger employees who report suspected cases of fraud and abuse.
12. Patient Bill of Rights Statement – Details what patients may expect in terms of care and right within Geisinger.
13. Review of billing practices and operations to proactively identify potential exposures through:
 - a. Departmental Self-Audits
 - b. Internal Audits Oversight
 - c. Documentation of Procedures
 - d. Use of Outside Consultants
14. All employees are encouraged to report potential exposure issues or violations of the Corporate Integrity Program.

D. EDUCATIONAL EFFORTS IN COMPLIANCE

All employees are informed of their responsibility to comply with the principles of the Corporate Compliance Program and Geisinger policies through various educational endeavors such as the following:

1. Training sessions and programs at the systems and departmental levels will inform and educate employees of applicable laws, regulations, and standards of business conduct that employees are expected to follow and consequences both to the employee and to Geisinger for noncompliance. These include annual GOALS courses as well as other individual courses unique to specialty or practice of the department or unit on an as needed basis.
2. Employees are informed of their responsibility to comply with the principles of the Corporate Compliance Program. New employees are educated about these principles and the Code of Conduct Policy through the employment orientation process.
3. Each Department Manager shall ensure the discussion of the department's requirement of the Standards of Conduct within four (4) weeks of initiating employment of a new employee.