

 HAWAII HEALTH SYSTEMS C O R P O R A T I O N "Touching Lives Everyday" PROCEDURES	Quality Through Compliance	Policy No.: CMP 002B
		Revision No.:
Subject: Audit and Compliance Committee, Corporate Compliance Committee, Chief Compliance and Privacy Officer	Issued by: Chief Compliance and Privacy Officer	Effective Date: October 13, 2011
	Approved by:  Bruce S. Anderson HHSC PCEO	Supersedes Policy: CMP 0002 Page: 1 of 6

I. **PURPOSE:** To establish and define a process for implementation of Policy 002A for the Audit and Compliance Committee, Corporate Compliance Committee, and Chief Compliance and Privacy Officer.

II. PROCEDURES:

A. Audit and Compliance Committee (ACC):

1. Purpose: The ACC is a subcommittee of the HHSC Board of Directors with chief responsibility for oversight of the HHSC Corporate Compliance Program. The ACC is responsible for the planning, overseeing, administering, and enforcing the many aspects of the compliance program.
2. Composition: Established by HHSC Corporate Bylaws.
3. Meetings: Established by HHSC Corporate Bylaws.
4. Attendance: Established by HHSC Corporate Bylaws.
5. Committee Responsibilities: Specific responsibilities of the ACC Committee shall include, but shall not be limited to, the following:
 - a. Reviewing the Corporate Compliance logs as presented by the Chief Compliance and Privacy Officer.
 - b. Overseeing the implementation of a system to solicit, evaluate and respond to compliance related complaints.
 - c. Recommending to the HHSC Board of Directors any actions, policies, or budget items necessary to meet the compliance needs and program goals.
 - d. Reviewing results of investigations conducted and recommended disciplinary actions.
 - e. Overseeing Risk Assessments and Reviews:
 - i. Generally, the ACC shall be responsible for overseeing compliance risk assessment and reviews that examine:

- Actions that HHSC has taken to comply with all applicable state and federal statutes and regulatory requirements;
 - Corporate policies and procedures to detect areas of concern, and;
 - Business conduct that is likely to result in potential legal risk.
- ii. If warranted, review activities shall be undertaken under the supervision of the Vice President and General Counsel in the expectation that review findings will be privileged and confidential. The Vice President and General Counsel will work with the ACC and the Chief Compliance and Privacy Officer (CCPO) to oversee and organize all reviews/audits conducted by outside counsel.
- iii. Annual Risk Assessment and Reviews: The ACC shall strive to ensure that reviews are conducted on an annual basis. Areas for consideration include the following:
- *Fraud and Abuse Issues* (e.g., purchasing and marketing practices, including payment policies and discounts, physician recruitment and contracting);
 - *Employment Policies* (e.g., ADA and sexual harassment policies and procedures);
 - *Third Party Billing Policies* (e.g., billing practices, pricing practices, contractual relationships with payers, reporting and record keeping practices, and cost report issues), and;
 - *Operational Issues* (e.g., compliance with HIPAA, CLIA, and EMTALA).
- The annual review shall include, at minimum, on-site visits where necessary, interviews with the personnel involved and reviews of written materials and documentation. Scope of Risk Assessment and Reviews: The Chief Compliance and Privacy Officer (CCPO) shall consult with the ACC in establishing the scope and format of the annual review.
- iv. Targeted Reviews : The ACC shall undertake targeted reviews for guidance on issues arising under the Compliance Program either on their own initiative or upon recommendation from the Chief Compliance and Privacy Officer. Such reviews may be internal, or the Chief Compliance and Privacy Officer shall have the authority to retain the services of outside consultants (legal counsel/financial consultants) to conduct such targeted reviews.
- v. When setting the scope of targeted reviews or risk assessments, the CCPO shall consult with the ACC to determine the advisability of retention of outside financial or legal consultants to address billing, cost report, and reimbursement concerns. Selection of outside legal and financial consultants to assist with reviews shall be made according to any applicable policies and procedures of HHSC.
6. Minutes: The ACC will keep records of all Committee proceedings, and will maintain such records in confidential files. Committee minutes may only be reviewed by members of the ACC, the HHSC President and CEO, the HHSC Board of Directors or individuals expressly authorized by the Committee or the HHSC Board of Directors or individuals expressly authorized by the Committee or Board, or as

required by law. Minutes of the ACC will be sent to the HHSC Board of Directors for review and consideration.

B. Corporate Compliance Committee (CCC):

1. Purpose: The CCC serves as the subject matter experts (SME) for the Corporate Compliance Program. The CCC advises the Chief Compliance and Privacy Officer, the Audit and Compliance Committee of the HHSC Board of Directors, and the Regional Chief Executive Officers on matters pertaining to compliance including, but not limited to policies and procedures.
2. Composition: The membership of the Corporate Compliance Committee (CCC) is to reflect a diverse range of skills and expertise, and will include representation from each of the geographic regions which comprise the System.
3. Permanent members: The membership is to consist of the following nine (9) permanent members:
 - The Chief Compliance Officer and Privacy Officer (CCPO) shall be a permanent member of the Compliance Committee to provide the Committee with a perspective on compliance that only a full-time administrator of the Program can offer, as well as to demonstrate the importance of the position within the HHSC hierarchy. Normally, the CCPO shall be the chair of the CCC and staff liaison.
 - The Vice President and General Counsel shall be a permanent member to oversee HHSC's diverse legal responsibilities.
 - The Vice President and Chief Financial Officer shall be a permanent member to facilitate the establishment and operation of accurate and ethical billing and reimbursement systems at all HHSC facilities.
 - The Vice President and Chief Human Resources Officer shall be a permanent member to oversee the hiring process of HHSC employees and to facilitate resolution of personnel issues,
 - The Regional Compliance Officers (5).
4. Other members: Except for the permanent membership of the CCC, the size and composition of the CCC shall vary according to the System's particular needs, circumstances, and vulnerabilities. The following shall be invited to attend each CCC meeting:
 - The HHSC President and Chief Executive Officer
 - Regional Chief Executive Officers
 - Internal Auditor
 - The CCC may also invite any other individual whose participation is deemed helpful to the Committee in the performance of its duties.
5. Committee Responsibilities: Specific responsibilities of the CCC shall include, but shall not be limited to:
 - a. *Compliance Review Responsibilities:*

- i. Assist in the recommendation of annual and targeted risk assessments and review areas for consideration by the ACC.
 - ii. Advise the Chief Compliance and Privacy Officer on any risk assessments and reviews conducted.
 - iii. Review any internal financial review and legal review conducted by outside professional firms.
 - iv. Review compliance issues from the system and recommend possible action and follow-up to the Chief Compliance and Privacy Officer and ACC.
 - b. *Assisting the ACC:* The CCC shall assist the ACC with any necessary actions, programs, or reviews as requested.
 - c. *Risk Assessment or reviews response:* The CCC shall assist in the development of training, education, or remediation necessary that is needed as a result of a risk assessment or targeted or annual review.
 - d. *Policy and Procedures Development:* Review and develop appropriate policies and procedures for ACC recommendation for HHSC Board approval as necessary.
6. Specific Responsibilities of CCC Members:
- a. *Compliance Responsibilities of the Vice President and General Counsel:* In addition to the duties as a member of the CCC, the Vice President and General Counsel is responsible for the following compliance functions:
 - Providing legal advice when appropriate;
 - Overseeing and coordinating the efforts of legal, financial and other consultants and serving as liaison between such legal counsel and the CCC, and;
 - Evaluating and reporting to the CCC regarding legal reviews by outside consultants for HHSC.
 - b. *Compliance Responsibilities of the Vice President and Chief Financial Officer:* In addition to the duties as a member of the CCC, the Vice President and Chief Financial Officer is responsible for the following compliance functions:
 - Providing financial/accounting advice when appropriate;
 - Working in conjunction with Vice President and General Counsel to oversee and coordinate the efforts of financial consultants and serving as liaison between such consultants and the CCC, and;
 - Evaluating and reporting to the CCC regarding financial audits by outside accountants and financial consultants for HHSC.
 - *Compliance Responsibilities of the Vice President and Chief Human Resources Officer (or designee):* In addition to his or her duties as a member of the CCC, the Vice President and Chief Human Resources Officer is responsible for the following compliance functions:
 - Coordinating personnel issues with the various Human Resource Departments to ensure that adequate background checks are done with respect to employees;
 - Assisting in the compliance training process of employees;
 - Overseeing of personnel record system evidencing compliance requirements, and;
 - Advising Compliance Committee on investigations pertaining to personnel issues.

7. Meetings: The CCC shall schedule meetings at least quarterly throughout the calendar year. Other meetings may be called if needed. The meetings will typically be held via video conferencing.
8. Attendance: Committee members must make a commitment to attend all meetings. It is the responsibility of each Committee member to notify the Chair if he or she is unable to attend any meeting and to contact the Chair to obtain information regarding the content of the missed meeting. If at any time five (5) or more members of the Compliance Committee cannot attend a meeting because of extenuating circumstances, the meeting will be rescheduled.
9. Minutes: The CCC will keep records of all Committee proceedings, and will maintain such records in confidential files. Committee minutes may only be reviewed by members of the Compliance Committee, ACC, the HHSC President and CEO, the HHSC Board of Directors or individuals expressly authorized by the Committee or the HHSC Board of Directors or individuals expressly authorized by the Committee or Board, or as required by law. All minutes from the CCC shall be sent to ACC members for review and necessary follow-up.

C. Chief Compliance and Privacy Officer (CCPO):

1. Purpose: The CCPO is the HHSC employee at the Corporate office with primary responsibility for the operation of the Corporate Compliance Program.
2. Specific Responsibilities of the CCPO: In addition to duties as a member of the CCC and other specific duties identified by the HHSC Board or HHSC President and Chief Executive Officer, the CCPO is responsible for the following compliance functions pursuant to direction of the CCC:
 - Serving as staff liaison for the ACC
 - Reporting at every ACC meeting on the state of compliance in HHSC;
 - Serving as Chairperson of the CCC;
 - Providing oversight, monitoring, enforcement and implementation of HHSC's compliance policies;
 - Overseeing that any potential legal violations or other irregularities are promptly investigated, addressed, and resolved in an ethical manner;
 - Establishing methods to improve and reduce the System's vulnerability to fraud, abuse and waste;
 - Conducting investigations into any compliance issues that may arise through complaint, review, risk assessment, and/or at the request of the ACC, a Regional Chief Compliance Officer, HHSC Board Member or Regional Board of Directors Chair. Such investigations will be done under the supervision of the Vice President and General Counsel when warranted to ensure attorney-client privilege is maintained.
 - Participating in the Corporate Compliance complaint review process as described in this policy;
 - Compiling information and documents and preparing reports and assessments at the request of the ACC or CCC, as well as performing such other tasks the ACC or CCC shall request;
 - Overseeing the development and implementation of a mechanism to review compliance related complaints, including developing all related

policies and procedures and overseeing training related to its operation;

- Confer with the Vice President and Chief Human Resources Officer, Regional HR Directors, and the Regional CEO as necessary regarding appropriate disciplinary action upon conclusion of an investigation. All investigations involving possible employee misconduct and any disciplinary action imposed shall be in conformity with HHSC policies and procedures, collective bargaining agreements, and legal authorities
- Establishing a mechanism to oversee that independent contractors and agents who furnish medical services to the System are aware of the requirements of the Compliance Program;
- Overseeing personnel issues with the various Human Resource Departments and Medical Staff Offices to ensure that adequate background checks are being done with respect to employees;
- Overseeing the review and revision of System policies and procedures to address compliance concerns.
- Reporting, as needed or requested, to the HHSC Board of Directors regarding the state of compliance.
- Periodically revising the Compliance Program in light of changes in the needs of System and in the laws and policies of government and private payors, and;
- Performing any other function necessary to achieve the goals of the Compliance Program.

D. Confidentiality: All members of the Compliance Committee as well as the Regional Compliance Officers and invitees are expected to maintain the Confidentiality of Compliance Committee proceedings and any related reviews or investigations. Information should only be disclosed to those authorized by the Committee or the HHSC Board of Directors or as needed to perform the duties of the Committee.

III. APPLICABILITY: These procedures shall apply to the committees and position referenced herein.

IV. REFERENCE: HHSC POLICY CMP 002A.