

 REGAL MEDICAL GROUP, INC.	DEPARTMENT: COMPLIANCE	
	Procedure No. COMP13-001	Effective Date: 06/01/2013
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	Approved by: 11/21/2013	Date:
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	Revised by: 2/5/2015 Compliance Committee	Date: Version:
TITLE OF PROCEDURE: Establishment of Compliance & Anti Fraud/ Waste/Abuse Program		

Purpose:

To establish a Chief Compliance Office, Compliance Program, and Anti-Fraud/Waste/Abuse Program within Regal Medical Group, Inc. and its providers and affiliates

Policy:

BACKGROUND :

Regal Medical Group ("RMG"), which is an affiliated medical group of the Heritage Provider Network, Inc. ("HPN"), is committed to providing high-quality, cost effective health care and human services in compliance with all applicable federal, state, and local laws and regulations. To achieve this goal, RMG depends upon its employees, contractors and agents to be aware of, and comply with, these laws and regulations. In some circumstances, however, the application of the law is highly technical, and common concepts of right and wrong lend little guidance. Employees may believe they are conducting themselves properly, but may in fact be violating the law. Violations of health care and human services laws and regulations by employees, contractors and agents can expose RMG to the risk of substantial penalties.

In order to avoid violations of health care and human services laws or regulations, the RMG Executive Committee and HPN have directed that RMG shall formally implement HPN's Compliance Program that applies to all Divisions, Programs and Regions of RMG, inclusive of its first tier, downstream providers, affiliates, and related parties. While recognizing that HPN and RMG has already adopted certain programs, policies and procedures intended to increase compliance with all applicable laws and to promote high quality patient care and client services, by implementing a formal, agency-wide Compliance Program RMG seeks to promote a working environment that fosters and expands these ideals and permits its employees, contractors and agents to demonstrate the highest ethical standards in performing their daily work activities. RMG also recognizes that federal agencies responsible for enforcing laws and regulations governing the funding of Medicare, Medicaid (Medi-Cal) and other federal and state funded programs encourage the voluntary development and implementation of Compliance Programs by recipients of these funds. Consequently, on November 22, 2013, RMG ratifies the HPN Compliance Program as its own.. This Policy and Procedure sets forth RMG's commitment to that program, which is described in greater detail with the attached Compliance Plan, Anti-Fraud, Waste, and Abuse Plans, and implementing Policies and Procedures.

POLICY:

1. RMG hereby adopts the Heritage Provider Network, Inc.'s Compliance Plan as its own to guide its Compliance Program and which it shall refer to as its "Compliance Plan".
2. RMG shall dedicate the necessary resources toward development of an effective Compliance Program ("Program"), based upon the HPN Compliance Plan, and intended to prevent, detect and correct violations of federal, state or local law or regulations governing health care and human service programs by employees, contractors or agents. RMG shall establish a Compliance Committee ("Committee" or alternatively the "CC") and executive subcommittee, to be known as the Executive Compliance Committee ("ECC"). The CC and ECC shall be responsible for the effective development and implementation of the Program. The Committee will include designated management and executive level employees with overall responsibility for overseeing the development and implementation of the Compliance Program.

The Program will include the following elements:

- a. Code of Conduct and Compliance Standards. RMG shall establish written standards and procedures to be followed by employees, contractors and agents that promote a commitment to compliance and that are reasonably capable of reducing the prospect of wrongful conduct.
- b. Chief Compliance Officer. RMG shall establish the position of Compliance Officer who will be a senior-level RMG employee vested with the primary responsibility for overseeing and monitoring the effective implementation and maintenance of the Program. The Chief Compliance Officer will report to the RMG COO and shall be responsible for providing the Chief Operating Officer, Executive Board and the Compliance Committee with periodic reports on the progress of the Compliance Program.
- c. Communications. RMG shall establish a system that allows for the free and full communication by RMG employees, contractors and agents of questions, complaints or concerns relating to actual or potential noncompliance with RMG standards to the Compliance Officer and/or Committee. This system shall permit RMG employees, contractors and other agents to communicate these concerns without fear of retribution or reprisal.
- d. Training and Education. RMG shall develop and implement procedures to effectively communicate its compliance policies and procedures to all employees, contractors and agents, including mandatory participation in training programs and dissemination of related Program materials.
- e. Auditing and Monitoring Systems. RMG shall develop and implement systems for auditing and monitoring compliance with applicable federal, state,

and local laws and regulations relating to health care and human services funding and programs. These systems shall be designed to reasonably detect potential violations of those laws and regulations. The auditing and monitoring shall be performed in accordance with audit work plans established by the Compliance Officer working together with the Compliance Committee and, as appropriate, General Counsel.

- f. Enforcement and Disciplinary Actions. RMG will develop and implement appropriate disciplinary mechanisms in accordance with applicable civil services rules to enforce the Program including, where appropriate, discipline of individuals for engaging in wrongful conduct or for failing to detect or report noncompliance. Appointing authorities shall be responsible for the fair and consistent application of discipline relating to violations of the Compliance Program.
 - g. Response and Prevention. RMG shall develop and implement mechanisms for responding to and investigating all reasonable questions, concerns or complaints regarding compliance and suspected noncompliance and for taking necessary corrective action to address wrongful conduct and to prevent any recurrence of similar conduct.
4. RMG understands that the development and implementation of compliance standards, educating and training employees regarding those standards, and reviewing and enhancing internal controls and monitoring systems will be time-consuming, and will require the Committee to work with many RMG departments, committees, employees, contractors and other agents. Accordingly, the Committee shall proceed in phases, but shall make steady progress toward the development and implementation of a coordinated agency-wide Program as expeditiously as possible.

Responsible Departments:

COMPLIANCE, and all of Regal Medical Group, Inc. and its first tier, downstream providers, staff, associates, contractors, and related parties and entities. .

Procedure:

Specific policies for implementing the various components of the Program shall be contained in the Regal Medical Group, Inc. Compliance Plan and Anti-Fraud/Waste/Abuse Plan, and with all of their attached Policies and Procedures.

Attachments:

Regal Medical Group, Inc. Compliance Plan;
Regal Medical Group, Inc. Anti-Fraud, Waste, and Abuse Plan;
Policies and Procedures , as attached and contained in RMG Compliance Plan